

WOTC:

Fact vs. ~~Fiction~~

Busting the top six myths that keep companies from big savings





The biggest WOTC myth of all:

TRUE

FALSE

The Work Opportunity Tax Credit (WOTC)
won't help my company very much.

**Fact – WOTC can
boost bottom lines *and*
employee performance.***





Let us show you how!

**Follow along as we debunk
these top WOTC myths!**



Myth:

~~My company doesn't hire WOTC employees.~~

Fact:

**It's estimated that more than
20% of new hires qualify for WOTC.***

Currently, employers get more than \$1 billion in tax credits under the WOTC program each year.** It's time your company got its share, too.

Most companies already employ many WOTC-eligible workers. It's just a matter of taking advantage of the program and screening during onboarding to help find them. WOTC promotes hiring people who face certain barriers to employment – like veterans, those on public assistance and people who live in specific areas. These groups may not sound like a large portion of the workforce, but **one in five** new hires are actually WOTC eligible.

Read how a leading bank identified WOTC-eligible hires it didn't know it had and grew its WOTC results by 50%.*

*Based on Equifax client data

**Source: <https://www.doleta.gov/business/incentives/opptax/wotcemployers.cfm>



Who qualifies for WOTC?*



Veterans
UP TO \$9,600



Long-term TANF
UP TO \$9,000



Designated Community
UP TO \$2,400



SNAP (formerly Food Stamps)
UP TO \$2,400



Ex-felons
UP TO \$2,400



Supplemental Security Income
UP TO \$2,400



Vocational Rehabilitation
UP TO \$2,400



Short-term TANF
UP TO \$2,400



Summer Youth Employees
UP TO \$1,200



Long-term Unemployed
UP TO \$5,600

*Based on data from the U.S. Department of Labor, 2018
TANF stands for Temporary Assistance for Needy Families



Myth: ~~WOTC won't save my company much money.~~

Fact: **WOTC can save companies up to \$9,600 per eligible employee.**

It's simple math. If a company hires 20 people per year, it's likely that four of them are WOTC eligible.* This could mean almost \$40,000 in tax credits depending on who you have hired.

WOTC benefits organizations across the U.S., Puerto Rico, and the U.S. Virgin Islands, but businesses that consistently do a lot of hiring have the most to gain.

Here are just a few of the industries that tend to get the most out of WOTC:

 **Food service**

 **Retail**

 **Staffing**

Find out how much your company could see in tax credits with the [free WOTC Calculator](#) from Equifax.



Myth: ~~WOTC hires may not stay at my company long enough for me to claim savings.~~

Fact: **WOTC hires tend to stay on their jobs as long as or longer than non-WOTC hires.***

The research is in. And it shows WOTC employees:

- Are less likely to leave their job in the first year
- Perform on a par with or better than non-WOTC employees
- Move up at the same pace as traditionally hired employees

Because WOTC requires employees to work a minimum number of hours for an employer to claim the tax credit, employee retention is important. WOTC credits kick in when certified employees work a minimum 120 hours.



Myth:

~~WOTC paperwork will bog my team down.~~

Fact:

An electronic WOTC management system can give you the benefits of the program, without all the hassle.

An electronic, outsourced WOTC management system digitizes much of the paperwork, so the screening and certification process is seamless, and nearly paperless. Many are designed to work with the leading ATS* and HCM** platforms and take advantage of eSignature, making the experience easier on your new hire, as well.

Qualifying documentation needs are also handled as part of an outsourced WOTC program. In fact, with the EasyDoc™ service that's part of the WOTC Management platform, in nearly 97% of cases, we can pull all needed qualifying documents without any input from your internal team or the new hire!†

*Applicant Tracking System
**Human Capital Management
†According to 2015 Equifax certification data



Myth: ~~My team won't benefit from any WOTC savings.~~

Fact: **WOTC delivers real dollars to the bottom line, and often pays for itself.**

Tax credits are real dollars that HR can deliver to the C-suite to help with future investments and resources. HR teams can, and do, point to their WOTC savings or the WOTC-forecasted savings when asking for budget increases.

