



DEPARTMENT OF LABOR

POLICY ISSUANCE 2019-08

Maryland Work Opportunity Tax Credit (WOTC) | August 8, 2019

TO: Division of Workforce Development and Adult Learning (DWDAL) staff

FROM: Division of Workforce Development and Adult Learning
Maryland Department of Labor (Labor)

SUBJECT: Maryland Work Opportunity Tax Credit (WOTC)

PURPOSE: To provide comprehensive policy guidance on the Maryland WOTC Program

ACTION: DWDAL will ensure all employees are aware of and receive copies of this policy. DWDAL policies are available [on the Labor website](#).

EXPIRATION: Until cancelled or replaced.

QUESTIONS:

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GENERAL INFORMATION

WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

The Workforce Innovation and Opportunity Act (WIOA) was signed into law on July 22, 2014, and went into effect July 1, 2015. WIOA supersedes the Workforce Investment Act of 1998 (WIA) and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. To help both businesses and job seekers meet their needs, the workforce system established under WIOA is integrated by design. WIOA envisions connecting businesses with job seekers, through meaningful partnerships among workforce, education, human services, and economic development entities which ensure optimum results and leveraging of resources. The law addresses the needs of job seekers through establishing a workforce system that helps them access employment, education, training and support services to succeed in the labor market. Through American Job Centers (AJCs), WIOA works to address employer needs by matching them to the skilled workers they need to compete in the global economy. WIOA places an emphasis on serving individuals with barriers to employment that hinder them from entering into a fulfilling and meaningful career.

PROTECTING AMERICANS FROM TAX HIKES ACT OF 2015 (THE PATH ACT)

The Protecting Americans from Tax Hikes Act of 2015 (The PATH Act) was signed into law on December 18, 2015. It contains several changes to the tax law that affect individuals, families, businesses, and helps safeguard against tax fraud. The PATH Act reauthorized the Work Opportunity Tax Credit (WOTC) for new hires after December 31, 2014 and before January 1, 2020 and added additional eligible populations. The PATH Act retroactively extended the WOTC for nine categories of workers hired on or after January 1, 2015. It also added a tenth category: long-term unemployment recipients hired on or after January 1, 2016.

WOTC is a federal tax credit¹ available to employers who hire individuals from specific target groups that have consistently faced significant barriers to employment. Any business can earn tax credits by hiring individuals who fit into one of the program's target groups such as veterans, individuals with disabilities, and persons receiving government assistance. The goal of the WOTC program is to encourage the hiring of individuals with specific barriers and increase employment opportunities. Employers can create a positive environment in communities while reducing their income tax liability.

MARYLAND'S APPROACH TO WOTC

The state of Maryland Department of Labor (Labor), Division of Workforce Development and Adult Learning (DWDAL) has a Tax Credit Unit, charged with administering federal tax credit programs. The DWDAL Tax Credit Unit oversees and administers the Maryland WOTC program. This policy is not meant to be an exhaustive list of how all federal tax credits are administered; rather, the scope is limited to the Maryland WOTC program.

Maryland receives a federal allotment to administer the WOTC program each year, as the program is reauthorized. Maryland may use this allotment to:

- Implement the certification² process and issue final determination to employers or their authorized representatives;
- Promote WOTC to employers;

¹ A tax credit is an amount of money that taxpayers can subtract from their taxes owed to the government.

² Labor is the certifying agency for the Maryland WOTC program. A WOTC certification indicates that an application has been approved.

- Reduce and eliminate existing backlogs; and
- Report performance data on a quarterly basis.

Labor is committed to using the WOTC program to better serve its customers in order to provide businesses with the skilled workforce they require and to increase the earning capacity of individuals with barriers to employment.

WOTC LIMITATIONS

The Maryland WOTC program is subject to the federal allotment each Fiscal Year as well as federal reauthorizations of the program. Labor cannot administer the WOTC program if not authorized to do so from the federal level.

Individual business WOTC certifications may be subject to the following limitations:

- The credit is limited to the amount of the business income tax liability or social security tax owed.
- A taxable business may apply the credit against its business income tax liability, and the normal carry-back and carry-forward rules apply.
- For qualified tax-exempt organizations, the credit is limited to the amount of employer social security tax owed on wages paid to all employees for the period the credit is claimed.

WOTC applications,³ are limited to one application per employee within 28 calendar days of the new employee's start date. Businesses, or their authorized representatives, must complete one application for each employee for which they wish to receive a tax credit. While an employee may be eligible for the WOTC program under multiple target populations, the business may only receive one credit per employee.

The WOTC amount an employer claims depends on the number of hours the employee works.

- All new employees must work a minimum of 120 hours. The tax credit cannot be claimed on employees who have worked fewer than 120 hours.
- The credit is 25 percent of qualified first-year wages (up to \$6,000) for those employed 120 to 399 hours.
- The credit is 40 percent of qualified first-year wages for those employed 400 or more hours.

³ The WOTC application is described on pages 8-9.

EMPLOYEES: PARTICIPANT ELIGIBILITY

The following section lays out the target groups of individuals with barriers to employment for which an employer could claim the WOTC.

In order for businesses to be eligible to receive the WOTC, their employee(s) must meet the qualification for one of the following target groups, including:

- Qualified IV-A recipient (Temporary Assistance for Needy Families (TANF) benefits-recipient);⁴
- Qualified veteran;
- Qualified ex-felon;
- Designated community resident (live in empowerment zone; under the age of 39);⁵
- Vocational rehabilitation referral;
- Recipient of Supplemental Nutrition Assistance Program (SNAP) benefits (food stamps);⁶
- Supplemental Security Income (SSI) recipient;
- Long-term family assistance recipient; or
- Qualified Long-term unemployment recipient.

The business and/or the DWDAL Tax Credit Unit must be able to verify the employee's status as qualifying under one of these target groups. Maryland adheres to the United States Department of Labor's (USDOL's) eligibility criteria guidance. A list of eligibility criteria, documentary evidence, and additional guidance can be found on the USDOL Employment and Training Administration (ETA) website at the following link: https://www.doleta.gov/business/incentives/opptax/docs/WOTC_EligibilityDeskAid.pdf.

An individual is only WOTC certified, where the employer may claim the tax credit on that individual, if the employer submits the application for the WOTC no later than the 28th calendar day after the individual begins work for the employer, and the employer receives certification from Labor that the individual is a member of a target group.

The tax credit amount differs per target group. The Internal Revenue Service (IRS) determines the amount for each credit once the business or their authorized representative files their taxes. While an employer may indicate that an individual meets qualification for more than one target group, the WOTC certification may only be granted for one group per individual. If multiple target groups are indicated on the application, the DWDAL Tax Credit Unit will check for target group qualifications in order of most-to-least credits available.

An individual that meets the qualification for one or more of the above target groups may be *ineligible* for the Maryland WOTC program if they also meet one of the following characteristics, including:

- Individual is self-employed (i.e. claiming the tax credit on themselves);
- Individual related to the employer and/or is a member of the employer's household;

⁴ The assistance must be received for any nine months during the 18 month period ending on the hiring date.

⁵ An interactive map of the empowerment zones can be found at the following link:

https://www.google.com/maps/d/viewer?mid=1ZTltfSN-pziGuUCU_Wp906LJtpY&hl=en_US&ll=39.308143699999995%2C-76.59353520000002&z=22.

⁶ The assistance must be received for the full six month period ending on the hiring date or, for individuals no longer eligible for the assistance under the Food Stamp Act of 1977, assistance must have been received for at least three months of the five month period ending on the hiring date.

- The individual is a non-qualifying re-hire;⁷
- Individual does not meet the minimum employment period; and/or
- The individual elects for the business not to claim them for the WOTC.

⁷ An employer may not qualify for the tax credit for an employee if, prior to the hiring date, the person was employed by the employer at any time during which they were not a member of a targeted group. The person must have been WOTC-qualified and certified as such only the first time they were hired by a particular employer. A WOTC certified individual may experience one or more breaks in employment, i.e., be laid off or quit and be re-hired by the same employer, and continue to qualify their employer for the tax credit. However, the employer may take the credit only on wages paid during the one-year period (or 90 day period for summer youth) beginning on the employment start date, including any breaks in employment. In determining whether an employee satisfies the minimum employment period, the employer totals the cumulative days or hours the employee actually worked during the employee's first year of employment.

EMPLOYERS: PARTICIPATING BUSINESSES AND OUTREACH

ELIGIBILITY

To be eligible for participation in the Maryland WOTC program, a business must be operating in the state of Maryland. Consultants with power of attorney for an employer may apply on behalf of that employer.⁸ Businesses may be either taxable or tax-exempt. The credit will not affect the employer's Social Security tax liability reported on the organization's employment tax return.

Businesses may apply for the Maryland WOTC program, and applications must be received within 28 calendar days after the new employee's start date.

EMPLOYER OUTREACH METHODS

Labor encourages business services staff from DWDAL and the 12 Local Workforce Development Areas to conduct outreach to ensure that Maryland's businesses are aware of the opportunities available to them via this program. Once an interested business has been identified, business services staff can connect the business to the DWDAL WOTC Supervisor for technical assistance in the completion and submission of the application, if appropriate.

⁸ See *Attachment D – Sample Form 2848 – Power of Attorney and Declaration of Representative* for more information.

WOTC CERTIFICATION PROCESS

The Maryland WOTC program certification process can be broken down into three steps, including:

- **Step 1: Application.** The business, or their authorized representative, submits the application to Labor either online or by mail;
- **Step 2: WOTC Certification.** The DWDAL Tax Credit Unit verifies that the individual specified in the application qualifies for WOTC under one of the target groups; and
- **Step 3: Approval or Denial.** The DWDAL Tax Credit Unit sends the business, or their authorized representative, a letter of approval (certification) or denial. If denied, businesses, or their authorized representatives, may appeal the decision within 90 days of receiving the denial letter.

The subsections below break down the phases into more detail.

APPLICATION

The application for the Maryland WOTC program is made up of two-to-three federal forms⁹, depending on which target population(s) the employee may meet. All applications must include the United States Department of Treasury, IRS Form 8850, *Pre-Screening Notice and Certification Request for the Work Opportunity Tax Credit*.

