



Work Opportunity Tax Credit

Program Overview

The **Work Opportunity Tax Credit (WOTC)** program is an incentive program and provides businesses with a federal income tax credit to hire individuals from targeted groups that have a particularly high unemployment rate or other special employment needs. Your business does not have to be in an empowerment zone, enterprise community, or renewal community to qualify for this credit. The WOTC credit is calculated on “qualified first-year wages” and has a maximum credit of \$2,400 per eligible employee. For more detailed information, read IRS Publication 954.

This tax credit program also rewards employers with an incentive to hire long-term family assistance recipients. The credit is based upon the “qualified wages” during the first two years of employment. The program has a maximum credit potential of \$9,000 for two years per eligible employee.

RetroTax™ Role

RetroTax™ can do **all of the work** needed for employers to collect their WOTC credits, including computing the credits and completing all necessary documentation.

RetroTax™ Procedures

1. Assign project manager to oversee your account activity.
2. Supply all necessary paperwork to be included in your new hire packets. This includes both Spanish and English versions (form A), all pre-printed 8850 forms, and any other client specific information needed.
3. Establish and educate hiring managers regarding mail in procedures and provide sample program letters to introduce program to all hiring managers. Establish goals to client's needs and audits and monitors program progress.
4. RetroTax™ project managers work with all State Unit Coordinator to streamline processes and obtain certification for any qualified employee.
5. Calculate Tax Credit and provides program details, year-end summary and any appropriate tax forms to be included with your filings.
6. Provides client specific review meeting to highlight program strengths and weaknesses.
7. RetroTax™ will research your other facilities to determine if you are eligible to qualify for any other state and federal tax programs.

Your Role

Our client's responsibility is to provide RetroTax™ with the original 8850 and form A in a timely manner as referenced above in “**RetroTax™ Procedures, # 2.**”

Fees

20% fee, contingent upon the total credits we are able to obtain for you.