

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION WOTC
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TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 11-08 Change 1

TO: ALL STATE WORKFORCE AGENCIES
 ALL STATE WORKFORCE LIAISONS
 ALL REGIONAL WOTC COORDINATORS

FROM: DOUGLAS F. SMALL *Douglas F. Small*
 Deputy Assistant Secretary

SUBJECT: Extension Period Granted to all State Workforce Agencies (SWAs) and Employers for the Uninterrupted Use of All 2007 Work Opportunity Tax Credit (WOTC) Processing Forms

1. **Purpose.** The purpose of this advisory is to inform the SWAs that the Employment and Training Administration (ETA) is granting an extension period where employers or their representatives can file WOTC certification requests for new hires using the previously OMB-approved June 2007 ETA Forms 9061 or 9062.
2. **References.** The American Recovery and Reinvestment Act of 2009 (Public Law 111-5), (Recovery Act); the Small Business and Work Opportunity Tax Credit Act of 2007 (Public Law 110-28); the Tax Relief and Health Care Act of 2006 (Public Law 109-432); the Working Families Tax Relief Act of 2004 (Public Law 108-311); the Job Creation and Worker Assistance Act of 2002 (Public Law 107-147); Paperwork Reduction Act of 1995; Internal Revenue Code of 1986, Section 51, as amended; Training and Employment Guidance Letter (TEGL) No. 11-08, dated February 19, 2009, *Extension of the Information collection for the Consolidated Work Opportunity Tax Credit Program: Revised Reporting and Processing Forms*; TEGL No. 19-05, dated March 7, 2006, *New Streamlined Reporting Requirements and Extension of the Information Collection for the Work Opportunity and Welfare-to-Work Tax Credits*; TEGL No. 05-07, dated September 11, 2007, *Reauthorization of the Work Opportunity Tax Credit and Other Program Changes*; TEGL No. 20-06, dated April 3, 2007, *Reauthorization of the Work Opportunity Tax Credit and Other Program Changes*; ETA Handbook No. 408, November 2002, Third Edition (the Handbook); and the November 2008 version of the May 2005, Addendum to the Handbook (OMB No. 1205-0371).

RESCISSIONS None	EXPIRATION DATE: Continuing
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3. **Background.** Public Law 109-432 signed into law on December 20, 2006, and 110-28 signed into law on May 25, 2007, reauthorized, amended and expanded the WOTC Program. To address the changes and new provisions introduced by these two pieces of legislation, ETA updated the WOTC reporting, administrative and processing forms and other program related materials, and developed a modified automated reporting system and procedure. All revised and updated forms were approved by OMB with a June 2007 date. On September 6 and 7, 2007, ETA provided to the regions and the states a two-session training webinar on the new reporting requirements.

ETA issued TEGL 11-08 on February 19, 2009, transmitting to the SWAs and WOTC participating partners all the reporting, processing and administrative forms and program related materials cleared by OMB and dated November 2008. The guidance in this TEGL required the SWAs and participating employers to begin using the November 2008, OMB-cleared ETA Forms 9061, *Individual Characteristics Form* or 9062, *Conditional Certification* for their certification requests within two weeks from the date of issuance of that TEGL. Current OMB No. 1205-0371 data collection approval includes ETA Forms 9061-9063, 9065, 9057, ETA Form 9058 - Report 1, and 9059. The revised forms incorporate the latest amendments and provisions introduced by P.L. 110-28 for new hires who begin to work for an employer after May 25, 2007. The June 2007 and November 2008 versions of ETA Form 9061 are very similar in content. The November 2008 version, however, was reformatted in a user-friendly and easy-to-use style and revised to include the comments received during the Federal Register Notice comment period which expired on March 10, 2008.

On February 17, 2009, the President signed into law the *American Recovery and Reinvestment Act of 2009*. The Recovery Act amended Section 51 of the Internal Revenue Code by adding two additional target groups to the WOTC Program. The amended Section 51 (d) (14) provides that unemployed veterans and disconnected youth who begin work for an employer during 2009 and 2010 shall be treated as members of a targeted group for purposes of the WOTC. ETA is in the process of updating the recently OMB-approved forms and program materials to reflect these new provisions. A separate advisory transmitting the new legislative changes, the updated forms and guidance on how to administer these two new target groups will be issued in the immediate future.

4. **Reporting Authority.** Reporting, program administration and processing forms, and all other program-related materials for the consolidated WOTC Program are approved according to the Paperwork Reduction Act of 1995, under OMB No. 1205-0371 and are all dated November 2008. This authority is effective through November 30, 2011.

5. **Reporting Instructions.** Given the challenges of implementing the November 2008 forms under the timeframe set forth in TEGL 11-08, and the further changes required based on the addition of two new target groups by the Recovery Act, ETA is permitting employers to continue to file with the SWAs the June 2007 (previously OMB approved) ETA Forms 9061, *Individual Characteristics Form* or 9062, *Conditional Certification* for the new hires listed in these two forms only as part of their certification requests. This extension period is granted until further notice. Upon publication of final guidance by the Internal Revenue Service, ETA will issue policy guidance to the SWAs and the business sector addressing the two new target groups' provisions. SWAs are instructed to accept either the June 2007 or the November 2008 ETA Forms 9061 or 9062 from employers during this extension period.

6. **Action Requested.** SWA administrators are requested to provide this TEGL to all WOTC State Coordinators and related program staff, and ensure the information and guidance provided is shared with the private sector businesses, their representatives, and all other Federal and state partners.

7. **Inquiries:** Direct all questions to the appropriate Regional WOTC Coordinator.