

Senate Bill 269 – Work Opportunity Tax and Jobs Act

On February 8, 2021, Senator Rob Portman introduced **S.269** to make the Work Opportunity Tax Credit permanent.

The Work Opportunity Tax Credit (WOTC) is a federal tax credit designed to help individuals from certain target groups gain employment and become self-sufficient.

The tax credits range from \$2,400 to \$9,600 for each qualified employee. The tax credits can also be carried forward for up to 20 years.

COVID-19 certainly impacted and disrupted many businesses. Unfortunately, many people lost their jobs due to the pandemic. One of the categories within the WOTC program is the **Long Term Unemployed**, which offers a \$2,400 tax credit if the individual was unemployed for 27-weeks or more and received unemployment compensation. There has already been a significant increase in this category as more employees return to work.

This is a huge opportunity for those companies that previously thought they would not qualify or benefit from the WOTC. These unemployed individuals come from all industries, all pay ranges, and all skill sets.

If you are not currently participating in the WOTC, now is a great time to consider implementing the program. Your company can save thousands of dollars annually, and the WOTC can help increase your profits.

If you would like more information about the Work Opportunity Tax Credit (WOTC), please contact Marcel Abandonato at marcel@mja-associates.com.

