

**County of Orange Social Services Agency
Family Self-Sufficiency**

Program/Area: CalWORKs/Welfare-To-Work

Title: Work Opportunity Tax Credit

Number: 201A

Status: Signature on file

Effective Date: 01/01/2003

**Revision
Date:** 02/09/2017

Approved:

PURPOSE

The purpose of this policy is to ensure that all CalWORKs clients are informed of the Work Opportunity Tax Credit (WOTC) and receive a preliminary determination of potential eligibility under one of the target group for WOTC and Welfare-to-Work Tax Credit.

POLICY

Section 11324.8 (b) of the Welfare and Institutions Code requires that at the time an individual is required to participate in welfare-to-work activities, he/she shall receive a written preliminary determination that he/she is a member of a targeted group, for purpose of any federal or state employer tax credit that may be operative. Currently the WOTC and the Welfare-to-Work Tax Credit meet this definition.

Clients who have been in activities such as Self-Initiated Programs who will be attending Job Search & Job Readiness Assistance should be evaluated and have a new written determination for eligibility as a member of the target group when a WTW plan (WTW2) is signed.

WOTC has two purposes:

- To promote the hiring of individuals who qualify as a member of a target group, and
- To provide a federal tax credit to employers who hire these individuals.

The Employment Development Department (EDD) is the WOTC authorizing agency for California employers.

An employer may qualify for a tax credit of up to \$9,600 if the employee is a member of a designated target group and meets that group's specific requirements.

MEMBERS OF TARGETED GROUPS

Below is a list of all the targeted groups for which a job applicant may be certified by the County. The groups for which SSA staff will evaluate for certification will be group code A, G and I.

Target Group A: Qualified recipients of CalWORKs

Target Group G: Qualified CalFresh recipients ages 18 through 39 if the individual is:

- Age 18 to 39 on the hiring date, and
- A member of a family: receiving CalFresh for a continuous six (6) month ending on the hiring date, or receiving such assistance for a minimum of three (3) months out of the five (5) month period ending on the hiring date.

Target Group I: Long-term recipients of CalWORKs: Any recipient who:

- Has received CalWORKs for at least 18 consecutive months ending on the hiring date, or
- Has received CalWORKs for any 18 months beginning after August 5, 1997, and is hired within two years, or
- Whose CalWORKs eligibility expired under federal or state law after August 5, 1997, and is hired within two years after eligibility expires.

Note: Other WOTC groups which are not listed above might not be applicable to CalWORKs recipients.

APPRAISAL INFORMING AND PRELIMINARY DETERMINATION

At Appraisal each participant is to be informed of the WOTC and Welfare-to-Work Tax Credit information and receive a preliminary determination of his/her eligibility to a target group. When a participant is called in to complete a WTW 2 after completion of a SIP or at other times when there has been a significant lapse of time from the last evaluation, staff is to reevaluate the participant's eligibility to a target group. The assigned Case Manager conducting the Appraisal will:

- Inform participant that WOTC and Welfare-to-Work Tax Credit can help him/her get a job if he/she is in one of the "target groups". An employer who hires him/her can receive a federal tax credit of up to \$9500. This tax credit may give the employer the incentive to hire him/her for the job. Review the

target group categories.

- Determine if the participant meets requirements under category A, G or I of the above section and if so complete a [Conditional Certification Work Opportunity Tax Credit ETA Form 9062](#).

The instructions on the back of the form are to be followed. Complete Boxes 1 through 13. Do not enter information in Boxes 14 through 21 as this is for the employer. Information specific to our agency which you need to know is listed below:

Box 1: Initiating agency code is DSS 030.

Box 2: Mark Participating Agency.

Boxes 3 and 12: You may leave blank.

Box 6: This is the signature box. Sign your name and print your name clearly below the signature.

Box 4: Enter the date.

Box 8 & 9: Enter participant name and Social Security Number SSN.

Box 10: Enter group names and codes. The only appropriate codes are A, G, and I. A for CalWORKs recipients and G for CalFresh recipients.

Box 13: is the signature box for participant

NOTE: If a participant meets target group I in Box 10, he/she will qualify under category A. The original goes to the participant and a copy goes into the case file.

- If the participant is determined to meet requirements under category A, G or I, in addition to the ETA Form 9062, provide him/her with a Tax Credit Packet that includes:
 - [Work Opportunity and Welfare-to-Work Tax Credit Fact Sheet \(DE8721\)](#)
 - [Work Opportunity and Welfare-to-Work Tax Credit Employer Guide \(DE 8722\)](#)
 - [Pre-Screening Notice and Certification Request for the Work Opportunity Tax Credit – IRS Form 8850](#)
 - [Instructions for Form 8850](#) Provide an information packet without the ETA 9062 if client does not meet any of the requirements.

RE-EVALUATION When a participant is called in to complete a WTW 2 after completion of a SIP or at other times when there has been a significant lapse of time from the last evaluation, the participant's assigned WTW Social Worker/ Case Manager is to reevaluate the participant's eligibility to a target group following the steps in

Section entitled Appraisal-Informing and Preliminary Determination.

REFERENCES Section 11324.8 (b) of the Welfare and Institutions Code
All County Letter 97-72, All County Letter 97-40

- FORMS**
- [Conditional Certification Work Opportunity Tax Credit Welfare-to-Work Tax Credit form \(ETA from 9062\)](#)
 - [Work Opportunity and Welfare-to-Work Tax Credit Fact Sheet \(DE8721\)](#)
 - [Work Opportunity and Welfare-to-Work Tax Credit Employer Guide \(DE 8722\)](#)
 - [Pre-Screening Notice and Certification Request for the Work Opportunity Tax Credit – IRS Form 8850](#)
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