Applications may also include:

- USDOL ETA Form 9061, *Individual Characteristics Form (ICF) Work Opportunity Tax Credit* if the employee is marked in the application as any population other than a long-term unemployed recipient AND/OR
- United States Department of Treasury IRS Form 9175, *Long-Term Unemployment Recipient Self-Attestation Form Work Opportunity Tax Credit (WOTC) Program* if employee is marked in the application as a long-term unemployed recipient.

Attachments A, B, and C provide samples of the two application forms, including ***Attachment A – Sample Form 8850 – Pre-Screening Notice, Attachment B – Sample Form 9061 – ICF WOTC, and Attachment C – Sample Form 9175 – Long Term Unemployed Self-Attestation Form.***

Consultants with power of attorney for an employer must also submit IRS Form 2848, *Power of Attorney and Declaration of Representative* with the application. ***Attachment D – Sample Form 2848 - Power of Attorney and Declaration of Representative*** provides an example of this form.

The business, or authorized representative, may only submit one application per employee; however, they are not limited in the number of applications that they submit. Businesses, or their authorized representatives, may submit the application online¹⁰ to <https://wotc.dllr.state.md.us/> or by mail to:

⁹ Federal forms are subject to change. The attachments to this policy provide examples of the forms at time of issuance. Interested applicants should check the IRS and USDOL ETA websites for the most up-to-date forms.

¹⁰ This policy applies to future data systems that Labor may procure for the Maryland WOTC program.

Attn: WOTC Tax Credit
Division of Workforce Development and Adult Learning
Maryland Department of Labor
1100 North Eutaw Street, Room 203
Baltimore, MD 21201

If the business or authorized representative submits the application online, then Labor will communicate with the business or authorized representative through the online portal. If the application is submitted by mail, then Labor will communicate by mail unless an email address is included for communication purposes. If submitted by mail, the employer or authorized representative must be able to provide proof of timely submission; certified mail is suggested.

Applications must be received within 28 calendar days after the employee's start date, or the application is invalid.

WOTC CERTIFICATION

The DWDAL Tax Credit Unit processes applications in the order that they were received. The online applications are timestamped automatically when submitted. If an application is received by mail, then DWDAL staff timestamp the postage, catalogue that it was received, and file the applications in locked cabinets and/or offices.¹¹ DWDAL staff will enter the applications received by mail into the WOTC database and process them online in the order received. **Attachment E – Creating a New WOTC Staff Account** provides instructions for how to give WOTC certification access to a new staff member.¹²

The DWDAL Tax Credit Unit staff process all applications online by verifying the status of the employee as meeting the eligibility requirements for one or more of the target groups. The tax credit amount differs per target population; length of time benefits received, when applicable; and length of time worked at the job (effects credit claiming later, not at time of certification). In general, DWDAL Tax Credit Unit staff should check for veteran status eligibility first, TANF second, and then for the other target group eligibility requirements, where applicable.

A business can only receive one credit per employee. If a business or authorized representative indicates that their employee meets the eligibility requirements for more than one target population, then the DWDAL Tax Credit Unit staff must check eligibility in order from highest tax credit amount to lowest. Once eligibility has been verified for one population group, then staff do not need to verify any of the other target group eligibility criteria for that application.

The DWDAL Tax Credit Unit will use existing Memoranda of Understanding (MOUs) with state and local partners, as well as partners in other states, to verify eligibility for WOTC certification, where possible. The DWDAL Tax Credit Unit may work with other states to verify that an employee in question has received TANF or SNAP benefits in another state. To verify benefits received in another state, the WOTC Program Coordinator sends the *Out-of-State Request Verification Form* to the appropriate office in that state. **Attachment F – Sample Out-of-State Request Verification Form** provides an example of this document used to verify benefits received outside of Maryland.

If the DWDAL Tax Credit Unit is unable to confirm eligibility with existing resources and partnerships, then the unit sends a *Needs Documentation Form* and *Conditional Certification* to the business or authorized representative, indicating that more information is needed. The *Needs Documentation Form* outlines which target

¹¹ See section entitled "Record Retention" on page 13 for more information.

¹² To create a new WOTC Staff Account, a current DWDAL Tax Credit Unit staff member with an existing account must request access on behalf of the new employee.

group(s) require additional information for verification, and the *Conditional Certification* provides a list of allowable documents or information to verify eligibility. **Attachment G – Sample Needs Documentation Form** and **Attachment H – Sample Conditional Certification** provide examples of these forms sent to the employer or authorized representative.

The business or authorized representative has 90 days from the date of the notification letter to return the *Conditional Certification* document to the DWDAL Tax Credit Unit, or the case file will be closed, and the DWDAL Tax Credit Unit shall send a denial letter.¹³ If the DWDAL Tax Credit Unit receives the completed *Conditional Certification* within the 90 day period, then they may continue processing the application.

APPROVALS, DENIALS, AND APPEALS

A determination is made once eligibility for one of the target groups has been verified to be accurate or inaccurate. If the employee can be verified as meeting the qualifications of one of the target groups, then the application is approved. If it is found that the employee does not meet eligibility requirements, then the application is denied.

Once the application has been processed and a determination has been made, the DWDAL Tax Credit Unit sends the determination to the business or authorized representative, in the form of a Certification letter or a denial letter. If the application is denied, then the business or authorized representative has the right to appeal the decision. The determination is sent by the method indicated in the application (i.e. through the portal, by mail, or by email).

Approvals

The USDOL ETA *Employer WOTC Certificate* is the approval letter that confirms that the employer or authorized representative is eligible to receive the tax credit for the new employee as long as the employee works the required number of hours to meet the minimum employment period. **Attachment I – Sample Employer WOTC Certificate** provides an example of the approval letter.

If approved, the DWDAL Tax Credit Unit sends the *Employer WOTC Certificate* to the employer or authorized representative through the online portal, by mail, or by email, as is appropriate according to how the application was received.

Denials

If denied, the DWDAL Tax Credit Unit sends the employer or authorized representative a denial letter with a written explanation of the reasons for such denial, contact information, and instructions for appeal. The denial letter is sent through the online portal, by mail, or by email, as is appropriate according to how the application was received. **Attachment J – Sample WOTC Denial Letter** provides an example of the denial letter.

Incorrect certifications result in denial. If an employee has been certified as a member of a targeted group, and such certification is incorrect because it was based on false information provided by such employee, then the IRS and/or DWDAL Tax Credit Unit shall revoke the certification, and the IRS will not treat the wages paid by the employer as qualified wages after the employer or authorized representative receive the notice of revocation.¹⁴

¹³ See page 10 for more information on denial letters.

¹⁴ See page 12 for more information on notices of revocation.

Appeals

Employers or authorized representatives that are denied WOTC designation by Labor may appeal directly to the DWDAL WOTC Supervisor within 90 days of notification of the action. Appeals must state, in writing, the basis for the appeal, including the facts or issues that support the appeal and a request for a conference if one is desired.

Labor accepts appeals submitted by email or by certified mail at: wotc.dllr@maryland.gov or

Attn: WOTC Supervisor
Division of Workforce Development and Adult Learning
Maryland Department of Labor
1100 N. Eutaw Street, Room 203
Baltimore, Maryland 21201

Within 30 calendar days of receipt of an appeal, Labor shall notify all relevant parties in writing of the time, date, and location of the appeal conference. The decision of the DWDAL WOTC Supervisor will be final.

TRACKING, MONITORING, AND RECORD RETENTION

TRACKING

The DWDAL Tax Credit Unit must maintain an orderly catalogue and file system for IRS Form 8850, ETA Form 9061, and IRS Form 9175, supporting documentation, certifications, denial letters, appeals, audits, and any other forms needed for the administration of WOTC relating to the Maryland WOTC program.

Only the DWDAL Tax Credit Unit has access to write and view the case notes on the electronic files. Case notes may include information on the status of certification. Examples of case note information include whether the employee's eligibility could be verified under one of the target populations or whether the unit is waiting for additional verification information. Case note writing should be standardized in accordance with **Attachment K – Case Note Process File**.

MONITORING

A designated staff member of the DWDAL Tax Credit Unit must conduct a quality review for each WOTC case within 48 hours of the determination. The staff that processed the original determination must not be the same staff that conducts the quality review on that case.

Each quarter, the DWDAL Tax Credit Unit must conduct a self-audit to review ten percent of the cases processed that quarter, including those for qualified summer youth employees. The cases will be randomly selected. A staff person other than the originator must examine the certifications in the sample. Unless results call for a wider-scope examination of Certifications, the audit sample will suffice as the test of WOTC as required. The DWDAL Tax Credit Unit must complete the USDOL ETA Form 9059, *Verification Results Work Opportunity Tax Credit: Audit Summary Worksheet* to document the process and results of the self-audit. **Attachment L – Sample Form 9059 – Audit Summary Worksheet** provides an example of this form. The DWDAL Tax Credit Unit should conduct staff training following self-audits if issues arise.

After conducting the self-audit, the DWDAL Tax Credit Unit must document the results for each case, i.e. whether the original determination was valid or invalid. If the certification was valid, then the DWDAL Tax Credit Unit completes USDOL ETA Form 9065, *Agency Declaration of Verification Results (ADVR) Worksheet*. This document is completed and maintained internally and is not sent to the employer or authorized representative. **Attachment M – Sample Form 9065 – ADVR Worksheet** provides an example of this form used when the self-audit confirms that a determination was valid.

If the certification was invalid, then the DWDAL Tax Credit Unit must send a revocation notice to the employer and IRS alerting them that the WOTC is not valid. Wages paid by the employer shall not be treated as qualified wages after the employer or authorized representative receive the notice of revocation. **Attachment N – Sample Notice of Revocation** provides an example of the letter sent to the employer and IRS if the self-audit reveals that the WOTC certification was incorrect.

It is not the responsibility of Labor to verify that a certified targeted employee has worked the required number of hours for the employer. Labor is only responsible for verifying and certifying an applicant's eligibility in a specific WOTC target group. The responsibility for verifying the required number of hours a WOTC certified employee worked rests with the IRS, the only enforcement agency.

The state of Maryland acknowledges that the USDOL has the authority to monitor the state's administration of the WOTC program.

