

# **Work Opportunity Tax Credit (WOTC)**

## **Information for Employers Who Are Just Starting**

Welcome to using the WOTC! We're excited to help you navigate this federal program. While WOTC has specific rules, we're here to answer any questions you have.

### **1. IRS Form 8850 (Pre-Screening Notice and Certification Request for the Work Opportunity Credit):**

- Download the latest IRS Form 8850 from [OregonTaxCredit.org](http://OregonTaxCredit.org) or on the [IRS](http://IRS) website.
- The applicant should complete the front and sign it. The employer should complete the back and sign it.
- We recommend that you include Form 8850 as part of your application process, although it is voluntary for applicants to complete.

### **2. ETA Form 9061 (Individual Characteristics Form):**

- Download the latest ETA Form 9061 from [OregonTaxCredit.org](http://OregonTaxCredit.org) or [www.doleta.gov](http://www.doleta.gov).
- Do **not** include Form 9061 in your job application packet.

### **3. Completing forms for eligible applicants:**

- If an applicant chosen to move forward in the hiring process ticks a box on Form 8850 during the hiring process, fill out Form 9061 together when they accept the job offer.
- Complete Form 9061 by the employee's first day of work.
- Note that only new hires are eligible. Previous employees are not eligible for the Work Opportunity Tax Credit.

### **4. Submitting WOTC application:**

- To submit Forms 8850 and 9061, create an account on [our online portal](#).
- Enter the information from both Forms within **28 days** of the new hire's start date by clicking on "Enter New Application- 2023 Version" on the Employer Menu of your account.
- All applications submitted after 28 days will be denied.
- Input the data electronically into our system. You do not need to attach or send us the physical forms, but keep them for potential audits.
- You can check the status of your applications and print/download certifications or denials by clicking on "View Status of Applications" on the Employer Menu.
- The system does not send notifications of determinations; please check back for updates.

### **5. Alternate submission method:**

- If you can't file online, mail original signed Forms 8850 and 9061 within 28 days of the employee's start date to:  
Oregon Employment Department WOTC Unit  
875 Union St NE, Room 201  
Salem, OR 97311
- Keep copies for your records and consider getting proof of mailing.

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### Additional WOTC Program Information

- ❖ **Tax credits:** Employers can earn \$1500-\$9600 in tax credit for every eligible new hire. There is no limit on the number of WOTC-eligible new hires an employer can claim. The employee must work a minimum of 120 hours in the first 12 months of employment to qualify. The maximum credit is available when they work at least 400 hours and earn \$6,000 in their first year on the job. To see tax credit amounts by qualifying wages and worked hours for each category, visit [www.OregonTaxCredit.org](http://www.OregonTaxCredit.org) and click on “Eligible workers.”
  
- ❖ **Qualifying categories in Oregon:**
  - Certain Veterans (with disabilities, SNAP recipients, or unemployed)
  - People with a recent felony conviction or release from prison
  - SNAP or TANF recipient
  - Long-term unemployed
  - Vocational Rehabilitation participants
  - Recent Supplemental Security Income or Ticket to Work recipient
  
- ❖ **Restrictions:** A business may not claim a WOTC credit for hiring an employee who is a relative of the owner(s). Eligible tax-exempt employers can claim the WOTC against the employer’s share of Social Security taxes, but only for eligible members of the qualified veteran categories.
  
- ❖ **Additional documentation for Veterans with disabilities:** If your new employee is a Veteran with a disability, please upload Veteran Affairs (VA) documentation verifying their service-connected disability rating. You can upload supporting documentation by clicking “Upload or View Applicant Documentation” on the menu of your online account.
  
- ❖ **Retrieving WOTC information:** In most cases, we will be able to retrieve the information needed to determine if an individual meets criterion for WOTC qualifying categories. If your new employee received TANF benefits and/or SNAP benefits in a state other than Oregon or has a felony conviction/served a prison term in any state other than Oregon, please tell us the name(s) of the state(s) involved on the 9061 so we can ask the state(s) for information.
  
- ❖ **Claiming the WOTC credit:** To claim Work Opportunity Tax Credit you will need to obtain your WOTC certificate and submit it to the IRS at tax time.
  - After logging into the online portal, on the Employer Menu, click “View Status of Applications” and specify the date range with “Date Type: Determination Date.” Click “All” to see which applications have been certified or denied. Use “Print New Certifications” and “Print New Denials” for necessary documents.
  - For certified applications, submit them to the IRS. For guidance on the process, read the “Claiming the Credit” section on the IRS page [Work Opportunity Tax Credit | Internal Revenue Service \(irs.gov\)](http://www.irs.gov).

Did anything on this list raise questions? Please contact us!