

# WORK OPPORTUNITY TAX CREDIT CONDITIONAL CERTIFICATION

The Conditional Certification serves as an official record of prequalification and alerts prospective employers to the availability of the tax credit if this person is hired. It is not the actual certification, which can only be issued by the State Work Opportunity Tax Credit (WOTC) Coordinator's office. The Conditional Certification provides a means for employers to request an official WOTC certification for this person.

During the initial interview with an individual, DLR staff will be able to determine if the individual is **tentatively eligible** as a member of one of the 15 target groups. Wagner Peyser enrollment is a requirement to write a Conditional Certification for WOTC.

## COMPLETION OF CONDITIONAL CERTIFICATION WITH INDIVIDUAL

Use the required U.S DOL Conditional Certification Form ETA Form 9062, without modification, to show that an eligibility determination was made for this person. DLR staff will need to obtain from the individual some type of documentary evidence (proof) the individual does belong to one of the target groups. Acceptable forms of documentary evidence can be found below in the [Target Groups](#). Have the individual complete the first page of the required IRS Form 8850.

## DISTRIBUTION OF CONDITIONAL CERTIFICATION AND ETA FORM 9062

- The white copy of the ETA Form 9062 and the completed IRS Form 8850 go into the WOTC Voucher, along with the WOTC Brochure go into the WOTC Voucher. Give the assembled WOTC Voucher to the individual and explain the benefits to the employer. The individual should let employers know they are currently pre-qualified for the federal income tax credit.
- The yellow copy of the ETA Form 9062 goes to the [DLR WOTC Office](#) at South Dakota Department of Labor & Regulation. Mail to:
  - South Dakota Department of Labor & Regulation
  - Attn: WOTC
  - P.O. Box 4730
  - Aberdeen, SD 57402
- Along with the yellow copy, include a copy of the individual's documentary evidence.
- These are to be mailed each week.

## OUTREACH

If outreach is performed at a prison or jail, the WOTC Documentation ([Form 68](#)) without modification can be used for documentary evidence. This form can be filled out by DLR Staff or by the parole, probation or court service officer. This is form is not to be used as self-attestation. Any conviction date, work release date, parole or probation date, or completed sentence date should be verified by court papers or provided by an employee at the facility which the individual is being released.

## TARGET GROUPS WITH DEFINITIONS AND REQUIRED DOCUMENTATION

### **Target Group 1 – IV-A TANF Recipients**

A person who is, or has a family member who is, currently receiving or has received Temporary Assistance to Needy Families (TANF) for any nine-month period during the 18-month period ending on the hiring date. This must be in the form of a cash payment, not just having an open case file.

Acceptable Documentation:

- A printout of the Department of Social Services TANF screens, including the first page with family members listed and a printout of all months a TANF payment was received. Use today's date as the first month.

**Definition of a Veteran:**

- Served on active duty (other than active duty for training) in the Armed Forces of the United States for a period of more than 180 days.
- Date of Discharge was 90 days or more from the hire date.

**Note:** *The legislative history of the former Targeted Jobs Tax Credit (TJTC) Program shows it was specific in its intent to include persons who were dishonorably discharged from military service if they met the eligibility requirements of a targeted group, including the current expanded Qualified Veterans target group. However, this does not change the definitions of various types of veterans for other employment and training programs administered by DLR.*

**Target Group 2A – Veteran SNAP Recipients**

A veteran who meets all the following criteria:

- Is a member of a family currently receiving or has recently received Supplementary Nutrition Assistance Program (SNAP) benefits for a **consecutive three-month period** during the 15-month period ending on the hiring date or the date the Conditional Certification is written.

Acceptable Documentation:

- DD-214
- Any other federally approved discharge papers
- Department of Social Services printout to show months of SNAP payments received

**Target Group 2B – Qualified Disabled Veterans**

A veteran who meets the following criteria:

- Is entitled to compensation for a service-connected disability
- Has a hiring date not more than one year after discharge or release from active duty.

