



## RESEARCH CREDITS AND INCENTIVE SERVICES

# Work Opportunity Tax Credit



The Work Opportunity Tax Credit (WOTC) is an incentive to encourage employers to increase job opportunities for people who typically experience barriers to employment of one kind or another. Employers can save up to \$9,600 against their income taxes for each qualifying candidate in the following 10 targeted categories for employees who work at least 120 hours in the first year of employment.

- Qualified IV-A Recipient
- Qualified Veteran
- Ex-Felon
- Designated Community Resident (DCR)
- Vocational Rehabilitation Referral
- Summer Youth Employee
- Supplemental Nutrition Assistance Program (SNAP) Recipient
- Supplemental Security Income (SSI) Recipient
- Long-Term Family Assistance Recipient
- Long-Term Unemployment

The total benefit can be substantial for many companies.

A&M's Tax Credit team can help employers improve monitoring, screening, compliance and the calculation of tax credits through the tools and technologies that we employ.

## Who should take advantage of the WOTC?

Any employer who expects to hire from any of the targeted job candidate groups should take advantage of this tax credit. A&M's WOTC consulting services team can greatly help new businesses that are eligible but have not taken advantage of the tax credits. Outsourcing is an excellent option for companies that either don't have the staff or don't want to take on the full burden of handling WOTC claims.

Companies that typically benefit from the incentive can be found in: **retail, hospitality, food service, manufacturing, government contracting**, and businesses located in or near **retirement living communities**, which often have a higher percentage of people who qualify.

## What are the benefits of claiming the WOTC?

- **Tax Savings:** Claiming the WOTC can save a company a significant amount of taxes, especially if the business is expanding and likely to attract some or many of the targeted employee groups the credit is designed to help.
- **Create Good Will and Opportunities:** The WOTC is intended to provide incentives to employers to hire certain candidates who find it challenging to get jobs. Companies can benefit the community by providing economic opportunities and enhancing the organization's reputation by helping groups that need support.



## What other advantages will my business experience using A&M's WOTC service?

- **Easy application:** A&M's team has helped remove the burden of tracking and filing for the WOTC for hundreds of employers.
- **Processes that work:** A&M has developed tools and technology to ensure the tax credits are tracked and filed cleanly and quickly to meet filing deadlines and maximize realized benefits.
- **No need to expand staff:** By using A&M's WOTC service, employers can realize the benefits without having to increase staffing to handle the tax credit paperwork and filings.
- **More than just WOTC:** A&M's staff is experienced in various credits and incentives beyond WOTC and will help to identify any additional federal, state or local benefits that are not being utilized.

## Contact an A&M Taxand WOTC expert today:



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Alvarez & Marsal Taxand is a founder of Taxand, the world's largest independent tax organization, which provides high quality, integrated tax advice worldwide. Taxand professionals, including almost 550 partners and more than 2,500 advisors in 50 countries, grasp both the fine points of tax and the broader strategic implications, helping you mitigate risk, manage your tax burden and drive the performance of your business.

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