

Mass Workforce Issuance

Workforce Issuance No. 13-39

Policy Information

To: Chief Elected Officials
Workforce Investment Board Chairs
Workforce Investment Board Directors
Title I Administrators
Career Center Directors
Title I Fiscal Officers
DCS Operations Managers

cc: WIA State Partners

From: Alice Sweeney, Director
Department of Career Services

Date: June 17, 2013

Subject: **Reauthorization of WOTC Program and Continuation of VOW to Hire Heroes Act, TEGL No. 24-12**

Purpose: To inform the State Workforce Agencies (SWAs) of the retroactive legislative reauthorization of the Work Opportunity Tax Credit ([WOTC](#)) for non-Veteran target groups and the Empowerment Zones that expired on December 31, 2011, and continuation of the WOTC for Veteran groups, including the VOW to Hire Heroes Act of 2011 ([VOW Act](#)) expanded Veteran groups. Also, to provide guidance to SWAs, participating agencies and other Federal and State partners for processing WOTC certification applications. The full text of the guidance is located in [TEGL No. 24-12](#).

Background: The VOW Act amended and expanded the definition of the qualified Veteran target group. Specifically, the VOW Act extended the availability of existing Veteran categories and amended the definition of “qualified Veteran” by adding two new unemployed Veteran categories: a) Veterans certified as having aggregate periods of unemployment of at least 4 weeks but less than 6 months in the years prior to being hired, and b) Veterans certified as having aggregate periods of unemployment of 6 months or more in the year prior to being hired. The VOW Act also significantly increased the amount of qualified wages taken into account for purposes of calculating the credit for certain Veteran groups, which resulted in certain increased tax credits available to employers that hired individuals from this group. Finally, the VOW Act also made a reduced WOTC

available to certain tax-exempt organizations for hiring qualified Veterans. The ETA provided guidance in [TEGL No. 30-11](#) regarding eligibility for the amended and expanded Veteran target group and for the tax-exempt organizations permitted to claim the WOTC for hiring Veterans. The provisions in the VOW Act applied to new employees who began working for an employer on or after November 22, 2011, and before January 1, 2013.

On December 31, 2011, the legislative authority for all WOTC non-Veteran target groups expired. ETA provided guidance in [TEGL No. 15-11](#) regarding requests for certifications for the non-Veteran target groups submitted to SWAs during the authorization lapse. This guidance directed states to continue accepting applications for employees in these groups hired on or after January 1, 2012, but to postpone final processing of those certification requests pending further legislative action and guidance.

Along with numerous references, TEGL No. 24-12 also details, outlines and or summarizes:

- New Legislative Provisions
- Veteran Target Groups
- Tax-Exempt Organizations
- Transition Relief for Employer Submission of Form 8850 for Qualified Veterans
- Non-Veteran Target Groups
- Transition Relief for Employer Submission of Form 8850 for Non-Veteran Groups
- Empowerment Zones
- ETA Program Forms
- IRS Form 8850, and
- IRS Notice 2013-14 (March 7, 2013)

Action

Required: Please provide this information to all appropriate WOTC program staff, employees and their representatives, participating agencies and other interested partners. Ensure that the WOTC State Coordinators and participating agencies implement the requirements outlined in this TEGL effective the date the guidance is issued.

Inquiries: Questions regarding this guidance should be directed to Jack Sprince, WOTC Coordinator, MA Department of Career Services
Phone: 617-626-5730
Email: jsprince@detma.org