RECORD RETENTION

Electronic records in the WOTC database are maintained indefinitely.¹⁵

For physical records, Labor will keep copies of IRS Form 8850, ETA Form 9061, IRS Form 9175, supporting documentation, certifications, denial letters, appeals, audits, and any other forms needed for the administration of WOTC relating to the Maryland WOTC program. Records that support an approved credit must be kept for three years from the date any income tax return claiming the credit is due or filed, whichever is later. Labor must keep records for a one-year period from the date Labor issued a denial, longer if further action or appeal is pending, or until all audit and litigation issues are resolved, whichever is later. If any litigation, claim, or audit is started before the expiration of the standard retention period, the records then must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action has been taken.

All records, both electronic and physical, must be maintained in accordance with Training and Employment Guidance Letter (TEGL) 39-11, “*Guidance on the Handling and Protection of Personally Identifiable Information (PII)*” as well as Labor DWDAL’s policy concerning security¹⁶ to maintain confidentiality and protect Personally Identifiable Information. Physical records must be kept in locked offices or file rooms. If the file room is shared with other programs, and/or staff other than the DWDAL Tax Credit Unit have access to that room, then the files must be maintained in locked cabinets.

¹⁵ Electronic records are maintained in the WOTC indefinitely at this time. In the future, Labor may procure or move to another database, for which the records must be kept for at least the same length as the physical records.

¹⁶ Labor DWDAL Policy Issuances are available online at the following link: <http://www.dllr.state.md.us/employment/mpi/>.

REFERENCES

LAW

- [Workforce Innovation and Opportunity Act \(WIOA\)](#), 29 U.S.C. § 3101 *et seq.* (2015);
- [Protecting Americans from Tax Hikes Act of 2015 \(the PATH Act\)](#), Amendment to 26 U.S.C. § 51;
- [The Food Stamp Act](#), 7 U.S.C. § 2015(6)(o)(2)(A)-(D) (1977);
- [Internal Revenue Code of 1986](#), 26 U.S.C. § 51, as amended.

FEDERAL GUIDANCE

- [Training and Employment Guidance Letter \(TEGL\)10-18, “Work Opportunity Tax Credit Funding Allotments for Fiscal Year 2019,”](#) dated February 8, 2019;
- [TEGL 02-17, “Work Opportunity Tax Credit \(WOTC\) Funding Allotments for Fiscal Year \(FY\) 2017,”](#) dated August 30, 2017;
- [TEGL 21-17, Change 1, “Change 1 to Training and Employment Guidance Letter No. 21-17, Work Opportunity Tax Credit Funding Allotments for Fiscal Year 2018,”](#) dated October 10, 2018;
- [TEGL 21-17, “Work Opportunity Tax Credit Funding Allotments for Fiscal Year 2018,”](#) dated June 27, 2018;
- [TEGL 25-15, Change 2, “Work Opportunity Tax Credit 2015 Reauthorization Training and Employment Guidance Letter 25-15, Change 2,”](#) dated February 16, 2018;
- [TEGL 25-15, “Work Opportunity Tax Credit 2015 Reauthorization,”](#) dated June 17, 2016;
- [TEGL 20-15, “Work Opportunity Tax Credit Funding Allotments for Fiscal Year 2016,”](#) dated April 29, 2016;
- [TEGL 9-15, “New Expiration Date for Work Opportunity Tax Credit Program Forms Under the Paperwork Reduction Act,”](#) dated November 17, 2015;
- [TEGL 28-14, Change 1, “Processing of Work Opportunity Tax Credit \(WOTC\) Certification Requests for Target Group Members Residing in Empowerment Zones \(EZs\),”](#) dated November 18, 2015;
- [TEGL 28-14, “Reauthorization of the Work Opportunity Tax Credit \(WOTC\) Program for 2014 and Authorization Lapse for 2015,”](#) dated April 17, 2015;
- [TEGL 21-14, “Work Opportunity Tax Credit \(WOTC\) Funding Allotments for Fiscal Year \(FY\) 2015,”](#) dated March 17, 2015;
- [TEGL 4-06, “Plans to Phase out Penalty Mail Costs for “Employment Security” Programs and Availability of Supplemental Budget Funds for Conversion to Commercial Mail Methods,”](#) dated August 15, 2006;
- [TEGL 19-05, “Internal Revenue Service \(IRS\) “Relief Period” Granted to Work Opportunity and Welfare-to-Work Tax Credits Employer Certification Requests Affected by Hurricanes Katrina and Rita,”](#) dated January 31, 2006;
- [TEGL 39-11, “Guidance on the Handling and Protection of Personally Identifiable Information \(PII\),”](#) dated June 28, 2012.

OTHER RESOURCES

- [DOLETA, “ETA Handbook No. 408 Third Edition, November 2002 for the: Work Opportunity Tax Credit Program & the Welfare-to-Work Tax Credit”;](#)
- [DOLETA, “Work Opportunity Tax Credit Eligibility Desk Aid”;](#)
- [Labor Policy Issuance 2019-04, “Privacy and Data Security”.](#)

ATTACHMENTS

Attachment A – Sample Form 8850 – Pre-Screening Notice

Attachment B – Sample Form 9061 – ICF WOTC

Attachment C – Sample Form 9175 – Long Term Unemployed Self-Attestation Form

Attachment D – Sample Form 2848 – Power of Attorney and Declaration of Representative

Attachment E – Creating a New WOTC Staff Account

Attachment F – Sample Out-of-State Request Verification Form

Attachment G – Sample Needs Documentation Form

Attachment H – Sample Conditional Certification

Attachment I – Sample Employer WOTC Certificate

Attachment J – Sample WOTC Denial Letter

Attachment K – Case Note Process File

Attachment L – Sample Form 9059 – Audit Summary Worksheet

Attachment M – Sample Form 9065 – ADVR Worksheet

Attachment N – Sample Notice of Revocation

**Pre-Screening Notice and Certification Request for
the Work Opportunity Credit**

► Information about Form 8850 and its separate instructions is at www.irs.gov/form8850.

Job applicant: Fill in the lines below and check any boxes that apply. Complete only this side.

Your name _____ Social security number ► _____

Street address where you live _____

City or town, state, and ZIP code _____

County _____ Telephone number _____

If you are under age 40, enter your date of birth (month, day, year) _____

- 1 Check here if you received a conditional certification from the state workforce agency (SWA) or a participating local agency for the work opportunity credit.
- 2 Check here if **any** of the following statements apply to you.
- I am a member of a family that has received assistance from Temporary Assistance for Needy Families (TANF) for any 9 months during the past 18 months.
 - I am a veteran and a member of a family that received Supplemental Nutrition Assistance Program (SNAP) benefits (food stamps) for at least a 3-month period during the past 15 months.
 - I was referred here by a rehabilitation agency approved by the state, an employment network under the Ticket to Work program, or the Department of Veterans Affairs.
 - I am at least age 18 but **not** age 40 or older and I am a member of a family that:
 - a. Received SNAP benefits (food stamps) for the past 6 months; **or**
 - b. Received SNAP benefits (food stamps) for at least 3 of the past 5 months, **but** is no longer eligible to receive them.
 - During the past year, I was convicted of a felony or released from prison for a felony.
 - I received supplemental security income (SSI) benefits for any month ending during the past 60 days.
 - I am a veteran and I was unemployed for a period or periods totaling at least 4 weeks but less than 6 months during the past year.
- 3 Check here if you are a veteran and you were unemployed for a period or periods totaling at least 6 months during the past year.
- 4 Check here if you are a veteran entitled to compensation for a service-connected disability and you were discharged or released from active duty in the U.S. Armed Forces during the past year.
- 5 Check here if you are a veteran entitled to compensation for a service-connected disability and you were unemployed for a period or periods totaling at least 6 months during the past year.
- 6 Check here if you are a member of a family that:
- Received TANF payments for at least the past 18 months; **or**
 - Received TANF payments for any 18 months beginning after August 5, 1997, **and** the earliest 18-month period beginning after August 5, 1997, ended during the past 2 years; **or**
 - Stopped being eligible for TANF payments during the past 2 years because federal or state law limited the maximum time those payments could be made.
- 7 Check here if you are in a period of unemployment that is at least 27 consecutive weeks and for all or part of that period you received unemployment compensation.

Signature—All Applicants Must Sign

Under penalties of perjury, I declare that I gave the above information to the employer on or before the day I was offered a job, and it is, to the best of my knowledge, true, correct, and complete.

Job applicant's signature ► _____

Date _____

For Employer's Use Only

Employer's name _____ Telephone no. _____ EIN ► _____

Street address _____

City or town, state, and ZIP code _____

Person to contact, if different from above _____ Telephone no. _____

Street address _____

City or town, state, and ZIP code _____

If, based on the individual's age and home address, he or she is a member of group 4 or 6 (as described under *Members of Targeted Groups* in the separate instructions), enter that group number (4 or 6) ► _____

Date applicant:

Gave information _____ Was offered job _____ Was hired _____ Started job _____

Under penalties of perjury, I declare that the applicant provided the information on this form on or before the day a job was offered to the applicant and that the information I have furnished is, to the best of my knowledge, true, correct, and complete. Based on the information the job applicant furnished on page 1, I believe the individual is a member of a targeted group. I hereby request a certification that the individual is a member of a targeted group.

Employer's signature ► _____ **Title** _____ **Date** _____

Privacy Act and Paperwork Reduction Act Notice

Section references are to the Internal Revenue Code.

