

Speaker 1:

Hiring employees? You may be eligible for tax credits if your staff belongs to specific demographic groups defined by the Department of Labor. These tax credits are known as Work Opportunity Tax Credits or WOTC, and are offered by the federal government to employers who hire workers from targeted groups that have traditionally faced obstacles in finding employment.

These groups include certain veterans, recipients of public assistance, including Temporary Assistance for Needy Families, or TANF, formerly known as Cash Assistance, Supplemental Nutrition Assistance Program, or SNAP Benefits, or long-term unemployment benefits. Individuals who were previously incarcerated, individuals with disabilities who are referred by the Vocational Rehabilitation Program. Recipients of Supplemental Security Income or SSI benefits, summer youth employees, and designated community residents. The Work Opportunity Tax Credit program can save your company money, help provide eligible job seekers with access to high quality jobs, and improve your workplace diversity.

By hiring individuals from targeted groups, you can reduce your federal tax liability by up to \$9,600 per new hire. To qualify, submit an application within 28 days of hiring a new employee and receive certification that the worker belongs to a targeted group. Once you obtain certification, you can claim the tax credit as a general business credit on your federal income tax return. It's important to note that the employee must work a certain number of hours to qualify for the tax credit, cannot be a rehire, a majority owner of the company, or a relative of you, the employer. Please review the full list of requirements on our website before submitting an application.

Arizona@Work is available to help you fill job vacancies. Email durrsazemployer@AZDES.gov for assistance or post job openings in Arizona's Labor Exchange System, the Arizona Job Connection at azjobconnection.gov. To learn more about the Work Opportunity Tax Credit, and to get started, visit bit.ly/azwotc or email us at WOTC@AZDES.gov.