



New Legislation

“American Tax Payer Relief Act of 2012” The “Vow to Hire Heroes Act” Work Opportunity Tax Credits



Employment Tax Credits For Employers

Now “The American Tax Payer Relief Act of 2012” Work Opportunity Tax Credit

The “VOW to Hire Heroes Act” allows employment tax credits for both “For-Profit” and “Non-Profit” companies under the federal employment tax credit i.e. the Work Opportunity Tax Credit Program.

CMS has been working with employers for over 15 years to save money by taking advantage of the Program.

Based on CMS’ experience 10% - 15% of your workforce is eligible for the employment tax credit averaging \$2,400 per new hire.

Why aren’t you taking advantage?
Call CMS today at 1-800-517-9099.

Who Is Eligible For The WOTC Program?

Private companies, C Corps, S Corps, LLC’s & now Non Profit 501c’s who are hiring. (See over for categories).

WOTC FACTS

- Up to \$9,600 maximum tax credit for hiring each new employee.
- Qualified individuals employed for at least 400 hours during the first 12 months may receive a credit of 50% of his or her qualified wages.
- Partial Credits are available for qualified individuals employed for at least 120 hours may receive a tax credit of 25% of his or her qualified wages.
- Designated Community Residents (Enterprise Zone) for new hires to between ages 18 and 40.

Benefits of CMS’ WOTC Processing Service

CMS provides your business with the tools to maximize the WOTC tax incentives. CMS delivers the following benefits:

- CMS screens each new hire to determine eligibility.
- We obtain and compute the value of each tax credit.
- Provide audit and visibility.
- We assist companies with annual 5584 or 5884c.
- Nationwide Service.
- Toll-Free Support.



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The Work Opportunity Tax Credit (WOTC) is a Federal tax credit available to employers for hiring individuals from certain target groups who have consistently faced significant barriers to employment.



Work Opportunity Tax Credits Categories

The WOTC program applies only to new employees.

1. Qualified Veteran. A veteran who is:

a member of a family that received SNAP benefits for at least a 3-month period during the 15-month period ending on the hiring date; or entitled to compensation for a service-connected disability and who is hired within one year of discharge or release from active duty in the U.S. Armed Forces, or entitled to compensation for a service-connected disability and unemployed for a period or periods totaling at least 6 months of the year ending on the hiring date.

New Unemployed Veteran Categories:

unemployed for at least 4 weeks, but less than 6 months, unemployed for at least 6 months

Other Target Groups:

2. Long-term TANF Recipient. A member of a family that: Received Temporary Assistance to Needy Families (TANF) payments for at least 18 consecutive months ending on the hiring date.

3. Short-term TANF Recipient. A member of a family that received TANF benefits for any 9-month period during the 18-month period ending on the hiring date.

4. Supplemental Nutrition Assistance Program (SNAP) Recipient. An 18-39 year old member of a family that received SNAP benefits for the 6 months ending on the hiring date, or received SNAP benefits for at least 3 of the 5 months ending on the hiring date.

5. Designated Community Resident. An 18-39 year old who lives within one of the federally designated Rural Renewal Counties. Note: The Summer Youth group is no longer a target group.

6. Vocational Rehabilitation Referral. An individual with a disability who completed or is completing rehabilitative services from a State certified agency.

7. Ex-Felon. An individual who has been convicted of a felony and has a hiring date which is not more than one year after the last date on which he was so convicted or released from prison.

8. SSI Recipient. A recipient of Supplemental Security Income (SSI) benefits for any month ending during the past 60-day period ending on the hire date.