



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF APPRENTICE STANDARDS

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

ROSALIN ACOSTA
SECRETARY

PATRICK MITCHELL
DIRECTOR

No. 18-01182022

Policy
 Information

Apprenticeship Issuance

To: Registered Apprenticeship Sponsors and Employers

From: Patrick Mitchell, Director

Date: January 18, 2022

Subject: Apprenticeship Tax Credit Information Notice 2021

Purpose: To notify and inform Apprenticeship Sponsors, employers, and relevant stakeholders in the healthcare, technology, and production manufacturing sectors regarding deadline and eligibility information to apply for a Registered Apprentice Tax Credit for calendar year 2021.

Information: The Registered Apprentice Tax Credit (RATC) promotes expansion of registered apprenticeship in the healthcare, technology, and production manufacturing sectors in the Commonwealth. Employers in these sectors may be eligible for a credit of up to \$4,800 per qualified apprentice hired in a taxable year.

The Deadline to Apply for Calendar Year 2021 is February 18, 2022.

Per M.G.L. C. 63, § 38HH, eligible employers who employ registered apprentices may apply for a tax credit of the lesser of up to \$4,800 or 50% of wages paid per apprentice who meets RATC program requirements. Employers are eligible to apply for RATC for apprentices who have been hired and employed for 180 days in a taxable year. An employer is also eligible to apply for an additional \$4,800 credit if a qualified apprentice is employed for 180 days in the subsequent taxable year, as long as the total credit does not exceed \$9,600 per qualified apprentice over two years. In any case, employers are eligible to receive a maximum of \$100,000 in RATC credits per **calendar** year.

Employers will receive notification of approval or non-approval within forty-five (45) days of submitting an application. If approved, an employer will receive a RATC Certification from the Executive Office of Labor and Workforce Development (EOLWD) authorizing a tax credit in the approved amount, which the employer may claim in its state tax filing.

Eligibility:

To qualify for RATC, employer applicants must meet the following requirements:

- Be registered as a sponsor or co-sponsor with the Massachusetts Division of Apprenticeship Standards (DAS). (If registered as a sponsor, the sponsor application must have been approved by DAS. If registered as a co-sponsor, a co-sponsor

- acceptance agreement must be on file with DAS; however, if an otherwise qualified apprentice was hired prior to the publication of the Co-Sponsor Agreement, an Employer Acceptance Agreement will be accepted by DAS.);
- Must be current with all obligations to the Commonwealth of Massachusetts, including but not limited to Unemployment Insurance payments, and Workers Compensation coverage requirements;
 - Must be in good standing with the Massachusetts Department of Revenue;
 - Must not be debarred from doing businesses with the Commonwealth of Massachusetts;
 - Must not be a unit of state, local, or federal government;
 - Must not be required to register apprentices through the Division of Apprentice Standards due to licensure requirements or regulations; and
 - Must submit the RATC application after a registered and qualified apprentice has worked 180 days in a taxable year.

To qualify for the RATC, every Apprentice hired by an employer must meet the following requirements:

- Must be registered as an apprentice with DAS; and
- Must be employed in one of the following occupations: Computer occupations, as defined by Standard Occupational Codes 15-1200; Healthcare technologists and technicians, as defined by Standard Occupational Codes 29-2000; Healthcare Support Occupations, as defined by Occupational Codes 31-0000; or Production occupations employed in the Manufacturing Industry, as defined by Standard Occupational Codes 51-000, NAICS code 31-33.

Note: Workers employed by a third party, such as a staffing firm, are not eligible for RATC credit. Self-employed individuals or contractors are similarly ineligible.

How to Apply:

Eligible applicants may apply online at: <https://www.mass.gov/forms/registered-apprentice-tax-credit-ratc-application>

An application will not be considered complete until an applicant completes and submits the RATC application, Parts A and B along with uploading the following items:

- A Massachusetts Department of Revenue Certificate of Good Standing that is no older than 6 months. Please visit the [Department of Revenue's website](#) to apply for a Certificate of Good Standing.
- A Massachusetts Department of Unemployment Assistance Certificate of Compliance that is no older than 3 months. Please visit the [Department of Unemployment Assistance website](#) to receive a Certificate.

For more information, please visit <https://www.mass.gov/how-to/apply-for-a-registered-apprentice-tax-credit-ratc>

All Apprentice Issuances can be found at [https:// mass.gov/service-details/apprenticeship-issuances](https://mass.gov/service-details/apprenticeship-issuances).