



Reentry Resources

Work Opportunity Tax Credit – WOTC

Federal Bonding Program

Certificate of Qualification for Employment - CQE

Work Opportunity Tax Credit



WOTC Overview

WOTC is a federal tax credit program for employers that hire eligible individuals. Ohio is making it easier than ever for employers to receive those tax credits.

WOTC Program Overview

What is WOTC?

The WOTC Program provides tax credits to Ohio employers against their federal tax liability. Credits are received for hiring individuals from eligible target groups that have consistently faced barriers to employment.

What does WOTC do?

Helps targeted workers move from economic dependency into self-sufficiency, while participating employers are able to reduce their income tax liability.

WOTC is administered by the Ohio Department of Job & Family Services (ODJFS), Workforce Development, Support Services. ODJFS processes requests in accordance with the business rules established by the Internal Revenue Service and the Department of Labor for all target groups.

Incentives for Employers

WOTC reduces an employer's cost of doing business, requires little paperwork and *applying is simple*.

- WOTC can reduce an employer's federal income tax liability .
 - (General business credit against income tax.) See IRS guidelines for more information.
- Credit vs. Deduction
 - Tax credits lower an employer's tax bill dollar for dollar while a deduction reduces their taxable income so the value depends on the tax bracket.
- Employers make the hiring decision.
 - Employer's receive the tax credit. There are no limits to the number of new hires that may qualify.
- Can be used in conjunction with On-the-Job Training (OJT's).
 - Certain tax-exempt organizations can take advantage by hiring eligible veterans (credit against the employer's share of Social Security taxes)

Who Is Eligible? (Target Groups)

Currently there are ten target groups which include:

Long-Term TANF (Temporary Assistance to Needy Families) - \$9,000 (over two years)

VOW (Veteran Opportunity to Work) – up to \$9,600

Short-Term TANF - \$2,400

SNAP (Supplemental Nutrition Assistance Program) or Food Stamps - \$2,400

SSI (Supplemental Security Income) - \$2,400

Ex-Felon - \$2,400

Designated Community Resident - \$2,400

Vocational Rehabilitation or Ticket to Work - \$2,400

Long-Term Unemployed - \$2,400

Summer Youth - \$1,200

The maximum tax credit ranges from \$1200 to \$9600, depending on the employee hired. The employee must work at least 120 hours to utilize the credit.

The WOTC calculator can help determine the approximate amount of the credit

(<http://www.doleta.gov/business/incentives/opptax/wotcEmployers.cfm>)

Ten Target Groups

- Long-Term TANF (Temporary Assistance to Needy Families) – 18 consecutive months of TANF prior to the hire date.
- VOW (Veteran Opportunity to Work) – Served at least 180 days active duty, discharged more than 60 days prior to hire date and has been unemployed for at least 4 weeks, or disabled, or received at least 3 months of food stamps in the last 15 months.
- Short-Term TANF - 9 out of the last 18 months receiving TANF
- SNAP (Supplemental Nutrition Assistance Program) or Food Stamps – 18-39 year old that has received at least 6 months of FS from hire date, 3 out of 5 for ABAWD (Able-Bodied Adult Without Dependents)
- SSI (Supplemental Security Income) – at least one payment of SSI benefits in the 60 days prior to hire date.
- Ex-Felon – convicted of a felony or released from prison within one year prior to the hire date.
- Designated Community Resident - 18-39 year old that lives in an Empowerment Zone or Rural Renewal County (Crawford, Monroe, Paulding, Seneca and Van Wert)
- Vocational Rehabilitation or Ticket to Work – has a disability and is working with OOD or an employment network via Ticket-to-Work (has an IPE or one that has ended within two years of the hire date).
- Long-Term Unemployed – has been unemployed for 27 consecutive weeks prior to the hire date and has received at least one UI benefit payment.
- Summer Youth – 16-17 year old that lives in an Empowerment Zone and is hired between May 1 and Sept 15.

How To Apply

The required forms are available through the Ohio WOTC website: www.jfs.ohio.gov/wotc/

- Complete IRS Form 8850 the day the job offer is made
- Complete ETA Form 9061
 - Keep both original forms as part of your tax filing documents
- **Submit the information electronically**

28 day timely filing rule

The application must be submitted to the WOTC office within 28 calendar days from the start to work date.

ONLINE PROCESSING IS AS SIMPLE AS 1,2,3.....

3 Simple Steps for Processing

Step 1 – Create an Account

- Submit an e-mail request for online access to the WOTC mailbox at: WOTC_Contact@jfs.ohio.gov or by telephone (614) 644-0966.

Step 2 – Submit Application Electronically

- Begin a New Application or use the Import function to submit the applicant information from the IRS Form 8850 and ETA Form 9061 (retain the original forms for at least four years per IRS guidance, audit requirements).

Step 3 – Review Status

- Check status of the application the very next day!
- Notices are made available with an explanation of status.