Section 51(d)(13) permits a prospective employer to request the applicant to complete this form and give it to the prospective employer. The information will be used by the employer to complete the employer's federal tax return. Completion of this form is voluntary and may assist members of targeted groups in securing employment. Routine uses of this form include giving it to the state workforce agency (SWA), which will contact appropriate sources to confirm that the applicant is a member of a targeted group. This form may also be given to the Internal Revenue Service for administration of the Internal Revenue laws, to the Department of Justice for civil and

criminal litigation, to the Department of Labor for oversight of the certifications performed by the SWA, and to cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** . . . 6 hr., 27 min.
- Learning about the law or the form** 24 min.
- Preparing and sending this form to the SWA** 31 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments from www.irs.gov/formspubs. Click on "More Information" and then on "Give us feedback." Or you can send your comments to:

Internal Revenue Service
Tax Forms and Publications
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send this form to this address. Instead, see *When and Where To File* in the separate instructions.



| | | | |
|--|---|---|--|
| 1. Control No. (For Agency use only) | APPLICANT INFORMATION (See instructions on reverse) | | 2. Date Received (For Agency Use only) |
| EMPLOYER INFORMATION | | | |
| 3. Employer Name | 4. Employer Address and Telephone | 5. Employer Federal ID Number (EIN) | |
| APPLICANT INFORMATION | | | |
| 6. Applicant Name (Last, First, MI) | 7. Social Security Number | 8. Have you worked for this employer before? Yes ___ No ___ If YES, enter last date of employment: _____ | |
| APPLICANT CHARACTERISTICS FOR WOTC TARGET GROUP CERTIFICATION | | | |
| 9. Employment Start Date | 10. Starting Wage | 11. Position | |
| 12. Are you at least age 16, but under age 40? If YES, enter your <i>date of birth</i> _____ | | | Yes ___ No ___ |
| 13. Are you a Veteran of the U.S. Armed Forces? If NO, go to Box 14. If YES, are you a member of a family that received Supplemental Nutrition Assistance Program (SNAP) benefits (Food Stamps) for at least 3 months during the 15 months before you were hired? If YES, enter name of <i>primary recipient</i> _____ and <i>city and state</i> where benefits were received _____. OR, are you a veteran entitled to compensation for a service-connected disability? If YES, were you discharged or released from active duty within a year before you were hired? OR, were you unemployed for a combined period of at least 6 months (whether or not consecutive) during the year before you were hired? | | | Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ |
| 14. Are you a member of a family that received Supplemental Nutrition Assistance Program (SNAP) (formerly Food Stamps) benefits for the 6 months before you were hired? OR, received SNAP benefits for at least a 3-month period within the last 5 months But you are no longer receiving them? If YES to either question, enter name of <i>primary recipient</i> _____ and <i>city</i> And <i>state</i> where benefits were received _____. | | | Yes ___ No ___ Yes ___ No ___ |
| 15. Were you referred to an employer by a Vocational Rehabilitation Agency approved by a State? OR, by an Employment Network under the Ticket to Work Program? OR, by the Department of Veterans Affairs? | | | Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ |
| 16. Are you a member of a family that received TANF assistance for at least the last 18 months | | | |

| | | |
|--|---|-----------|
| before you were hired? | Yes___ No___ | |
| OR , are you a member of a family that received TANF benefits for any 18 months beginning after August 5, 1997, and the earliest 18-month period beginning after August 5, 1997, ended within 2 years before you were hired? | Yes___ No___ | |
| OR , did your family stop being eligible for TANF assistance within 2 years before you were hired because a Federal or state law limited the maximum time those payments could be made? | Yes___ No___ | |
| If NO , are you a member of a family that received TANF assistance for any 9 months during the 18-month period before you were hired? | Yes___ No___ | |
| If YES, to any question , enter name of <i>primary recipient</i> _____ and the <i>city and state</i> where benefits were received _____. | | |
| 17. Were you convicted of a felony or released from prison after a felony conviction during the year before you were hired? | Yes___ No___ | |
| If YES , enter <i>date of conviction</i> _____ and <i>date of release</i> _____. | | |
| Was this a Federal _____ or a State conviction _____? (Check one) | | |
| 18. Do you live in an Empowerment Zone or Rural Renewal County (RRC)? | Yes___ No___ | |
| 19. Do you live in an Empowerment Zone and are at least age 16, but not yet 18, on your hiring date? | Yes ___ No ___ | |
| 20. Did you receive Supplemental Security Income (SSI) benefits for any month ending within 60 days before you were hired? | Yes___ No___ | |
| 21. Are you a veteran unemployed for a combined period of at least 6 months (whether or not consecutive) during the year before you were hired? | Yes___ No___ | |
| 22. Are you a veteran unemployed for a combined period of at least 4 weeks but less than 6 months (whether or not consecutive) during the year before you were hired? | Yes___ No___ | |
| 23. Are you an individual who is or was in a period of unemployment that is at least 27 consecutive weeks and for all or part of that period you received unemployment compensation? | Yes___ No___ | |
| If YES , what state did you receive unemployment compensation in? _____ (Enter state where UI compensation was received) | | |
| 24. Sources used to document eligibility: (Employers/Consultants: List all documentation provided or forthcoming. For SWA Staff: List all documentation used in determining target group eligibility and enter your initials and date when the determination was made. | | |
| I certify that this information is true and correct to the best of my knowledge. I understand that the information above may be subject to verification. | | |
| 25(a). Signature: (See instructions in Box 25.(b) for who signs this signature block) | 25.(b) Indicate with a ✓ mark who signed this form: <input type="checkbox"/> Employer, <input type="checkbox"/> Consultant, <input type="checkbox"/> SWA, <input type="checkbox"/> Participating Agency, <input type="checkbox"/> Applicant, or <input type="checkbox"/> Parent/Guardian (if applicant is a minor) | 26. Date: |

INSTRUCTIONS FOR COMPLETING THE INDIVIDUAL CHARACTERISTICS FORM (ICF), ETA 9061. This form is used together with IRS Form 8850 to help state workforce agencies (SWAs) determine eligibility for the Work Opportunity Tax Credit (WOTC) Program. The form may be completed, on behalf of the applicant, by: 1) the employer or employer representative, the SWA, a participating agency, or 2) the applicant directly (if a minor, the parent or guardian must sign the form) and signed (Box 25a.) by the individual completing the form. This form is required to be used, without modification, by all employers (or their representatives) seeking WOTC certification.
Boxes 1 and 2. **SWA.** For agency use only.

Boxes 3-5. **Employer Information.** Enter the name, address including ZIP code, telephone number, and employer Federal ID number (EIN) of the employer requesting the certification for the WOTC. Do not enter information pertaining to the employer's representative, if any.

Boxes 6-11. **Applicant Information.** Enter the applicant's name and social security number as they appear on the applicant's social security card. In Box 8, indicate whether the applicant previously worked for the employer, and if Yes, enter the last date or approximate last date of employment. This information will help the "48-hour" reviewer to, early in the verification process, eliminate requests for former employees and to issue denials to these type of requests, or certifications in the case of "qualifying rehires" during valid "breaks in employment" (see pages III-12 and III-13, Nov. 2002, Third Ed., ETA Handbook 408) during the first year of employment.

Boxes 12-23. **Applicant Characteristics.** Read questions carefully, answer each question, and provide additional information where requested.

The Protecting Americans from Tax Hikes Act of 2015 retroactively reauthorized current target groups for a 5-year period, January 1, 2015 through December 31, 2019, and extended the Empowerment Zones designations for a two-year period, January 1, 2015 through December 31, 2016. The Act introduced a new target group, Qualified Long-term Unemployment Recipient (LTUR), for new hires that begin to work for an employer on or after January 1, 2016– December 31, 2019, see Box 23. For guidance see IRS Relief Period in TEGL No. TEGL 25-15 and IRS Notice 2016-22 and 2016-40.

Box 24 **Sources to Document Eligibility.** The applicant or employer is requested to provide documentary evidence to substantiate the **YES answers** in Boxes 12 - 23. List or describe the documentary evidence that is attached to the ICF or that will be provided to the SWA. Indicate in parentheses next to each document listed whether it is attached (A) or forthcoming (F). Some examples of acceptable documentation are provided below. A letter from the agency that administers a program may be furnished specifically addressing the question to which the applicant answered YES. For example, if an applicant answers YES to either question in Box 14 and enters the name of the primary recipient and the city and state in which the benefits were received, the applicant could provide a letter from the appropriate SNAP (formerly Food Stamp) agency stating to whom SNAP benefits were paid, the months for which they were paid, and the names of the individuals included on the grant for each month. SWAs use this box to list the sources used to verify target group eligibility, followed with their initials and the date the determination was completed.

Description of Examples of Documentary Evidence and Collateral Contacts. Employers/Consultants: You may check with your SWA to find out what other sources you can use to prove target group eligibility. (You are encouraged to provide copies of documentation or names of collateral contacts for each question for which you answered **YES**.)

QUESTION 12

- Birth Certificate or Copy of Hospital Record
- Driver's License
- School I.D. Card¹
- Work Permit¹
- Federal/State/Local Gov't I.D.¹

QUESTION 13

- DD-214 or Discharge Papers
- Reserve Unit Contacts
- Letter of Separation or other agency documents issued only by the Department of Veterans Affairs (DVA) on DVA Letterhead certifying the Veteran has a service-connected disability and signed by the individual who verified this information.

QUESTIONS 14 & 16

- TANF/SNAP (Food Stamp) Benefit History or Case Number Identifier
- Signed statement from Authorized Individual with a specific description of the months benefits that were received

QUESTION 15

- Vocational Rehabilitation Agency Contact
- Veterans Administration for Disabled Veterans
- Signed letter of separation or related document from authorized Individual on DVA letter head or agency stamp with specific description of months benefits were received.
- **For SWAs:** To determine *Ticket Holder* (TH) eligibility, Fax page 1 of Form 8850 to MAXIMUS at: 703-683-1051 to verify if applicant: 1) is a TH, and 2) has an Individual Work Plan from an Employment Network.

QUESTION 17

- Parole Officer's Name or Statement
- Correction Institution Records
- Court Records Extracts

QUESTION 18 & 19

- To determine if a Designated Community Resident lives in a RRC, visit the site: www.usps.com. **Click on Find Zip Code; Enter & Submit Address/Zip Code; Click on Mailing Industry Information; Download and Print the Information**, then compare the county of the address to the list in the January 2012 Instructions to IRS 8850.
- To determine if the DCR or a Summer Youth lives in an Empowerment Zone, use the Empowerment Zones (EZ) Locator Address Lookup tool available on the WOTC site: <https://www.doleta.gov/business/incentives/opptax/wotcResources.cfm>.

QUESTION 20

- SSI Record or Authorization
- SSI Contact
- Evidence of SSI Benefits

QUESTIONS 21, 22

- Unemployment Insurance (UI) Claims Records
- UI Wage Records

QUESTION 23

- UI Wage Records
- UI Claims Records
- Self-Attestation Form, ETA Form 9175

QUESTION 24

- **Employers/Representatives:** List All sources used and provided to the SWA to document target group eligibility. **SWA Staff:** List all documentation used to determine/verify eligibility in the target group requested by the employer/rep., to reach the final determination.

