

Employers and Veterans: You Need to Consider (or Reconsider) the WOTC

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EMPLOYERS: Are you considering hiring a veteran? The **Work Opportunity Tax Credit (WOTC)** could save you thousands of dollars almost immediately.

JOB APPLICANTS: Are you a veteran? Qualifying for the **WOTC** could help an employer decide to hire you.

Employers that hire military veterans are making a mistake if they ignore this valuable credit - and the certification process can be quick and easy. Free assistance with the certifications is available at the NWSBA or you can click on the following link to begin the process on your own: [WOTC Veterans Documents](#).

What is the Work Opportunity Tax Credit “WOTC” Program?

VETERAN TARGET GROUP	MAXIMUM TAX CREDIT
Receives SNAP (food stamps) benefits	\$2,400
Entitled to compensation for service-connected disability:	
Hired within 1 year of discharge or release from active duty	\$4,800
Unemployed at least 6 months in the year ending on the hiring date	\$9,600
Unemployed	
At least 4 weeks	\$2,400
At least 6 months	\$5,600

The WOTC program enables many military veterans to gradually move from economic hardship to steady employment, while also rewarding participating employers for hiring qualified veterans by being able to lower their federal income tax liability. Available maximum tax credits range from \$2,400 to \$9,600, depending on the category.

Although there are potentially thousands of dollars of tax credit available for each qualified veteran hired, employers often ignore this credit believing the process is too much of a headache. However, certification is easier than you may think:

- Certification requires the filling out and filing of two very short forms, [IRS Form 8850](#) and [ETA Form 9061](#).
- The applicant must fill out the first section of Form 8850 **BEFORE** they are offered the job and both certification documents must be completed and filed within 28 days of when the employment begins.
- After you've done it once, you will see how easy and beneficial the certification of targeted individuals can be if you make it part of your hiring process.

What is a Qualified Veteran?

An eligible individual is a veteran who has a service-connected disability, is unemployed, or is receiving SNAP (food stamp) benefits. Employers may claim a tax credit for every qualifying veteran they hire and maximum credit amounts for each qualifying veteran are calculated as a percentage of that veteran's wages:

- 25% of wages for qualified workers employed for more than 120 hours but less than 400 hours.
- 40% of wages for qualified workers employed for at least 400 hours.

While We Have Your Attention

[Federal Bonding Program](#). Free fidelity bonding is available to veterans with a dishonorable discharge who have a firm offer for full-time work. The bond initially covers a six-month period. After that time, if a bond still remains a condition of employment, employers can renew the bond for an additional six months or purchase the bond from the coverage provider at a regular commercial rate.

Contact

For more information about the WOTC, bonding or volunteer opportunities with the Veteran's Committee contact us at NWSBAVeterans@gmail.com.