WOTC Contact Information

You may contact us by *e-mail* at:

WOTC_CONTACT@jfs.ohio.gov

Or by *phone* at:

(614) 644-0966

Federal Bonding Program (FBP)

- Sponsored by the US Dept. of Labor since 1966 and managed by the Ohio Department of Rehabilitation and Correction since 1998 through the Ohio Central School System (OCSS) for those in the “at risk” category
- Program designed to help a job applicant get and keep a job through a Fidelity Bond worth \$5,000 for a period of six months. This is at no cost to the employer or job applicant

Federal Bonding Program (FBP)

- A Fidelity Bond is a business insurance policy that protects the employer in case of any loss of money or property due to employee dishonesty
- The Fidelity Bond is issued under the Travelers Casualty and Surety Company of America through the Union Insurance Group as its agent in Washington D.C.

Federal Bonding Criteria

- Ex-offender's criminal history must be verifiable
- Ex-offender is not self-employed or on a personal contract
- Employment must be full or part time for which payroll taxes are deducted
- Applicant must receive a job offer and the employer must schedule a start or hire date

How to Apply for a Federal Bond

1. Job offer must exist with a start date
2. Employer must provide on company letterhead that a job offer has been made to the ex-offender
3. The employer must provide a company contact name and telephone number, the full name, date of birth and social security number of the ex-offender/job applicant and the date the job offer was made pending federal bond coverage
4. Fax information to (740) 845-3387 *IT'S THAT EASY!*

Federal Bonding Program Application Questionnaire

Date: _____

How did you hear about this program?

Ex-Offender: (Please check one) To be covered by Bonding or Seeking Information:

Last Name:		Offender Type:	
First Name:		ODRC County:	
Street Address:			
City:	State:	Zip:	Federal:
Home Phone:	Gender:	State (Other than Ohio):	
	Male: <input type="checkbox"/> Female: <input type="checkbox"/>	Social Security Number:	

Business: (Please check one) Offering Employment or Requesting Information:

Company Name:		Nature of Business:	
Contact Person:			
Street Address:			
City:	State:	Zip:	
Business Phone:	Business Fax:		

The following is **REQUIRED** for issuance of a bond:

Hire Date:	Position Title:
Start Date:	Wages:

Contact information for person completing application:

Name: _____ Telephone Number: _____

Completed Application must be faxed to (740) 845-3387 along with written confirmation of the company's intention to hire this individual (on business letterhead). Please keep a copy of the completed application and fax confirmation for your records.

Date Materials Received:	Verified By:
Comments:	

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Federal Bonding Program

Application Questionnaire

Just a one page application with a usual turn-around time of 10 days!

Federal Bonding Program (FBP)

For questions or more information:

<https://www.drc.ohio.gov/federal-bonding>

Ohio Central School System

1580 St. Rt. 56

P.O. Box 779

London, OH 43140

Phone: (740) 845-3240

Fax: (740) 845-3387

Email: DRC.OCSS2Serve@odrc.state.oh.us

Certificate of Qualification for Employment (CQE)

CERTIFICATE OF QUALIFICATION FOR EMPLOYMENT (CQE)

WHAT IS A CQE?

- **The CQE is a certificate for which an individual who is subject to a civil impact (prior criminal conviction) may obtain an order of limited relief from a common pleas court that will provide relief from certain bars to employment or licensing in the State of Ohio.**

What does it mean when a person holds a CQE?

CQEs turn a mandatory rule prohibiting occupational licensure based on certain criminal convictions into a discretionary bar. This allows licensing boards and employers to individually assess the person's fitness for the license and/or job in question.

CQE - Individual

WHO IS ELIGIBLE TO APPLY FOR A CQE?

- You must have been convicted in Ohio.
- You must be an Ohio resident.
- If seeking relief from a Felony conviction, the petition can be filed one year after release from incarceration and all periods of supervision.
- If seeking relief from a Misdemeanor conviction, the petition can be filed six months after release from incarceration and all periods of supervision.
- If you were not incarcerated, the petition can be filed six months from the date of the individual's final release from all court sanctions imposed.
- If you were incarcerated, but sentenced for example to community control, the petition can be filed one year from the date of the individual's final release from all sanctions imposed.

CQE - Process

WHO GRANTS THE CQE?

The decision to issue a CQE is determined by the Court of Common Pleas in the county where the petitioner currently resides.

- **Petitioners must complete a 15 page petition that includes, prior convictions, prior employment, rehabilitation rationale, professional and personal references.**
- **CQE Petitions are thoroughly reviewed by staff at the Ohio Department of Rehabilitation and Correction, Court of Common Pleas, with input from prosecutors and multiple judges.**
- **Employers can request the individual CQE print-out from the applicant and can check the validity of a CQE at: http://www.drc.ohio.gov/web/cqe_list.pdf (this list is updated every 4— 6 weeks)**

CQE -Info

HOW DO I APPLY FOR A CQE?

The instructions on completing the CQE petition, and other valuable information can be found by visiting www.drccqe.com

For more information regarding the CQE send your inquiries to:
Irene.Lyons@odrc.state.oh.us

Find more information at <http://bit.ly/cqe-for-employers>.