Notes:

1. Where a Federal/State/Local Gov't., School I.D. Card, or Work Permit does not contain age or birth date, another valid document must be obtained to verify an individual's age.
2. ESPL No. 05-98, dated 3/18/98, officially rescinded the authority to use Form I-9 as proof of age and residence. **Therefore, the I-9 is no longer a valid piece of documentary evidence.**

Box 25.(a) **Signature.** The person who completes the form signs the signature block.

Box 25(b) **Signature Options.** (a) Employer or Authorized Representative, (b) SWA staff, (c) Participating Agency staff, or (d) Applicant (If applicant is a minor, the parent or guardian must sign).

Box 26. **Date.** Enter the month, day and year when the form was completed.

Persons are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. Respondent's obligation to reply to these questions is required to obtain and retain benefits per law 104-188. Public reporting burden for this collection of information is estimated to average 20 minutes per response including the time for reading instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing burden to the U.S. Department of Labor, Employment and Training Administration, Division of National Programs, Tools, and Technical Assistance, 200 Constitution Ave., NW, Room C-4510, Washington, D.C. 20210 (Paperwork Reduction Project Control No. 1205-0371).

.....
(Cut along dotted line and keep in your files)

TO: THE JOB APPLICANT OR EMPLOYEE,

Privacy Act Statement: *The Internal Revenue Code of 1986, Section 51, as amended and its enacting legislation, P.L. 104-188, specify that the State Workforce Agencies are the "designated" agencies responsible for administering the WOTC certification procedures of this program. The information you have provided completing this form will be disclosed by your employer to the State Workforce Agency. Provision of this information is voluntary. However, the information is required for your employer to receive the federal tax credit. IF THE INFORMATION YOU PROVIDE IS ABOUT A MEMBER OF YOUR FAMILY, YOU SHOULD PROVIDE HIM/HER A COPY OF THIS NOTICE.*



U.S. Department Labor
Employment and Training Administration

Attachment C
OMB Control No. 1205-0371
Expiration Date: January 31, 2020

LONG-TERM UNEMPLOYMENT RECIPIENT SELF-ATTESTATION FORM Work Opportunity Tax Credit (WOTC) Program

Instructions: This Self-Attestation Form (SAF) is to be completed, signed, and dated by the new hire only. Employers or consultants submit this SAF to the State Workforce Agency with IRS Form 8850 or if filed separately, with ETA Form 9061 (or ETA Form 9062) for each certification request filed for the new target group.

Under penalties of perjury, I declare that this information is true and correct to the best of my knowledge.

New Hire's Signature: _____ Date _____

New Hire Name: _____

Social Security Number: _____ - □□□□
(Enter last four digits)

Employer Name: _____

Please check the statements below if they apply to you.

I declare that I was in a period of unemployment that is at least 27 consecutive weeks and for all or part of that period I received unemployment compensation.

I declare that I have been in a period of unemployment since _____.
(Enter start date)

Privacy Act Notice:
The Internal Revenue Code of 1986, Section 51, as amended and its enacting legislation, P.L. 104-188, specify that the State Workforce Agencies are the "designated" agencies responsible for administering the WOTC certification procedures of this program. The information you have provided completing this form will be disclosed by your employer to the State Workforce Agency. Provision of this information is voluntary; however the information is required to determine your employer's eligibility for the federal tax credit.

Public Burden Statement:
Persons are not required to respond to this collection of information unless it displays a currently valid OMB control number. Respondents' obligation to complete this form is required to obtain or retain benefits (P.L. 111-5). Public reporting burden is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate to the U.S. Department of Labor, Division of National Programs Tools Technical Assistance, Room C-4510, Washington, D.C. 20210 (Paperwork Reduction Project 1205-0371). Please do not submit completed forms to this address.

Power of Attorney and Declaration of Representative

► Go to www.irs.gov/Form2848 for instructions and the latest information.

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

Part I Power of Attorney

Caution: A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information.

Taxpayer must sign and date this form on page 2, line 7.

| | | |
|---------------------------|-----------------------------------|-----------------------------|
| Taxpayer name and address | Taxpayer identification number(s) | |
| | Daytime telephone number | Plan number (if applicable) |

hereby appoints the following representative(s) as attorney(s)-in-fact:

2 Representative(s)

must sign and date this form on page 2, Part II.

| | |
|--|--|
| Name and address | CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ |
| Check if to be sent copies of notices and communications <input type="checkbox"/> | Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/> |
| Name and address | CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ |
| Check if to be sent copies of notices and communications <input type="checkbox"/> | Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/> |
| Name and address | CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ |
| (Note: IRS sends notices and communications to only two representatives.) | Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/> |
| Name and address | CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ |
| (Note: IRS sends notices and communications to only two representatives.) | Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/> |

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

3 Acts authorized (you are required to complete this line 3).

With the exception of the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts that I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

| Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 5000A Shared Responsibility Payment, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions) | Tax Form Number (1040, 941, 720, etc.) (if applicable) | Year(s) or Period(s) (if applicable) (see instructions) |
|--|--|---|
| | | |
| | | |
| | | |

4 Specific use not recorded on Centralized Authorization File (CAF).

If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific Use Not Recorded on CAF**

5a Additional acts authorized.

In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information):

Access my IRS records via an Intermediate Service Provider;

Authorize disclosure to third parties; Substitute or add representative(s); Sign a return; _____

Other acts authorized: _____

b Specific acts not authorized. My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability.

List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b): _____

6 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

7 Signature of taxpayer. If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, partnership representative, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the legal authority to execute this form on behalf of the taxpayer.

▶ IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.

Signature Date Title (if applicable)

Print Name Print name of taxpayer from line 1 if other than individual

Part II Declaration of Representative

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
- I am subject to regulations contained in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
- I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
- I am one of the following:
 - a** Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b** Certified Public Accountant—a holder of an active license to practice as a certified public accountant in the jurisdiction shown below.
 - c** Enrolled Agent—enrolled as an agent by the Internal Revenue Service per the requirements of Circular 230.
 - d** Officer—a bona fide officer of the taxpayer organization.
 - e** Full-Time Employee—a full-time employee of the taxpayer.
 - f** Family Member—a member of the taxpayer’s immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
 - g** Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
 - h** Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). **See Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.**
 - k** Qualifying Student—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student working in an LITC or STCP. See instructions for Part II for additional information and requirements.
 - r** Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.

Note: For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

| Designation— Insert above letter (a-r). | Licensing jurisdiction (State) or other licensing authority (if applicable). | Bar, license, certification, registration, or enrollment number (if applicable). | Signature | Date |
|---|---|--|-----------|------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Creating a New Staff Account

- From the Main Menu select Account Search
- In User Account Search click Create New Staff
- Enter the new employee's information and select each box that applies under User Roles
- Check the Approved box and click save

When the new user logs in the first time they will be prompted to set security questions and create a new password. The account is ready to use.

To make an account inactive, go into the User's Account and un-check "approved". This prevents the user from logging into the account.

See screen shots below.

Main Menu

Home

Manage Messages

Account Search

Application Entry

Case Search

POA Search

Upload\View Supplemental Docs

Applications Upload Results Log

[-] Companies

Employers

Consultant

Report

[-] Printing

Cover Sheets

Certificates

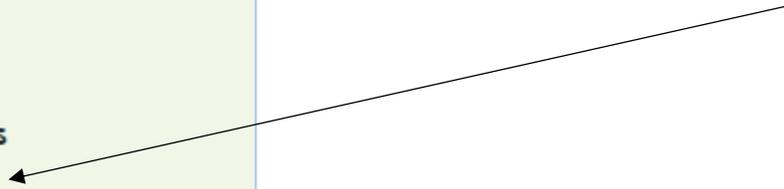
Denials

Needs

Out of State

My Profile

Assign Cases



User Account Search

[Create New Staff](#) | [Close Page](#)

Account Search Criteria

User Name:

Last Name:

First Name:

Status:

[Search](#)

[Reset](#)

[Create New Staff](#) | [Close Page](#)

User Account Information

[Close Page](#)

Account Information

User Name: *

First Name: *

Middle Name:

Last Name: *

Phone: *

Phone Extension:

Fax:

E-mail: *

[E-mail To](#)

Temporary Password

Temporary Password: *

Confirm Password: *

From the Main Menu, select Account Search.

In User Account, search and click Create New Staff.

Enter the new employee's information and select User Roles.

Check the Approved box and click save.

When the new user logs in the first time they will be prompted to set security questions and create a new password.

Roles *

- Account Approver
- Administrator
- Case Manager
- Case Manager ReadOnly
- Certifier
- Monitor
- POAManager
- Program Coordinator
- ReportManager
- Staff

Account Status

Approved

Locked Out

Notes:

Save

Close

[Close Page](#)

<http://www.dllr.maryland.gov/employment/taxcreditintroduction.shtml>
 wotc.dllr@maryland.gov

Tax Credit Program Unit
 1100 N. Eutaw Street, Room 203 Baltimore, Maryland 21201

Date: _____ Forms Holder: _____ Case: _____
 To: _____ From: **MD WOTC Program Coordinator**
 Fax: _____ Fax: 410-767-2060

| Applicant Name | SSN | Hire Date | Date of Birth |
|----------------|-----|-----------|---------------|
|----------------|-----|-----------|---------------|

Please Provide

The Tax Credit Program Unit has received an IRS Form 8850 and ETA Form 9061 for the subject individual. Information provided by an employer or consultant indicates that this individual received benefits/services in your state. **Please complete the section(s) below which are marked with an "X"**. Sign and return this form to the address or fax number provided above. If you have questions, please call 410-767-2047. Thank you for your assistance.

Please circle the months in which benefits were received.

Target Group A (AFDC/TANF) and/or **Target Group I (LTFAR)**

| | | | | | | | | | | | | |
|-------|-----|-----|-----|-----|-----|------|------|-----|------|-----|-----|-----|
| 2005: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2006: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2007: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2008: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2009: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2010: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2011: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2012: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2013: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2014: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2015: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2016: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2017: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2018: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2019: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2020: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |

Is this individual no longer eligible for benefits due to federal or state time limits? **YES** **NO**

Target Group G (Food Stamps) and/or **Target Group 2Ba (Veteran)**

| | | | | | | | | | | | | |
|-------|-----|-----|-----|-----|-----|------|------|-----|------|-----|-----|-----|
| 2011: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2012: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2013: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2014: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
| 2015: | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |

At the time of hire, was this individual an ABAWD who ceased to be eligible for benefits due to failure to comply with the work requirements of the food stamp program? **YES** **NO** **UNABLE TO VERIFY**

Signature of Individual Completing Form: _____

Notice: The information contained in this facsimile is confidential and intended only for the use of the individual named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this facsimile is strictly prohibited. If you have received this facsimile in error, please notify this office by calling 410-767-2047. Thank you.

