What is WOTC?

The Work Opportunity Tax Credit (WOTC) is a Federal tax credit available to private and for-profit employers who hire individuals from specified target populations. Certain tax-exempt organizations may qualify by hiring from the veteran target group.

WOTC reduces a business's federal tax liability or payroll taxes, serving as an incentive to select job candidates who have barriers to employment.

Taking advantage of WOTC

Each year, U.S. employers claim more than \$1 billion in tax credits under the WOTC program. This Federal tax credit is beneficial for all participants, serving as an incentive to select job candidates who may be disadvantaged in their efforts to find employment. These tax credits:

- **Reduce** an employer's cost of doing business
- **Decrease** an employer's federal income tax liability
- Have no limit on the number of qualifying new hires eligible for the tax credit
- Aide targeted populations in gaining employment

Visit us online:
texasworkforce.org/WOTC
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Call: 800-695-6879
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Equal Opportunity Employer/Program Auxiliary aids and services are available upon request to individuals with disabilities Relay Texas: 800-735-2989 (TTY) and 711 Voice

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Work Opportunity Tax Credit

