



**Tax Credit Unit Fact Sheet**

**Work Opportunity Tax Credit (WOTC)**

**Target group: Qualified Long-term Temporary Assistance for Needy Families (TANF) Recipient**

A **Long-term Family Assistance Recipient (TANF), Target Group I,** is a member of a family that received TANF benefits for 18 consecutive months ending on the hire date;

**OR**

a member of a family that received TANF benefits for at least 18 months (whether or not consecutive) and has a hiring date that is not more than two years after the end of the earliest 18-month period after Aug. 5, 1997 **;**

**OR**

a member of a family that received TANF benefits but stopped being eligible for TANF due to a Federal or state law that limits the maximum time payments could be made during the two years prior to the hire date.

**An employer may claim a tax credit equal to $9,000 total over a two-year period, as follows:**

**Tier 1-Worked at least 400 hours**

* 40 percent of $10,000 of first-year wages and

**Tier 2-Worked at least 400 hours**

* 50 percent of $10,000 of second-year wages