



Department
of Labor

State Education
Department

Office for People With
Developmental Disabilities

Workers with Developmental Disabilities Tax Credit Program

Overview of New Disability Tax Credit



Topics covered in today's presentation include:

- Business eligibility
- Individual eligibility
- Application / Certification process
- Connecting eligible individuals with hiring businesses
- Tax filing?

Overview

Encourages Businesses to Hire Individuals with Disabilities

- Business can receive up to **\$5,000** per hire in tax credits
- Individual eligibility verified by State Education Department (SED) or Office of People With Developmental Disabilities (OPWDD)

www.labor.ny.gov/ddtc



The Workers with Disabilities Tax Credit Program encourages businesses to hire individuals with developmental disabilities. Eligibility will be verified by the State Education Department or by the Office of People with Developmental Disabilities. Staff and contracted providers for these agencies work directly with individuals who may qualify for this hiring incentive. It is your role to determine individuals meet the eligibility criteria, assist an individual or complete upon their behalf an application and to help a business interested in hiring an eligible individual find someone who meets their hiring needs.

Businesses can receive up to \$5,000 in tax credits for hiring eligible candidates.

Program runs through 2020.

Tax Credit Amounts

Full-time Eligible Individuals (30+ hours)

- Maximum Tax Credit \$5,000
- Payable as follows:
 - 15% of qualified wages paid after January 1, 2015
 - **Minimum employment period of 6 months**



A business may earn tax credits equal to the following amounts. If the amount of the credit exceeds the businesses' tax liability, they may carry over the tax credit for the following three years.

If the eligible individual is hired for a full-time position (30 hours or more per week), the maximum tax credit is \$5,000. This is payable as follows:

15% of the qualified wages paid after January 1, 2015 for a period of employment no less than six months.

Something important to note - If an eligible individual is hired after July 1 of a calendar year the business cannot apply for the tax credit until the following year assuming the individual works at least 6 months.

Tax Credit Amounts

Part-time Eligible Individuals (8+ hours)

- Maximum Tax Credit \$2,500
- Payable as follows:
 - 10% of qualified wages paid after January 1, 2015
 - **Minimum employment period of 6 months**



If the eligible individual is hired for a part-time position (8 hours or more per week but less than 30 hours), the maximum tax credit is \$2,500. This is payable as follows:

10% of the qualified wages paid after January 1, 2015 for a period of employment no less than six months.

Again – it's important to note - If an eligible individual is hired after July 1 of a calendar year the business cannot apply for the tax credit until the following year assuming the individual works at least 6 months.

Business Eligibility

Eligibility

How do I know if a business is eligible?

- Located in NYS
- In good standing



To be eligible for certification, a business must be:

- Located within New York state and the jobs must be located in New York State.
- In good standing with New York State. Dept. of Labor perform a due diligence review to determine this and checks if the business has valid workers compensation and unemployment insurance coverage, no labor standards violations.

Eligibility

How do businesses apply?

Business must be certified by the New York State Department of Labor (NYSDOL)

- Step 1 - Business must have valid Unemployment Insurance account as of **November 30, 2014**
- Step 2 - Business must complete a Business/Organization Application **at any time**

Contact NYSDOL at WWDDTC@labor.ny.gov
or by phone at **1-877-226-5724**



Apply for Certification

Businesses interested in taking advantage of this tax credit must complete a business application and be certified by NYSDOL. **Any business with a valid unemployment insurance account is deemed to have met the November 30, 2014 deadline.** NYSDOL will send the businesses/organization a Certificate of Eligibility for their records.

If you, as providers, have existing business contacts that you work with to place individuals in employment, please refer them to the Workers with Disabilities Tax Credit link (which was on the overview slide). This page explains the program parameters, but also has the business application that must be completed and submitted to participate in the program.

If more information is needed, please contact the New York State Department of Labor at WWDDTC@labor.ny.gov or by phone at 1-877-226-5724.

Individual Eligibility

Overview

What is the goal of the program?

- Help individuals with barriers to become **gainfully employed**
- Eligibility will be verified by SED/OPWDD providers
- Eligible individuals will complete an individual application with assistance from SED/OPWDD providers
- Applications must be received by **December 31, 2015**



INDIVIDUAL CERTIFICATION

The goal of the Workers with Disabilities Tax Credit program is to assist individuals with barriers to employment to become gainfully or competitively employed. Eligible candidates must have been deemed to have a developmental disability by either the State Education Department or the Office of People with Developmental Disabilities. Eligible candidates must complete an individual application.

The State Education Department and Office of People with Developmental Disabilities staff, and contracted providers who assist individuals, will need to determine if individuals meet the eligibility criteria. SED and OPWDD providers will assist individuals, or complete on their behalf, the individual application which can be found on the Workers with Disabilities Tax Credit website link.

NYSDOL will not accept individual applications submitted by a business or a tax consultant. For program year 2015, NYSDOL must receive your application by December 31, 2015 for eligible individuals hired before July 1, 2015. If you need more information, please contact the New York State Department of Labor at WWDDTC@labor.ny.gov or by phone at 1-877-226-5724.

The program ends in 2020 so individuals must apply by December 31 of each calendar year.