WORK OPPORTUNITY TAX CREDIT

Original Needs Date:
Employer:
Start-to-Work Date:
EIN:
New Hire:

Request Date:

Forms Holder:

Case Number:

Dear Sir or Madam:

The documentation provided with your ETA Form 9061 for the above referenced new hire was insufficient to verify eligibility for the Work Opportunity Tax Credit. Based on your application, the documentation as indicated below is needed. Please attach supporting documentation to this letter and return to: WOTC, 1100 N. Eutaw Street Room 203, Baltimore MD 21201 or fax to (410)767-2060.

- Proof of Age
- Proof of Address
- Proof of Ex-Felon Status
- Proof of Vocational Rehabilitation Services
- Proof of Ticket-to-Work Participation
- Proof of Veteran Status
- Proof of Veterans Affairs Services
- Proof of Veteran's Service-Connected Disability
- Proof of Supplemental Security Income (SSI)
- Self-Attestation Letter
- Original Power of Attorney or notarized copy of Power of Attorney
- Current IRS Form 8850
- Current ETA Form 9061
- Other (specify): _____.

NOTE: Failure to provide documentary evidence to substantiate eligibility within 90 days of the Request Date of this letter will result in denial of your Work Opportunity Tax Credit request. If you have any questions, please contact the WOTC Tax Credit Program Administrator at (401) 767-2047.



U.S. Department of Labor
Employment and Training
Administration

**Conditional Certification
Work Opportunity Tax Credit**

| EMPLOYERS | | | |
|---|--|---|---|
| <p>➤ This form must be accompanied by IRS Form 8850. ➤ If you do not have IRS Form 8850, call 202-693-2786 for a copy or download it from www.irs.gov or www.doleta.gov/wotc ➤ Be sure to complete Part II of this form and IRS 8850, sign and date both forms BEFORE sending them to the State Workforce Agency (SWA) within 28 days after the new hire's employment-start date. (See IRS Relief Period in TEGL No. 25-15 and IRS Notice 2016-22)</p> | | | |
| 1. INITIATING AGENCY CODE (For Agency Use Only) CODE: _____ | 2. CONTROL NO. _____ (For Agency Use Only) Check "✓" One: ____ Participating Agency ____ SWA | | |
| 3. FOR EX-FELON TARGET GROUP ONLY a. Conviction Date: _____ c. Correction's (Ex-felon's) ID No. _____ b. Release Date: _____ | | | 4. DATE COMPLETED (MM/DD/YY) _____ |
| 5. STATE WORKFORCE AGENCY'S NAME/ADDRESS | 6. SIGNATURE (Authorized Official) | 7. TELEPHONE No. | |
| PART I. APPLICANT'S INFORMATION AND CONDITIONAL CERTIFICATION (CC): | | | |
| 8. NAME OF APPLICANT (Last, First, Middle) | 9. SOCIAL SECURITY No. | 10. ENTER TARGET GROUP CODE AND GROUP NAME FOR HIRES OTHER THAN "Veteran": _____ | |
| 11. ADDRESS (Street, City, State, Zip Code) & Telephone No. | 12. VETERAN TARGET GROUP CODES (Check "✓" One): <input type="checkbox"/> 2Ba. Veteran receiving SNAP benefits <input type="checkbox"/> 2Bb. Disabled Veteran <input type="checkbox"/> 2Bc. Disabled Veteran unemployed for 6 months <input type="checkbox"/> 2Bd. Veteran unemployed for 4 weeks but less than 6 months <input type="checkbox"/> 2Be. Veteran unemployed for 6 months | | |
| 13. APPLICANT SIGNATURE: | | | |
| NOTE TO EMPLOYERS: | | | |
| 14. The above named individual may be _____ | <p>Note. In the event you hire this individual, you should request the Certification necessary for you to claim a Work Opportunity Tax Credit (WOTC). Simply complete, sign, and submit this form together with IRS Form 8850 to the SWA. For new hires that begin to work for an employer on or after January 1, 2015, and on or before May 31, 2016, this form can be completed, signed, and submitted together with IRS Form 8850 to the SWA by June 29, 2016. For new hires with an employment start date on or after June 1, 2016, employers must meet the 28-day timely filing requirement. The WOTC <i>Employer Certification</i> will be sent to you, if all statutory target group eligibility and timely filing requirements have been met.</p> | | |
| eligible for certification under the Work Opportunity Tax Credit. If individual is not employed before the date in the box below (Mo., Day, Yr.), this eligibility determination is subject to review. Applies to Summer Youth group only. | | | |
| PART II. EMPLOYER DECLARATION: I, hereby, declare that the above named person is or will be employed by: | | | |
| 15. NAME OF FIRM AND ADDRESS: | 16. POSITION/JOB TITLE: | 17. EMPLOYMENT-START DATE: | 18. STARTING WAGE: \$ _____ per hr |
| ATTN SWA: Please send a WOTC Certification for this employee. The pre-certification is for the purpose of requesting Certification to obtain the WOTC under Sec. 51 and 52 of the Internal Revenue Code. Employers are advised that such credit will cease immediately upon notification of any subsequent invalidation/revocation. | | | |
| NOTE: Falsification of data on this form is a FEDERAL CRIME in violation of 18 USC 1001. Falsification of work or concealment of information is PUNISHABLE by a fine or imprisonment. | | | |
| 19. EMPLOYER'S NAME: | 20. EMPLOYER'S SIGNATURE: | 21. DATE: ((MM/DD/YY)) | |

CONDITIONAL CERTIFICATION (CC) ETA FORM 9062. When a SWA or participating agency (PA) determines that a job-ready applicant is, *TENTATIVELY ELIGIBLE* as a member of a target group under WOTC, it shall use this required form, without modification, to show that eligibility pre-determination was made for this person. **Note.** The CC serves as an official record of the pre-certification, alerts prospective employers to the availability of the tax credit if this individual is hired, and provides a means for employers to request a WOTC certification for this person.

INSTRUCTIONS FOR COMPLETING THE “CONDITIONAL CERTIFICATION” FORM. (Boxes 1-8 and 15 are for participating agency (PA) and SWA use only)

- Box 1:** **Initiating Agency Code.** If the CC was issued by a Participating Agency (PA), enter its code.. SWAs assign codes to designate each PA and indicate the initiating source for the eligibility determination process. If the eligibility determination was performed by the SWA, enter the SWA's code, if available. Indicate with a check mark “✓” if initiating agency is a PA or SWA.
- Box 2:** **Control Number.** Usually the PA determines the control number (CN). However, SWAs may, for internal control purposes, develop their own CN system. It may be a case number or some other appropriate designation (e.g., alpha-numeric designation), which permits easy filing, certification and retrieval of forms. Enter corresponding CN and indicate with a check mark “✓” whether the source is a PA or a SWA.
- Box 3:** **For Ex-Felon Target Group Only.** For items a - c, enter the corresponding information. This information will help the SWA or PA in verifying target group eligibility.
- Box 4:** **Date Completed.** Enter the month, day, year in which the eligibility determination was completed.
- Box 5:** **SWA's Name and Address.** If known, enter or stamp the name and address, including zip code, of the SWA responsible for Certification requests for the employer indicated in Box 156. Leave blank if SWA's name and address is unknown.
- Box 6:** **Signature.** Enter signature of the authorized conditionally-certifying official.
- Box 7:** **Telephone No.** Enter corresponding SWA or PA area code, telephone number and extension, if available.

PART I. APPLICANT'S INFORMATION AND CONDITIONAL CERTIFICATION (CC):

- Box 8:** **Name of Individual.** Enter the individual's/ applicant's full name (i.e., last name, first name and middle initial).
- Box 19:** **Social Security Number.** Enter the individual's/applicant's Social Security Number.
- Box 10:** **Target Group Code.** Enter the code or name of the pre-certified target group other than Veteran. *The Protecting Americans from Tax Hikes Act of 2015 retroactively reauthorized current target groups for a 5-year period, January 1, 2015 through December 31, 2019, and extended the Empowerment Zones designations for a two-year period, January 1, 2015 through December 31, 2016. The Act introduced a new target group, Qualified Long-term Unemployment Recipient (LTUR), for new hires that begin to work for an employer on or after January 1, 2016– December 31, 2019.*
- Box 11:** **Address/Telephone No.** Enter the individual's/applicant's home address, including apartment number and zip code. After address, enter individual's telephone number, including area code.
- Box 12:** **Veteran Target Group Code.** The 1996 original target group designation for a Qualified Veteran is “B.” To facilitate the identification of the different veteran categories created by the VOW to Hire Heroes Act of 2011 (P.L. 112-56.), ETA uses the same alpha-numeric designations to collect the number of certifications issued for the amended veteran categories in ETA Form 9058 – Report 1. To ensure a simple, uniform and consistent certification system which can be used by the SWAs nationwide each new veteran category is preceded by “B” and followed by the alpha-numeric code used in ETA Form 9058. **Enter a check mark “✓” in front of the veteran group pre-certified.**
- Box 13:** **Signature.** Get applicant's signature. If a minor, parent or guardian must sign here.
- Box 14:** **CC Validity Period.** (This box is to be completed by the SWA or PA). Enter the month/day/year when the CC expires. **This box does not apply to veterans pre-certified under the VOW to Hire Heroes Act of 2011. This box applies only to the Summer Youth target group.**

- Box 15:** **Name of Firm.** Enter full name of the employing firm (the firm where the employee will actually work).
- Box 16:** **Position/Job Title.** Enter the position or job title the employee will hold.
- Box 17:** **Employment-Start Date.** Enter the date the employee began or will begin work for the employing firm.
- Box 18:** **Starting Wage.** Enter the wage or salary which the employee will be paid. If not known, enter an estimated wage.
- Box 19:** **Employer's Name.** Enter your name as the hiring employer.
- Box 20:** **Employer's Signature.** Affix your electronic or ink signature here.
- Box 21:** **Date.** Enter month, day and year when you signed this form.