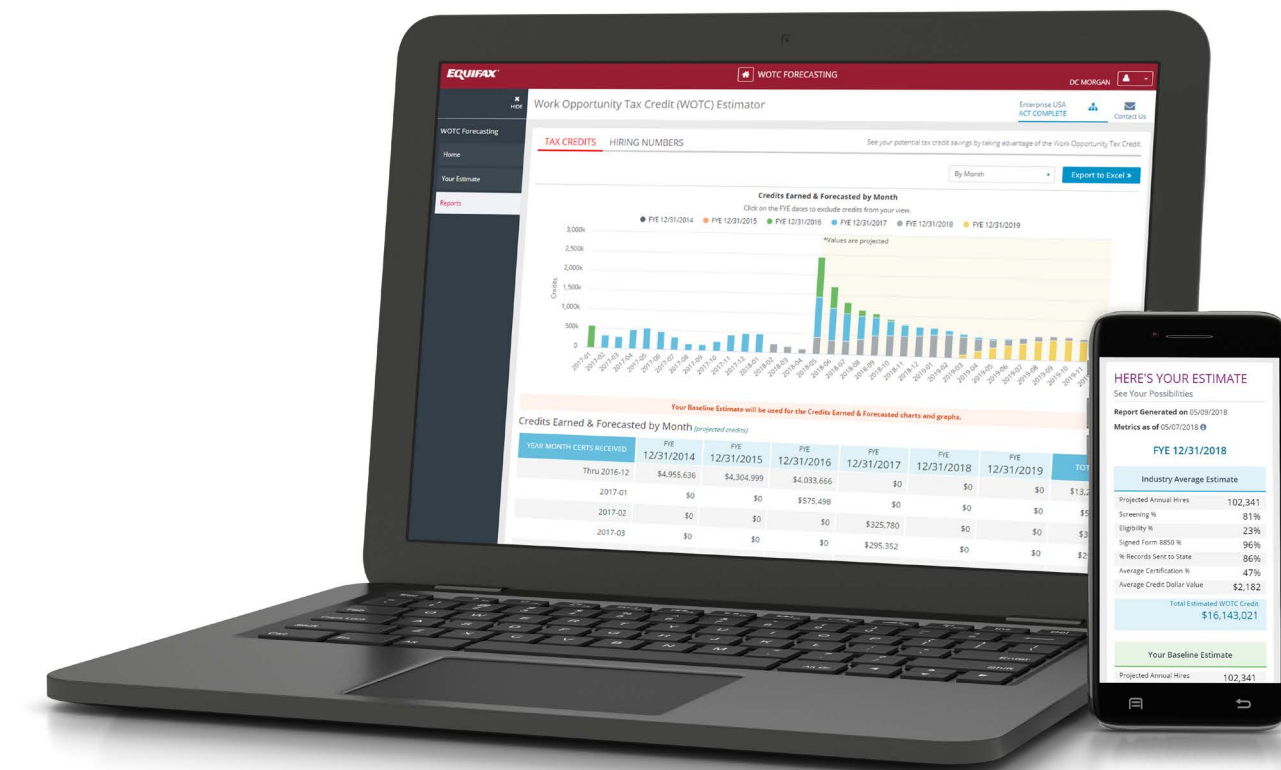


Myth: ~~Changes in hiring volume and employee hours make it hard to forecast WOTC savings.~~

Fact: **Automated reporting tools can make it easy to forecast WOTC savings.**

This is another place where technology can help. With an electronic WOTC Management system, the data is centralized and accessible. Looking for a WOTC platform provider that offers a forecasting tool is important to help you stay ahead of and analyze all the screenings, deadlines, hours worked and more. You need more than a spreadsheet to manage WOTC to the full potential for your company. NowCast™ technology with the WOTC Management Solution from Equifax offers:

- **Forecast Reports** – A simple tool that uses your historical and real-time WOTC program data as well as industry trend data to create on-demand analysis and tax credit estimates by month, quarter or year.
- **Key Performance Indicator (KPI) Reports** help you isolate opportunities to improve the program and recognize the credit dollars lost or to be gained. These reports show you:
 - o The real-dollar effect of not screening 100%
 - o The financial impact on credits when documentation deadlines aren't met
 - o How many WOTC-certified employees hit the work-hour minimum, and the financial impact of those who did not
- **Credit Maximizer Reports** alert you when employees are close to hitting the minimum-hours threshold to help deliver the expected credit





The WOTC Management Solution from Equifax optimizes your company's resources and savings using innovative features. Here's how:



SmartScreening™

Our mobile-friendly automated process makes WOTC screening fast and easy. We help prevent new hires from incorrectly disqualifying themselves, providing employers with increased opportunities to confirm WOTC eligibility.



EasyDoc™

In nearly 97% of cases, 100% of documentation is collected without contacting you or your employees.*



Integration Options

Our WOTC software connects seamlessly into your ATS and HCM platforms.



Government and Tax Advisors

You'll have experts on your side to monitor your data and get your company as many tax credits as possible.



Powerful Data & Reporting

ROI is clear thanks to unique connections with electronic state data exchanges and job-start data from The Work Number®.



NowCast™

Our advanced tool uses an employer's own unique data paired with industry averages to create intelligent, on-demand forecasts and scenarios.

- **HR Advantage:** See how minor process improvements impact results.
- **Tax Advantage:** Quickly analyze cash flow.

WOTC is an easy, effective way for HR to deliver **real savings to the company bottom line.**

The WOTC Management Solution from Equifax helps simplify the process, taking care of the paperwork and timelines for your team, so you can identify more WOTC-eligible employees — and deliver more tax credits for your company! Get the tools you need to deliver, report and forecast a successful WOTC program today.

**Learn about the WOTC Management
Solution from Equifax:
register for a WOTC demo or visit
workforce.equifax.com.**