Acceptable Documentation:

- DD-214
- FL 21-802 (issued only by the Veterans Administration; certifies a veteran with a service-connected disability)
- Letter of Separation or other agency documents issued only by the Department of Veterans Affairs (DVA) on DVA Letterhead certifying the Veteran has a service-connected disability and signed by the individual who verified this information.

**Target Group 2C – Qualified Disabled Veterans Unemployed for Six Months**

A veteran who meets the following criteria:

- Is entitled to compensation for a service-connected disability
- Has been unemployed for a period of six months (whether or not consecutive) during the one-year period ending on the hiring date.

Acceptable Documentation:

- DD-214
- FL 21-802 (issued only by the Veterans Administration; certifies a veteran with a service-connected disability)
- Letter of Separation or other agency documents issued only by the Department of Veterans Affairs (DVA) on DVA Letterhead certifying the Veteran has a service-connected disability and signed by the individual who verified this information.
- Unemployment Insurance Master Wage Inquiry screen shot (Screen F)

### **Target Group 2D – Veteran Unemployed for Four Weeks**

A veteran who meets the following criteria:

- Regardless of discharge date, has been unemployed for at least 4 weeks (whether or not consecutive) in the last 12 months prior to the hire date.

Acceptable Documentation:

- DD-214
- Unemployment Insurance Master Wage Inquiry screen shot (Screen F)

### **Target Group 2E – Veteran Unemployed For at least Six Months**

A veteran who meets the following criteria:

- Regardless of discharge date, that has been unemployed for at least 6 months (whether or not consecutive) in the last 12 months prior to the hire date.

Acceptable Documentation:

- DD-214
- Unemployment Insurance Master Wage Inquiry screen (Screen F) printout

### **Target Group 3 – Qualified Ex-Felons**

A person who is one of the following:

- An individual convicted of a felony and who has a hire date not more than 12 months after the last date of conviction or release from a correctional facility or suspended imposition of sentence.
- An ex-felon participating in a transitional program (e.g. work release) if the individual was convicted of a felony and served a jail sentence as defined above.
- An individual convicted of a felony while in military service may also be eligible under the ex-felon target group.

Acceptable Documentation:

- Copy of release papers
- Copy of prison identification; front and back
- Court document regarding conviction
- Form letter from work-release center
- E-mail from probation or parole officer verifying dates of conviction or release
- DLR WIOA Form 68 – Work Opportunity Tax Credit Documentation

### **Target Group 4 – Summer Youth**

Youth aged 16 and 17 years who reside in an Empowerment Zone who are hired between May 1 – September 15. South Dakota has one Empowerment Zone, the census tracts of the Oglala Sioux-Pine Ridge Reservation Empowerment Zone.

Acceptable Documentation:

- Requires proof of age and residence.
  - Driver's license or driving permit
  - W4 – for current address if driver's license or driving permit isn't accurate
  - Birth Certificate
  -

### **Target Group 5 – Designated Community Residents**

A person who is 18 but not yet 40 years old on the hire date *and* whose principal place of abode resides in a Rural Renewal County or Empowerment Zone.

Acceptable Documentation

- Requires proof of age and residence.

- Copy of driver's license
- Copy of W-4 form
- Printout of the USPS website county designation to prove the county location
  - <http://zip4.usps.com/zip4/wecome.jsp>

**Note:**

- *South Dakota has 24 Rural Renewal Counties. The Rural Renewal Counties are: Aurora, Campbell, Clark, Day, Deuel, Douglas, Faulk, Grant, Gregory, Haakon, Hand, Harding, Hutchinson, Jones, Kingsbury, McPherson, Marshall, Miner, Perkins, Potter, Sanborn, Spink, Tripp and Walworth Counties.*
- *South Dakota only has one Empowerment Zone, which is the Oglala Sioux Pine Ridge Indian Reservation*
- *Any of these designations can be discontinued by the federal Department of Housing and Urban Development at any time.*

