

Workforce Ready

# Tax Credit Co.

## Maximize your hiring budget with WOTC

Kronos Workforce Ready® is integrating Work Opportunity Tax Credit (WOTC) services into our suite of human capital management tools by partnering with Tax Credit Co. The Tax Credit Co. app available in the Workforce Ready Marketplace lets Tax Credit Co. manage the whole WOTC filing process for you — screening for eligible applicants, calculating earned credit value, and generating the tax packages needed to claim credits — with no need for paper forms or complex manual processes. Beyond just providing information for WOTC claims, the app also lets you report on pending applications, send out automated alerts to HR and field staff, and smoothly integrate WOTC screening into your applicant experience.

Adding a WOTC process into your recruitment efforts can help you maintain an efficient hiring operation and help you stretch your employee budget.

### What Is WOTC?

The Work Opportunity Tax Credit is a U.S. government program designed by the Internal Revenue Service that incentivizes companies to hire and retain individuals from target groups with significant barriers to employment. These groups include veterans, long-term unemployed individuals, disabled individuals, Supplemental Nutrition Assistance Program (SNAP) recipients, other public assistance participants, and more.

WOTC credits are calculated as a percentage of qualified employees' wages based on the hours they work (full time or part time), and usually range from \$1,200 to \$9,600 per qualified employee, with most qualified employees generating up to \$2,400 in tax credits.<sup>1</sup> This can add up to significant cost savings for your organization.



### Key Benefits

- » **AUTOMATE WOTC SCREENING, CALCULATION, AND CLAIMS** so you can focus on recruitment and onboarding while optimizing hiring costs
- » **RECOGNIZE OPPORTUNITIES** for WOTC claims without hours of research and training
- » **BECOME PROACTIVE** with your WOTC approach through relevant reports, credit forecasts, and alerts
- » **SCREEN SEAMLESSLY** with surveys embedded in your organization's applicant experience
- » **BOOST OPERATIONAL EFFICIENCY** by removing barriers to employment



|                        |   |                              |   |                                   |   |  |
|------------------------|---|------------------------------|---|-----------------------------------|---|--|
| <b>1,000<br/>Hires</b> | X | <b>13%<br/>Net Cert Rate</b> | X | <b>\$1,200<br/>Average Credit</b> | = | <b>\$156,000<br/>Annual Tax Credit</b> |
|------------------------|---|------------------------------|---|-----------------------------------|---|--|

*An organization that makes 1,000 hires per year will claim an average of \$156,000 in WOTC credits annually.\*  
\*Based on the typical 13% net certification rate, according to Tax Credit Co.*

### Integrated Screening

A strong WOTC approach begins with evaluating the applicants your organization attracts for potential credit opportunities. Tax Credit Co. does this through a simple five-question survey embedded in your Workforce Ready Talent Acquisition applicant experience. These questions only take 60-90 seconds for the majority of applicants to answer, quickly and easily gathering the qualifying data needed for Tax Credit Co. to make a decision on WOTC eligibility. You're also able to track each applicant's completion status for the survey and see the estimated credits you'll receive from qualified applicants within Workforce Ready.

<sup>1</sup> Tax Credit Co., *What is WOTC* (November 17, 2017), found at [http://taxcreditco.com/services\\_wotc\\_what\\_is\\_wotc.html](http://taxcreditco.com/services_wotc_what_is_wotc.html).



In the last two years, my family or I have received any of the following:

- Food Stamps (SNAP)
- Temporary Assistance for Needy Families (TANF)
- Supplemental Security Income (SSI)

Yes       No       I do not wish to provide this information

I served in the U.S. Military

Yes       No       I do not wish to provide this information

*Straightforward yes-or-no questions and up-front opt-out options let you capture WOTC qualifying information with minimal disruption to applicants.*

## End-to-End Service

Tax Credit Co. completely takes the weight of the WOTC process off your internal team. Its proprietary Optimal Incentives System (Optimal IS) automatically screens job applicants for potential credits, calculates earned credit values, and generates the tax packages required to claim credits, including paperless population of often-cumbersome 8850 and 9061 forms.

On top of their sophisticated platform, Tax Credit Co. also makes every effort to keep you in the loop and support you at every stage in the WOTC workflow. It does this through Optimal IS's array of administrative functions, such as action item alerts and pending application reports, combined with a dedicated account manager assigned to your organization who can answer your questions and make sure you're capitalizing on every WOTC opportunity.

| Screen  | Submit  | Certify  | Claim   |
|---|---|--|---|
| 1. Candidates participate in a brief WOTC eligibility survey during the application process | 1. Tax Credit Co. prepares the WOTC application using signed Form 8850                    | 1. State agencies review internal databases, determine eligibility, and issue certifications as applicable | 1. Tax Credit Co. prepares an annual package including required forms to support tax return |
| 2. The survey is administered via a link or Workforce Ready integration                     | 2. Tax Credit Co. submits WOTC applications to state agencies within 28 days of hire date | 2. Tax Credit Co. uses integrated payroll data to calculate and deliver tax credits monthly                | 2. Company claims credit on its tax return  |
| 3. Qualified candidates electronically sign the WOTC Form 8850                              |   |  |   |

*Tax Credit Co. follows a comprehensive system of steps across each stage in the WOTC process to efficiently meet deadlines and uncover credits.*

## Easy Data Export

The Tax Credit Co. Marketplace app makes it simple for you to pass the information required for the WOTC process to Tax Credit Co. directly from Workforce Ready. You can select relevant pay periods and new hire lists, create files formatted for export, and upload those files safely and securely to Tax Credit Co. Once the data is sent, Tax Credit Co. evaluates the data, calculates your WOTC credit amounts, and delivers those credits to you monthly with no impact on your internal staff.

## Get More Value from Your Hiring Process

When you hire an employee, you have only 28 days from the hire date to submit the required forms for WOTC. This means that it is essential to get the ball rolling quickly with an efficient, streamlined process for evaluating WOTC opportunities in your incoming workforce. Together, Workforce Ready and Tax Credit Co. are helping you integrate this valuable process into your other human capital management activities, building your budget for strategic initiatives and talent acquisition.

Want to learn more? Reach out to Kronos Sales today, or speak to your assigned sales representative if you're already a Workforce Ready customer.