Persons are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. Respondents' obligation to reply to these questions is required for obtaining the tax credit per P.L. 104-188. Public reporting burden for this collection of information is estimated to average 20 minutes per response, including the time for reading instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden to the U.S. Department of Labor, Employment and Training Administration, Division of National Programs, Tools, and Technical Assistance, 200 Constitution Ave., NW, Room C-4510, Washington, D.C. 20210 (Paperwork Reduction Project 1205-0371)

Privacy Act Statement: *The Internal Revenue Code of 1986, Section 51, as amended and its enacting legislation, P.L. 104-188, specify that the State Workforce Agencies are the "designated" agencies responsible for administering the WOTC certification procedures of this program. The information you have provided completing this form will be disclosed by your employer to the State Workforce Agency. Provision of this information is voluntary. However the information is required for your employer to receive the federal tax credit. IF THE INFORMATION YOU PROVIDE IS ABOUT A MEMBER OF YOUR FAMILY, YOU SHOULD PROVIDE HIM/HER A COPY OF THIS NOTICE.*



**Employer Certification
Work Opportunity Tax Credit
CERTIFICATE**

Certifying Agency

DLLR
1100 N. Eutaw Street, Room 203
Baltimore, Maryland 21201
410-767-2047

Target Group

Part A. Employer

Employer Name and Address

FEIN:

Employer Consultant

Part B. Employee

Employee Name and Address

SSN:

Start Date:

Part C. Certification

I hereby certify that the individual named above meets the eligibility criteria of Sections 51, 51A and/or 52 of the Internal Revenue Code.

Certifying Officer

Certifying Officer Signature

Date Completed / Issued

Employers

Before you can claim the WOTC, your new hire(s) must work the required number of hours to meet the Minimum Employment or Retention Period. *Two-Tier Employment Retention Period* refers to the minimum number of hours an employer must retain a WOTC hire to get the credit. Under *Tier 1*, before claiming the tax credit, employers must employ the WOTC eligible for at least 120 hours but less than 400 hours to qualify for a credit of 25 percent of up to \$6,000 in wages for a maximum credit of \$1,500. Under *Tier 2*, employers must employ the WOTC eligible for at least 400 hours or more to qualify for a credit of 40 percent of up to \$6,000 in wages for a maximum credit of \$2,400. The tax credit is calculated using the actual wages paid or incurred. Two target groups have different formulas to calculate the allowable hours and wages per hour. Visit IRS's website at www.irs.gov for additional information on this and other requirements.

The **VOW to Hire Heroes Act of 2011** (P.L. 112-56) extends and amends the current veteran group, creates two additional categories of unemployed veterans in Section 51 of the Internal Revenue Code, and makes the WOTC available to qualified tax-exempt organizations in Section 52. The VOW Act grants the WOTC to employers that hire certain qualified veterans who begin employment on or after November 22, 2011, and before January 1, 2013. *This Act did not extend the non-veteran WOTC target groups, which expired on December 31, 2011.* All non-veteran WOTC requests submitted will be held (not processed) until such time that the non-veteran target groups are reauthorized. Non-veteran target groups are listed at www.dllr.state.md.us/employment/wotc.shtml; under Applying for WOTC, select Eligible New Hires.

For more information on filing certification requests and veterans' eligibility requirements, visit WOTC's national website at www.doleta.gov/business/incentives/opptax/forms.cfm and obtain an e-copy of *TEGL No. 25-15*, a brochure on "WOTC and Veterans" and a *Fact Sheet* on the provisions of the VOW Act. Employers can visit www.irs.gov to obtain e-copies of *IRS's Notice 2012-13* and the *IRS Form 8850 (Rev March 2016) and Instructions*.

Note: Falsification of data to obtain this Certification is a FEDERAL CRIME in violation of 18 USC 1001. Falsification of work or concealment of information is PUNISHABLE by a fine or imprisonment.

WORK OPPORTUNITY TAX CREDIT

No current Power of Attorney available

Original Denial Date:

Employer:
Start-to-Work Date:
EIN:
New Hire:

 Initial Appeal Request

Forms Holder:

Case Number:

We regret to inform you that your application for a Work Opportunity Tax Credit was denied in accordance with the Internal Revenue Service (IRS) and the U.S. Department of Labor (USDOL) criteria for the reason(s) below.

Reason(s) Denied:

Target Group(s) Submitted:

DynamicPDF

It is your right to appeal this determination. Attach this letter of notification as a cover sheet to request reconsideration, along with any additional documentation, and submit to the mailing address listed below. If the reconsideration is negative but you still believe that you are entitled to the tax credit, you have the right to appeal to the USDOL Regional Office and/or the USDOL National Office. The mailing addresses for these offices will be included in the redetermination letter. Acceptable documentation for verification of eligibility is included on Pages 3 & 4 of the ETA Form 9061. If a request for reconsideration is not received within one (1) year from the denial date listed above, or date of this notification (whichever is later), this determination becomes final and the case will be permanently closed. Please retain this letter for your records.

Mailing Address for Appeals

Attn: WOTC Supervisor
Division of Workforce Development and
Adult Learning
Maryland Department of Labor
1100 N. Eutaw Street, Room 203
Baltimore, Maryland 21201

Case Notes by Target Group

| Target Group | Certification | Denial | Needs |
|--|--|--|--|
| A - Assistance to Families with Dependent Children (TANF) | In the notes sections, list the Client ID number from CARES and the months and year that qualify the applicant. | In the notes section, state that there are no eligible benefits. | In the notes section, list the documentation the case needs to continue the certification process. |
| Ba - Veteran Supplemental Nutrition Assistance Program (SNAP) | In the notes sections, list the Client ID number from CARES and the months and year that qualify the applicant. | In the notes section, state that there are no eligible benefits. | In the notes section, list the documentation the case needs to continue the certification process. |
| Bb - Veteran Disabled (Discharged) | In the notes section, list the kind of document that was received to verify eligibility. | In the notes section, state that verification documents were not received. | In the notes section, list the documentation the case needs to continue the certification process. |
| Bc - Veteran Disabled (Unemployed) | In the notes section, list the kind of document that was received to verify eligibility. | In the notes section, state that verification documents were not received. | In the notes section, list the documentation the case needs to continue the certification process. |
| Bd - Veteran Unemployed for at least 4 Weeks, but less than 6 months | In the notes section, state that there were no wages in at least 6 months in the 1-year period ending on the hiring date. | In the notes section, state that verification documents were not received and/or that the employee does not meet eligibility criteria. | In the notes section, list the documentation the case needs to continue the certification process. |
| Be - Veteran Unemployed for at least 6 months | In the notes section, state that there were no wages for at least 4 weeks but less than 6 months in the 1 year period ending on the hiring date. | In the notes section, state that verification documents were not received and/or that the employee does not meet eligibility criteria. | In the notes section, list the documentation the case needs to continue the certification process. |
| C - Ex-Felon | In the notes section, list the kind of document that was received to verify eligibility, i.e. probation and parole, work release form, etc. | In the notes section, state that verification documents were not received. | In the notes section, list the documentation the case needs to continue the certification process. |
| D - RRC | In the notes section, state that the employee's address is in the Empowerment Zone and list how the age and address was verified, i.e. if it was supporting docs or verified in CARES. | In the notes section, state that verification documents were not received and/or that the employee does not meet eligibility criteria. | In the notes section, list the documentation the case needs to continue the certification process. |

| | | | |
|---|--|--|--|
| E - Vocational Rehabilitation | In the notes section, list the verification source, for example: applicant received Vocational Rehabilitation Services from DORS. | In the notes section, state that documents were not received to verify eligibility. | In the notes section, list the documentation the case needs to continue the certification process. |
| E - Ticket to Work | In the notes section, list the verification source, for example: applicant received Vocational Rehabilitation Services from DORS. | In the notes section, state that documents were not received to verify eligibility. | In the notes section, list the documentation the case needs to continue the certification process. |
| E - Veterans Affairs | In the notes section, list the verification source, for example: applicant received Vocational Rehabilitation Services from DORS. | In the notes section, state that documents were not received to verify eligibility. | In the notes section, list the documentation the case needs to continue the certification process. |
| F - Summer Youth | List that the employee meets age criteria, was hired AND is only employed between May 1 and September 15, and resides in an Empowerment Zone (EZ), enterprise community, or renewal community. | In the notes section, state that verification documents were not received and/or that the employee does not meet eligibility criteria. | In the notes section, list the documentation the case needs to continue the certification process. |
| G - Supplemental Nutrition Assistance Program (SNAP) | In the notes section, list the Client ID number from CARES and the months and year that qualify the applicant. | In the notes section, state that there are no eligible benefits. | In the notes section, list the documentation the case needs to continue the certification process. |
| H - Supplemental Security Income | In the notes section, list the Client ID number from CARES and the months and year that qualify the applicant if the verification came from SSI type eligible from for group H per Maximus. | In the notes section, state that there are no eligible benefits per Maximus. | In the notes section, list the documentation the case needs to continue the certification process. |
| I - Long Term Family Assistance Recipient (LTFAR) | In the notes section, list the Client ID number from CARES and the months and year that qualify the applicant. | In the notes section, state that there are no eligible benefits. | In the notes section, list the documentation the case needs to continue the certification process. |
| L - Qualified Long-Term Unemployment Recipient (LTUR) | In the notes section, state that the employee was unemployed 27 weeks prior to hire date and received UI benefits during that period. | In the notes section, state that there are no eligible benefits and/or that the employee was not unemployed at least 27 weeks on the day before they were hired. | In the notes section, list the documentation the case needs to continue the certification process. |

Instructions for Preparing and Completing ETA 9059 – Audit Summary Worksheet

Background: The Omnibus Budget Reconciliation Act of 1990, P. L. 101-508, § 11405(c), extended indefinitely the \$5 million set-aside (cited below) for testing whether individuals certified as members of WOTC targeted groups are eligible for certification (including the use of statistical sampling techniques). As long as there is a WOTC appropriation, this requirement continues in force. These provisions apply in full force to the certification process under the consolidated WOTC Program. Section 261(f)(2) of the Economic Recovery Tax Act of 1981 (P. L. 97-34), as amended, states:

“(A) \$5,000,000, shall be used to test whether individuals certified as members of targeted groups under section 51 of such Code [Internal Revenue] are eligible for such certification (including the use of statistical sampling techniques), and “(B) the remainder shall be distributed under performance standards prescribed by the Secretary of Labor.”