**Target Group 6A – Vocational Rehabilitation Referrals**

A person meeting any of the following criteria:

- An individual with a physical or mental disability who has completed or is completing rehabilitative services from a state agency, an employment network or the Department of Veterans Affairs, with a written work plan
- An individual who has a physical or mental disability which, for such individual, constitutes or results in a substantial handicap to employment; and is being referred to the employer upon completion of or while receiving individualized services pursuant to a plan of employment under a state plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973
- Is referred to the employer upon completion of or while receiving individualized services pursuant to a plan of employment under a vocational rehabilitation program for veterans, carried out under Chapter 31 of Title 38, U.S. Code

Acceptable Documentation:

- Copy of referral letter from the Department of Vocational Rehabilitation
- Letter from Veterans Administration Vocational Rehabilitation officer regarding Chapter 31 Veterans

**Target Group 6B – Ticket to Work Recipients**

On March 2, 2004, President Bush signed into law the Social Security Protection Act of 2004, Public Law 108-203. Section 405 of this Act makes WOTC available to employers who hire certain participants (called Ticket Holders) in the Ticket to Work Program. Employers may claim the tax credit for eligible SSDI beneficiaries, and disabled or blind SSI recipients participating in the Ticket to Work Program who are currently under an Individual Work Plan (IWP) with an Employment Network (EN). These job seekers qualify as Ticket Holders. If they receive SSDI or SSI but are not Ticket Holders, they will belong to Target Group 8, SSI recipient.

Acceptable Documentation:

- Copy of the Ticket to Work issued by the Department of Social Services

**Target Group 7 – SNAP Recipients**

A person who meets either of the following criteria:

- An individual at least 18 years of age, but not yet 40 years old and who is a member of a family that is receiving or has recently received at least six months of Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps) payments in the last six months prior to the hire date.
- Has a closed SNAP case file; Is an Able-Bodied Adult Without Dependents (ABAWD) and has received three consecutive months of SNAP payments in the last five months ending on the hire date. These must be actual payments, not just having an open case file during those months.

Additional criteria include the following. The individual must:

- Be at least age 18 but not yet 40
- Be physically and mentally fit for employment
- Not be responsible for a dependent child

- Not be pregnant
- Not be exempt from any of the requirements listed here because of geography or a state’s discretion, and does not meet any of the following exceptions:
  - Complies with the work requirements of Title V of the Social Security Act
  - Receives unemployment compensation
  - Is a drug- or alcohol-center participant, or is an eligible student

Acceptable Documentation:

- Printout of Department of Social Services SNAP benefits record including the first page with a list of family members, and a printout of all pages to prove he/she has received the required number of monthly payments.

**Target Group 8 – SSI Recipients**

An individual who has received Supplemental Security Income (SSI) benefits within the 60 days prior to the hire date.

Acceptable Documentation:

- Copy of letter from the Social Security Administration on benefit amount or copy of check stub
- Printout of the DSS database screen that describes payment dates and amounts

**Target Group 9 – Long Term Family Assistance Recipients**

A Long-Term Family Assistance (LTFA) recipient is an individual who meets any of the following criteria:

- Is a member of a family receiving or which has recently received TANF payments for 18 consecutive months ending on the hire date.
- Received TANF payments for at least 18 months, whether they are consecutive after August 1997, and has a hiring date of not more than two years after the earliest 18-month period
- Had TANF eligibility expire under a federal or state law after the day of enactment (August 5, 1997), for applicants hired within two years after their eligibility expired.

Acceptable Documentation:

- Printout of the Department of Social Services TANF screens, including the first page with family members listed, and a printout of all months a TANF payment was received.

**Target Group 10 – Long Term Unemployed**

Is any individual on the day before the individual begins work, or, if earlier, the day the individual completes the IRS Form 8850 is in a period of unemployment that is not less than 27 consecutive weeks and received unemployment insurance compensation.

Acceptable Documentation:

- UI Wages records
- UI benefit payment history