



Subject: EXTENDED TAX CREDIT DEADLINE

August 17th is the extended deadline to file for certification of Unemployed Veterans and Disconnected Youth hired after January 1, 2009 and before July 17th 2009, for work opportunity tax credits. (WOTC).

Companies who plan to take advantage of this tax credit will need to complete Form 8850: *Pre-Screening Notice and Certification Request for the Work Opportunity Credit* for each qualified individual hired between January 1 and July 17, 2009. Companies who hire individuals in these two categories are eligible for a maximum \$2400 tax credit for each qualified new hire.

The American Recovery and Reinvestment Act of 2009 signed in February 2009 expanded the definition of new hires who qualify for Work Opportunity Tax Credits to include **unemployed veterans** and **disconnected youth**. These two new categories of workers are defined in more detail below and the statutes are in place through 2010. Certification by the state workforce agency is required.

Unemployed Veterans. Any veteran that has been discharged or released from active duty in the Armed Forces at any time during the 5-year period ending on the hiring date, and has received unemployment compensation under State or Federal law for not less than 4 weeks during the 1-year period ending on the hiring date.

Disconnected Youth. Any individual who is certified by the designated local agency aged 16-24, who is not regularly attending any secondary, technical or post-secondary school during the 6-month period preceding the hiring date, or who was not regularly employed during such 6-month period, and is not readily employable by reason of lacking a sufficient number of basic skills.

AccuPay can help! We offer assistance in processing and tracking documentation for companies who hire individuals from disadvantaged work groups. Up to 20% of hourly employees qualify for a business for a work opportunity tax credit. For more information on tax credit processing, contact Tamara Clookey, CPP or Larry Shaub, CPA at 885-7600

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