Eligibility

In order to participate, eligible individuals must:

- Be deemed “developmentally disabled” as defined by Subdivision 22 of Section 1.03 of the Mental Hygiene law
- Be certified by the SED or OPWDD as having a substantial handicap to employment
- Be receiving or have completed vocational rehabilitation services



Eligibility

To participate in the Workers with Disabilities Tax Credit Program, eligible individuals must be:

Deemed “developmentally disabled” as defined by Subdivision 22 of Section 1.03 of the Mental Hygiene law;

Certified by the State Education Department or OPWDD as having a substantial handicap to employment and be receiving or have completed vocational rehabilitation services;

Eligibility

In order to participate, eligible individuals must:

- Be currently working at a sheltered workshop (segregated from others) or have been unemployed prior to October 1, 2014
- Have worked in a full-time or part-time capacity and paid wages equivalent to similar jobs



Currently working at a sheltered workshop (segregated from others) OR have been unemployed prior to October 1, 2014;

Have worked in a full-time or part-time capacity and paid wages equivalent to similar jobs;

Eligibility

In order to participate, eligible individuals must:

- Be employed in New York State
- Not have worked for another business related to the certified business within the last 2 years



Be employed in New York State.

Cannot have worked for another business related to the certified business within the last 2 years; For example a parent company with subsidiaries under different names would not qualify.

Individual Application

Individual Information

First Name * M.I. Last Name *

Address: *

City * State * Zip *

Last 4 digits of SSN: *

Primary Phone Number * () -
 Secondary Phone Number () -

Email Address *


 Department of Labor | State Education Department | Office for People With Developmental Disabilities

The authorizing legislation also requires the NYS Education Department or the NYS Office of People with Developmental Disabilities to certify individuals for whom the tax credit will be claimed. These agencies are working through their network of providers to assist and certify individuals wishing to participate in the program, and will use the [Individual Application](#) to do this.

We'll walk through the main portions of the application now that we have reviewed the eligibility criteria. Please note that anything with a red dot is required including an SSN, phone Number and email address for the individual being certified.

Individual Application

Provider/Person Assisting with the Application

First Name *

Last Name *

Sponsor Organization *

Phone Number *

 () -

Email Address *

A provider is needed to fill out this information and this individual's contact information and email will be captured here.

Individual Application

I am a current employee of a sheltered workshop, which is an organization or environment that employs people with disabilities segregated from others. *

Yes No

I have been unemployed for at least three months prior to January 1, 2015 *

Yes No

Terms of Service Agreement

I agree to allow the New York State Department of Taxation and Finance to share my wage records with the New York State Department of Labor.

I understand that the New York State Department of Labor will make sure that the information submitted in this application is true and may ask me for details.

By checking this box I consent to the above agreement, and attest that to the best of my knowledge, this information is true, correct and complete. I am aware that there are significant civil and criminal penalties for filing false documents or other information with the government.

Submit



Once An Individual Is Certified...

NYS Job Bank <http://newyork.us.jobs/index.asp>



Once Certified

The Case Manager will act on behalf of the Disabled Individual and broker a connection with a certified business.

Most likely Case Managers have a database of businesses that they work with on a regular basis to place their clients. The program should be marketed to these businesses as well (assuming they have not already been certified).

Another resource for job leads in the NYS Job Bank (<http://newyork.us.jobs>) for job openings. This site lists hundreds of jobs in your area and can be searched by typing in a city or zip code in the 'Locations' tab.

Confirmation of Hire

Confirmation of Hire

Certified businesses must complete/submit a form to confirm EACH hire with NYSDOL. Must include:

- **Business Name**
- **Employee Name**
- **SSN**
- **Job Title/O*NET Code**
- **Hire Date/Termination Date**
- **Wage**
- **Total Hours Worked**
- **Name of Submitter**
- **Phone**
- **Email**



Confirmation of Hire

Certified businesses must complete and submit a form for each hire to confirm eligible hires with the Department of Labor. Information required includes:

Business Name

Employee Name

SSN

Job Title and ONet Code

Hire Date / Termination date (if applicable)

Wage

Total Hours Workers

Name of Person Submitting Form

Phone

Email

Existing Tax Credit Opportunities

Existing Workers With Disabilities Tax Credits

Two Other Tax Credit Opportunities Currently Exist for Hiring Workers With Disabilities

- Work Opportunity Tax Credit (WOTC)
 - Recently reauthorized through December 2014
- Workers With Disabilities Employment Tax Credit (WETC)
 - May result in **\$2,100** for each individual hired



IMPORTANT NOTE: Businesses can only apply for one disability-related tax credit. Should WWDDTC not be a good fit, there is also WOTC/WETC.

There are currently two other tax credit opportunities for hiring workers with disabilities.

The Work Opportunity Tax Credit (WOTC) is a Federal tax credit available to employers for hiring individuals from certain [target groups](#) who have consistently faced significant barriers to employment.

The legislative authority for the WOTC program, which had expired on December 31, 2013, has been extended. President Obama signed the tax extension bill (the Act) on December 19, 2014. The current Act extends the WOTC program through December 31, 2014, and retroactively reauthorizes the program for new employees hired on or after January 1, 2014. At this time, the Department of Labor is working with the Internal Revenue Service (IRS) to issue reauthorization guidance to the state workforce agencies and the employer community. Employers should continue to submit WOTC applications to state workforce agencies within 28 calendar days after the new hire's start date.

The Workers with Disabilities Employment Tax Credit (WETC) is a New York State tax credit that can result in \$2,100 for each individual hired. WETC is New York State's initiative to assist the disabled in securing employment. WETC is an employer-friendly benefit for businesses hiring workers with disabilities.

Contact Info

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