

# Mass Workforce Issuance

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**100 DCS 28-100**

☐ Policy    ☒ Information

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

**cc:** WIOA State Partners

**From:** Alice Sweeney, Director  
Department of Career Services

**Date:** August 1, 2016

**Subject:** **Work Opportunity Tax Credit (WOTC) 2015 Reauthorization**

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**Purpose:** To inform and provide guidance to Local Workforce Boards, One-Stop Career Center Operators, and other local workforce investment partners on the retroactive legislative reauthorization of all Work Opportunity Tax Credit (WOTC) target groups, the Empowerment Zone that expired on December 31, 2014, and the introduction of a new target group and WOTC ETA Forms through DOL/ETA Training and Employment Guidance Letter ([TEGL No. 25-15](#)) released June 17, 2016.

**Background:** On December 18, 2015, the [Protecting Americans from Tax Hikes Act of 2015](#) (the PATH Act) was signed into law. The PATH Act extends and modifies the WOTC Program (Section 142) and the Empowerment Zones (EZs) (Section 171).

In summary, the PATH Act:

- Retroactively reauthorizes the following WOTC program target groups for a five-year period, from January 1, 2015 to December 31, 2019:
  - A qualified IV-A (TANF) recipient,
  - A qualified Veteran,
  - A qualified ex-felon,
  - A designated community resident,
  - A vocational rehabilitation referral,

- A qualified summer youth employee,
- A qualified supplemental nutrition assistance program (SNAP) benefits recipient,
- A qualified SSI recipient, and
- A long-term family assistance (TANF) recipient
- Provides for an extension of the Empowerment Zones for a two-year period, from December 31, 2014 to December 31, 2016
- Introduces a new target group, Qualified Long-term Unemployment Recipients, for new hires that begin to work for an employer on or after January 1, 2016 through December 31, 2019

The TEGL provides detailed guidance and resources to the State Workforce Agency regarding:

- Procedural Guidance for 2015 Hiatus New Hires
- Empowerment Zones
- Eligibility Determinations for Qualified Long-Term Unemployment Recipients
- Accessing Unemployment Insurance Claims and Wage Records
- Qualified Wages and Tax Credit Caps Applicable to the Long-Term Unemployment Recipient Group
- Transition Relief for Employer Submission of Form 8850
- WOTC ETA Forms
- Paperwork Reduction Act of 1995, Notice of Action and Reporting Authority
- Guidance for SWAs and Employers Following ETA's Interim Instructions
- Grace Period for States' and Employers' Automated Systems and
- Program Administration

#### **Action**

**Requested:** Career Center staff, in particular, Business Service Representatives (BSRs), should familiarize themselves with these continued and new categories of eligible target groups. Career Center staff should be able to promote the tax credit availability to employers, job seekers and other Workforce Innovation and Opportunity Act (WIOA) partners, refer employers to the online WOTC application (available at: <https://wotc.detma.org/WOTC/Logon.aspx> ), and provide technical assistance to these agencies, as appropriate, for conducting target group preliminary eligibility determinations.

Additional Information can be found and referenced in the [MA BizWorks Resource Guide](#) (pages 10-12):

**Inquiries:** Please direct all questions to Jack Sprince at [Jackson.E.Sprince@MassMail.State.MA.US](mailto:Jackson.E.Sprince@MassMail.State.MA.US). Please reference this Mass Workforce Issuance number in your inquiry.