We Serve

Many individuals in New Hampshire may be a member of one or more of the nine different WOTC targeted groups. Many of these individuals are seeking employment due to welfare reforms.



**Work Opportunity

Tax Credit

Program**

**Your company

could be eligible

for up to**

**$9,000**

**in federal tax

credits per

qualified hire.**

* Individuals living in TANF families
* Individuals living in Food Stamp families
* Recently Disabled Veterans
* Individuals living in Housing and Urban Development designated Empowerment Zones, Enterprise Communities, Renewal Communities.

Many of these individuals may benefit your company with up to $9,000 in federal tax credits.

Sources:

*The Tax Relief and Health Care Act of 2006*

*(HR-6111)*

*ETA Handbook No. 408, Fourth Edition*

*(Currently under revision) US Department of Labor*

*Employment and Training Administration*

Contact Us

**WOTC Coordinator

New Hampshire Department of

Employment Security**

**Keith Badger**45 South Fruit Street

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Visit our web site at:

[**www.nhes.nh.gov**](http://www.nhes.nh.gov)*(Select Services for Customers, Employers,

Recruit Employees, then see Incentives to Hire)*



NHES 0327

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and NH Works. NHES is an Equal Opportunity Employer and

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Auxiliary aids and services are available upon request of

individuals with disabilities.*TDD/ TTY Access: Relay NH 1-800-735-2964



The Work Opportunity Tax Credit (WOTC) program is designed to help individuals facing barriers move into gainful employment. This program encourages employers in the private sector to hire job seekers from one of the designated target groups.

Employers

Target Groups

Easy As 1-2-3

If you hire an individual from a WOTC targeted group, your company may be eligible for up to $9,000 in federal tax credits.



**Tier 1:** An employer may qualify for a tax

credit calculated at 25% of the first $6,000 in qualified wages paid to a qualified employee working at least 120 hours, but less than 400 hours.

**Tier 2:** An employer may qualify for a tax

credit calculated at 40% of the first $6,000 in qualified wages paid to a qualified employee working at least 400 hours.

Tier rates apply to all Targeted Groups except Target Groups “F” and “I” described in the next section.

A) Qualified Temporary Assistance

to Needy Families (TANF) Recipients



1. Qualified Veterans
2. Qualified Ex-Felons
3. Designated Community Residents
4. Qualified Voc-Rehab Recipients
5. Qualified Summer Youth

*(Maximum tax credit on Qualified Summer*

*Youth is $1,200.)*

1. Qualified Food Stamp Recipients
2. Qualified Supplemental Security Recipients
3. Qualified Long-Term Family

Assistance Recipients *(effective 01-01-07)*

* First Year Tax Credit: Up to $4,000 if the qualified new hire is employed at least 400 hours.

This is an employer-friendly tax credit

program involving three simple steps:

**Step 1:**

The employer and employee must complete IRS Form 8850 and US Department of Labor Form ETA-9061.

**Step 2:**

The employer must screen job applicants using these forms to ascertain if they are a member of a targeted group.

**Step 3:**

*Mail completed forms to:*

New Hampshire Department of Employment Security

Attn: Keith Badger

WOTC Coordinator

45 South Fruit Street

Concord, NH 03301-4857

Completed forms must be postmarked to the above address no later than 28 calendar days following the employee’s employment start date.

The New Hampshire Department of Employment Security will determine if the WOTC application was submitted in accordance with IRS guidelines and

whether the applicant is a member of the WOTC qualified target group.

* Second Year Tax Credit: Up to $5,000 if the qualified employee is employed at least 400 hours.