



Work Opportunity Tax Credit

What is WOTC?

The Work Opportunity Tax Credit (WOTC) is a Federal tax credit available to employers for hiring individuals from certain target groups who have consistently faced significant barriers to employment.

Each year, employers claim more than \$1 billion in tax credits under the WOTC program. The success and growth of this income tax credit for business is beneficial for all who participate, while increasing America's economic growth and productivity.

What does WOTC Do?

WOTC helps targeted workers move from economic dependency into self-sufficiency as they earn a steady income and become contributing taxpayers, while participating employers are able to reduce their income tax liability.

How to apply?

- Mail: Submit the completed and signed IRS form 8850 and ETA Form 9061 to:
Indiana Department of Workforce Development
Work Opportunity Tax Credit, SE331
10 North Senate Ave.
Indianapolis, IN 46204
Forms must be submitted within 28 calendar days of the employee's start date.
- Online: <http://solutions.dwd.in.gov/eWotc>

Why should employers take advantage of WOTC?

- WOTC reduces an employer's cost of doing business.
- Applying for WOTC is simple.
- WOTC can reduce an employer's federal income tax liability by as much as \$9,600 per employee hired.
- There is no limit on the number of individuals an employer can hire to qualify for the tax credit.

How much is the tax credit?

Employers can earn a tax credit from \$1,200 to \$9,600 per employee, depending on the target group of the new employee and number of hours worked in the first year. Employees must work at least 120 hours in the first year of employment.

Who is eligible?

- Veterans
- TANF Recipients
- SNAP (food stamp) Recipients
- Designated Community Residents
- Vocational Rehabilitation Referrals
 - Ex-felons
- Supplemental Security Income Recipients
- Summer Youth Employees

For more WOTC information, visit: <http://www.doleta.gov/wotc> or contact:

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