Note. Verification activities require testing the validity of all the certifications issued by the state workforce agencies (SWAs), including the Conditional Certifications and other documentation, which results in a Certification. Quality Reviews and Audits are both parts of the verification activities. A General Accounting Office (GAO) report recommended that verifications activities be done by "...other than the person who originally processed," the ICF or CC.

ETA Form 9059 was designed as a worksheet for states to use in obtaining the results of the quarterly audit of a randomly chosen sample (See Table - Sample Sizes, Chapter VII-23 in the Handbook) of all of the certifications issued for that quarter as described in this chapter. Pursuant to P.L. 109-432, as of December 20, 2006, the universe of certifications to be audited now only includes all individual WOTC certifications issued for each reporting quarter.

- (1) **Line 1 - Universe Size.** Enter the total number of Certifications issued during the reporting period. This number should be the same as the total number of certifications reported in Part I., Certification Actions (System Outputs), Column D of ETA Form 9058 for the same quarter.

$$\frac{\text{Number of Invalidations}}{\text{Sample Size}} \times 100$$

- (2) **Line 2 - Sample Size.** Enter the number of Certifications in the audit sample for which verification data was obtained for the audits. This number must equal or exceed the appropriate number shown in the table on sample size in Chapter VII in the Handbook.
- (3) **Line 3 - Number Invalid.** Enter the number of certifications in the sample which, after verification, were determined to be invalid.
- (4) **Line 4 - Percent Invalid.** Calculate and enter the percentage of the sample determined to be invalid using the following formula:
- (5) **Line 5 – Number Invalid (Second Sample) and Line 6 - Percent Invalid.** (See note below)

Note: If the percentage is less than 5 percent, do not complete lines 5 and 6. If the percentage on Line 4 is 5 percent or more, a second sample equal in size to the first must be drawn and verified in the same manner. The Number Invalid on Line 5 and Percent Invalid On Line 6 from the second sample shall be entered in Lines 5 and 6. If the Percent Invalid in the second sample is 5 percent or more, corrective action shall be initiated according to the instructions in Chapter VII of the Handbook.

- (6) **Line 7 - Name and Title of Responsible Official: Signature and Date Signed.** Print or type complete name of official reporting the verification results; **Line – 8 Signature.** Sign your name legibly; **Line 9 - Date Signed.** Enter the date (month, day year) when worksheet was completed and signed.



Work Opportunity Tax Credit
(For SWAs' Internal Use Only)

Attachment M

U.S. Department of Labor
Employment and Training Administration

OMB Control No. 1205-0371
Expiration Date: January 31, 2020

1. NAME OF INDIVIDUAL

**Agency Declaration of Verification
Results (ADVR) Worksheet**

2. SOCIAL SECURITY NO.

3. EMPLOYER'S NAME, TELEPHONE NO., AND ADDRESS:

THE SECTION BELOW IS TO BE COMPLETED BY THE SWA/DLA CERTIFYING AGENCY ONLY.

4. CERTIFYING AGENCY: (Check one)

5. DATE CERTIFIED:

CC Issued By: ___ Participating Agency or ___ SWA

6. SOURCES USED TO DOCUMENT ELIGIBILITY:

7. AUDIT SAMPLE RESULTS (Complete ONLY if selected as part of RANDOM SAMPLE in a quarterly audit)

- a. I have reviewed/contacted the source(s) indicated in box 6 above and have confirmed that the certified individual is ELIGIBLE.
- b. I have reviewed/contacted the source(s) indicated in box 6 above and have confirmed that the certified individual is INELIGIBLE for the following reason(s):

- c. I have not been able to establish that the certified individual is INELIGIBLE because:

NOTE: Falsification of data on this form is a FEDERAL CRIME in violation of 18 USC 1001. Falsification of work or concealment of information is PUNISHABLE by a FINE or IMPRISONMENT.

8. NAME AND TITLE OF REVIEWER (Type or Print):

9. SIGNATURE (Certifying Officer)

10. DATE:

Persons are not required to respond to this collection of information unless it displays a valid OMB Control Number. Respondent's obligation to reply to these requirements is mandatory by P.L. 104-188. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reading instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information. Send comments regarding the burden estimate or any other aspect of this collection of information including suggestions for reducing this burden to the US. Department of Labor, Division of National Programs, Tools and Technical Assistance, Room C-4510, Washington, D.C. 20210 (Paperwork Reduction Project 1205-0371).

Privacy Act Statement: *The Internal Revenue Code of 1986, Section 51, as amended and its enacting legislation, P.L. 104-188, specify that the State Workforce Agencies are the "designated" agencies responsible for administering the WOTC certification procedures of this program. The information you have provided completing this form will be disclosed by your employer to the State Workforce Agency. Provision of this information is voluntary. However the information is required for your employer to receive the federal tax credit. IF THE INFORMATION YOU PROVIDE IS ABOUT A MEMBER OF YOUR FAMILY, YOU SHOULD PROVIDE HIM/HER A COPY OF THIS NOTICE.*

Instructions for Completing the Agency Declaration of Verification Results (ADVR) Worksheet, ETA FORM 9065.

Background: The Omnibus Budget Reconciliation Act of 1990, P. L. 101-508, § 11405(c), extended indefinitely the \$5 million set-aside (cited below) for testing whether individuals certified as members of WOTC targeted groups are eligible for certification (including the use of statistical sampling techniques). As long as there is a WOTC appropriation, this requirement continues in force. These provisions apply in full force to the certification process under the WOTC Program. Section 261(f)(2) of the Economic Recovery Tax act of 1981 (P.L. 97-34), as amended, states that:

"(A) \$5,000,000, shall be used to test whether individuals certified as members of targeted groups under section 51 of such Code [Internal Revenue] are eligible for such certification (including the use of statistical sampling techniques), and (B) the remainder shall be distributed under performance standards prescribed by the Secretary of Labor."

Note. Verification activities require testing the validity of all Certifications issued by the SWAs/DLAs, including the Conditional Certifications issued by Participating Agencies (PAs) and other documentation, which result in Certifications. Quality reviews and audits are both parts of the certification process. A General Accounting Office (GAO) report recommended that verification activities be done by an employee "other than the person who originally processed..." the Individual Characteristics [ETA Form 9061] or the Conditional Certification [ETA Form 9062] forms.

DEFINITIONS:

1. **Quality Reviews** - the reviews conducted at specific points in the eligibility determination/certification process of forms and other documentation including the Certification to ensure that the required information is complete and accurately recorded.
2. **Audit** - the post-issuance examination of a "random sample" (see p. VIII-23 of Chapter VII. of the Nov. 2002, 3rd, Edition of ETA Handbook 408 for a chart of "Sample Sizes" and related instructions) of Certifications issued and supporting documentation used to verify the validity of the Certifications issued. These activities support the integrity of the processing system and the program.

INSTRUCTIONS FOR COMPLETING THE AGENCY DECLARATION OF VERIFICATION RESULTS (ADVR) FORM.

- Box 1. Name of Individual.** Enter the full name (last, first and middle initial) of the certified target group member/employee.
- Box 2. Social Security No.** Enter the employee's social security number.
- Box 3. Employer Name, Telephone No., & Address.** Enter employer's name and address including zip code and telephone number.
- Box 4. Certifying Agency.** Enter name of SWA/DLA issuing the Certification. Indicate with a check mark "✓" whether the CC was issued by a Participating Agency or a SWA.
- Box 5. Date Certified.** Enter month, day and year when the Certification was issued.
- Box 6. Documentary Sources.** List and/or describe the documentary evidence or sources of collateral contacts that are attached to the Certification request (IRS 8850) and/or Individual Characteristics Form.
- Box 7. Audit Sample Results.** Indicate with a check mark "✓" if individual is "eligible," "ineligible" or "eligibility cannot be determined" and follow the instructions below.
- a. If review of documentation reveals that the certified individual is eligible, enter a check mark "✓."
 - b. If review of documentation reveals that the certified individual is ineligible, explain why, and for Conditional Certifications (CCs) prepare and send the following notices:

Notification of Invalidation (NOI) - to the applicant, the SWA/DLA, PA staff, and employer/consultant. The NOI notifies the Participating Agency (PA), applicant, and the employer/consultant to whom applicant was referred to that the Conditional Certification (CC) (ETA Form 9062) is INVALID because of missing or incorrect information/items.

Notice of Revocation (NOR) - prepare and send to employer/consultant a newly updated version of a NOR and send a copy to the Regional and National offices, the applicant and the Participating Agency (if involved) and FAX a copy of the Notice of Revocation to the IRS to following new Fax Number:

Internal Revenue Service
SB/SE Campus Compliance Services
Fax: 1-855-242-6540

Note to SWA Coordinator/Reviewer. If review of documentation reveals that the SWA/DLA has not been able to establish eligibility provide the reason.

- Box 8. Name and Title of Reviewer.** Enter full name and title of authorized staff conducting audit review.
- Box 9. Signature.** Enter signature of authorized reviewer conducting audit.
- Box 10. Date.** Enter month, day and year when audit was conducted.

(Sample Revocation Notice to be Sent to Employer and IRS - Return Receipt Requested)

**NOTICE OF REVOCATION (NOR)
Work Opportunity Tax Credit Program**

Employer's Name: _____

Federal Employer Identification Number (EIN): -

Address: _____

New WOTC Certified Employee's Name: _____

Employee's Social Security Number (SSN): - -

(Enter last four digits of employee's SSN)

Employee's Address: _____

On _____ the individual identified above was certified as meeting the
(Enter date of certification) requirements of a member of target group
_____ for the Work Opportunity Tax Credit (WOTC)
(Enter target group name) under Section 51 of the Internal Revenue Code.

Subsequent review reveals that the certification was incorrect.
Accordingly, the certification is revoked and wages paid by you to the individual after you receive this notification cannot be treated as qualified wages for WOTC purposes, and are therefore not eligible for the tax credit. A copy of this notice is being sent to the Internal Revenue Service.

(Authorized SWA Official's Signature)

(Date)

cc: Internal Revenue Service

Attn: WOTC Supervisor
Division of Workforce Development and
Adult Learning
Maryland Department of Labor
1100 N. Eutaw Street, Room 203
Baltimore, Maryland 21201

wotc.dllr@maryland.gov