

# Federal Tax Credits for Employers

**Hire workers who can keep more of your money in your business!**

**Increase your bottom line** by taking advantage of the **Work Opportunity Tax Credit (WOTC)**. The WOTC provides a **federal income tax credit** for hiring new employees who meet certain criteria. Any size employer is eligible for the credit. Jobs can be full-time, part-time, permanent or temporary. There's no limit to the number of new hires who can qualify you for these tax savings.



The Tax Credit is up to **\$2,400** for each new hire. Hire a disabled veteran, and it's up to **\$4,800**. Hire a long-term family assistance recipient and it's up to **\$9,000!** Use these savings to offset the costs of hiring and training workers. As the employee earns and learns, you reduce your federal tax liability. It's money you keep working in your business.

**An employer may qualify for the tax credit if a new hire meets eligibility in one of the following targeted groups:**

- Short-term assistance (MFIP) recipient
- Veteran - receiving food stamps or disability compensation or unemployment benefits
- 18-39 year-old food stamp recipient
- Rehabilitation Services/Ticket to Work recipient
- Ex-felon
- Resident in Minneapolis Empowerment Zone (EZ) or in Rural Renewal County (ages 18-39)
- EZ resident (ages 16-17) hired as a summer youth employee
- Supplemental Security Income recipient
- Long-term assistance (MFIP) recipient
- Disconnected youth (ages 16-24)

*For More Information:*

**Internet:** [www.deed.state.mn.us/wotc](http://www.deed.state.mn.us/wotc)

**Email:** [deed.wotc@state.mn.us](mailto:deed.wotc@state.mn.us)

Minnesota Department of Employment and  
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WOTC Unit  
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St. Paul, MN 55101-1351

Twin Cities Metro: 651-259-7507  
Greater Minnesota: 888-234-5521  
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The **paperwork is minimal!** The **tax savings are huge!** For each new hire who indicates he/she may meet one or more of the criteria above, Minnesota employers need only do the following to receive certification to claim the tax credit:

- Complete the **IRS Form 8850** and the U.S. Department of Labor **Form ETA-9061**. These forms can be downloaded from [www.deed.state.mn.us/wotc/page5.htm](http://www.deed.state.mn.us/wotc/page5.htm)
- Mail the signed and dated forms to the Minnesota Department of Employment & Economic Development, WOTC Unit, **no later than 28 days** after the new employee's start date.

## Work Opportunity Tax Credit Program

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