



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

MAURA HEALEY
GOVERNOR

KIM DRISCOLL
LIEUTENANT GOVERNOR

LAUREN E. JONES
SECRETARY

PATRICK MITCHELL
DIRECTOR

No. 21-01122024

<input type="checkbox"/> Policy
<input checked="" type="checkbox"/> Information

Apprenticeship Issuance

To: Registered Apprenticeship Sponsors and Employers
From: Patrick Mitchell, Director
Date: January 12, 2024
Subject: Apprenticeship Tax Credit Information Notice for Taxable Year 2023

Purpose: To notify and inform Apprenticeship Sponsors, employers, and relevant stakeholders in the healthcare, manufacturing and technology sectors regarding deadline and eligibility information and how to apply for a Registered Apprentice Tax Credit (RATC) for taxable year 2023.

The Deadline to Apply for the 2023 RATC is March 31, 2024.

Eligibility: The Registered Apprentice Tax Credit (RATC) promotes expansion of registered apprenticeship in the healthcare, technology, and production manufacturing sectors in the Commonwealth. Under existing policy, only certain occupations in these sectors are currently eligible for the RATC in taxable year 2023. For information regarding additional occupations eligible for taxable year 2024, which can be applied for after an apprentice has worked 180 days in taxable year 2024, please refer to concurrent DAS Issuance #22-01122024.

Per M.G.L. c. 63 § 38 HH, Employers of apprentices in the following occupational groups may be eligible for a credit of up to \$4,800 per qualified apprentice in taxable year 2023.

- 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;
- Production occupations employed in the Manufacturing Industry, as defined by Standard Occupational Codes 51-0000, NAICS code 31-33.

100 CAMBRIDGE STREET • SUITE 501 • BOSTON, MA 02114
(617) 626-5409 • apprenticeship@mass.gov
www.mass.gov/das

Additional Apprentice Eligibility Information: 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 initially apply for RATC for apprentices who have been employed as apprentices for 180 days in the *taxable year* for which the credit is claimed. For example, if a business's taxable (i.e. fiscal) year runs from October 1, 2022, through September 30, 2023, apprentice(s) would need to be employed by the business as an apprentice for at least 180 days during that time period. A primary goal of the tax credit is to offset the costs of administering registered apprenticeship, therefore credit cannot be granted for calendar days employed in any other role than as an apprentice.

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 taxable years. In any case, employers are eligible to receive a maximum of \$100,000 in RATC credits per *calendar year*. If the credit allowed exceeds the tax otherwise due to the taxpayer (i.e. a taxpayer's refund), 100% of the RATC may be refundable.

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 DAS receives a completed RATC application through the above link (Parts A and B) along with 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.

Employers will receive notification of approval or non-approval within sixty (60) 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.

Before applying, please review the following for specific eligibility criteria.

To qualify for the RATC, employer applicants must:

- Be registered as a sponsor or co-sponsor with the Massachusetts Division of Apprentice 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);

- Be current with all obligations to the Commonwealth of Massachusetts, including but not limited to Unemployment Insurance payments, and workers compensation coverage requirements;
- Be in good standing with the Massachusetts Department of Revenue;
- Not be debarred from doing businesses with the Commonwealth of Massachusetts;
- Not be a unit of state, local, or federal government;
- Not be required to register apprentices through the Division of Apprentice Standards due to licensure requirements or regulations; and
- Submit the RATC application including all information required for consideration after a registered and qualified apprentice has worked as an apprentice for 180 days in the taxable year for which the credit is being claimed.

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

- Be registered as an apprentice with DAS; and
- Be employed as a registered apprentice for at least 180 days in the taxable year for which the credit is being claimed in one of the occupations determined to be eligible in 2023: 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.

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

