

**Employers
make the
hiring
decisions!**

**Minimal
paper
work!**

**No limit on
the number
of New
Hires!**



For more information:

Visit your nearest New Mexico
Department of Workforce Solutions, or
call the WOTC Coordinator at:

505.841.8501



www.dws.state.nm.us

**New Mexico
Department of Workforce Solutions
Statewide Offices**

Alamogordo	575.437.9210
Albuquerque	505.843.1900
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Taos	575.758.4219
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www.dws.state.nm.us

New Mexico Department of Workforce Solutions
401 Broadway, NE
Albuquerque, NM 87103

Work
Oppportunity
Tax
Credit



**New Mexico
Employers'
Benefits**

What is it?

The New Mexico Department of Workforce Solutions administers 9 programs that are especially appealing to employers by benefitting their bottom line through tax credits. The Work Opportunity Tax Credit (WOTC) provides Federal tax credits to employers who hire new employees from the 9 population groups listed below.



WOTC . 9 Population Groups

1. Qualified IV.A recipient of Temporary Assistance to Needy Families (TANF)
2. Qualified Veterans
3. Ex.felon, hired within one year from the date of release.
4. Designated Community Resident living in a specific area: Empowerment Zone (EZ) or Enterprise Community (EC)
5. Workers referred by Division of Vocational Rehabilitation or by Veterans Affairs
6. 16 & 17 year old summer youth living in an EZ or EC
7. 18-39 year old food stamp recipient
8. Supplemental Social Security Income (SSI) recipients
9. Long-term family assistance recipients

How it Works

The tax credit programs are split into a two-tier system dependent upon the length of time the worker is retained on the job.

The Work Opportunity Tax Credit for hiring all WOTC target groups, except Summer Youth Employees, is up to \$2,400 for each new hire.

Worker is employed over 120 hours, but less than 400 hours, qualified for 25% of first-year wages. Qualified wages are capped at \$6,000.

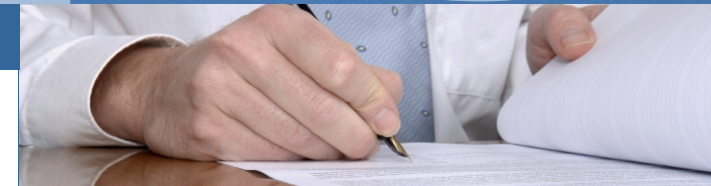
Worker employed over 400 hours or 180 days, qualified for 40% of first-year wages. Qualified wages are capped at \$6,000.

Discharged veterans after May 25, 2007 and receiving 10% or more compensation for a service connected disability or unemployed; Employers hiring these veterans are entitled to \$12,000 tax credit.

Summer youth wages are capped at \$3,000.

The Long-term Welfare Recipient Tax Credit for hiring long-term welfare recipients is as much as \$9,000 per new hire.

Worker employed over 400 hours or 180 days . 40% of qualified wages for the first year, and 50% of qualified wages for the second year of employment. Qualified wages which include tax.exempt amounts received under accident and health plans as well as educational and dependant assistance programs are capped at \$10,000 per year.



How to Apply

Complete the one.page IRS Form 8850, "Pre.Screening Notice and Certification Request" for the Work Opportunity Tax Credit by the date of the job offer; and,

Complete either the one.page U.S. Department of Labor:

1. ETA Form 9061, "Individual Characteristics Form", if the new hire has not been given a conditional certification; or,
2. ETA Form 9062, "Conditional Certification Form", if provided to the job seeker by a participating agency such as the Job Corps; and,

Mail the signed IRS and the ETA form to the New Mexico Department of Workforce Solutions WOTC Coordinator no later than 28 days after the new hire's start date to:

**New Mexico Department of Workforce Solutions
Work Opportunity Tax Credit (WOTC) Unit
P.O. Box 1928
Albuquerque, NM 87103**

These forms, along with other valuable tax credit information can be downloaded at
www.dws.state.nm.us