



## Work Opportunity Tax Credit (WOTC)

For more than 22 years, our Work Opportunity Tax Credit (WOTC) program has been assisting individuals who face barriers to employment and helping clients identify and capture available tax credits. The EY program, started by virtue of the 1996 Small Business Protection Act, has undergone multiple iterations since its inception. Since that time, U.S. Congress has continued to adapt and expand the WOTC program, creating new eligibility target groups and increasing the credit potential for others. The program evolves to meet the needs of the current employment environment, consistently offering valuable incentives to employers. Such amendments continue to serve as vehicles to encourage employers to hire from these groups, benefiting businesses and their communities at large.

In addition to lowering your effective tax rate, hiring WOTC-eligible employees can highlight your civic contributions in the community. Should your business have a specific community focus, we have the capability to help you build a robust candidate pool to help drive those initiatives.

### What is the WOTC?

The WOTC is a federal income tax program created to:

- ▶ Provide employment opportunities for individuals who qualify in certain target groups
- ▶ Incentivize employers who hire from target groups in the form of a tax credit

### The WOTC can:

- ▶ Provide significant value to employers
- ▶ Reduce effective tax rate
- ▶ Foster positive relationships for employers in their communities

### The WOTC benefit can be up to \$9,600 per eligible employee

Potentially eligible categories include:

- ▶ Qualified veterans (e.g., unemployed, disabled, food stamp recipients)
- ▶ Food stamp or other assistance recipients
- ▶ Vocational rehabilitation referrals
- ▶ Supplemental Security Income recipients
- ▶ Qualified long-term unemployed
- ▶ Temporary Assistance for Needy Families recipients
- ▶ Summer youth employees (living in empowerment zones)
- ▶ Residents of empowerment zones or rural renewal counties

### Established approach

- ▶ Helping clients capture eligible credits using our leading edge methodologies
  - ▶ Reducing new-hire processing time by as much as 1-2 minutes due to integrations with Applicant Tracking Systems (ATS) and e-signature
  - ▶ Providing dedicated EY teams to work with state workforce agencies, including local visits, to help obtain certifications and review denials
  - ▶ Supporting clients with an account management team that conducts weekly monitoring of performance measures, reporting and leading-practice solutions

### Offering leading edge technology

Just as the market landscape continues to change, so has our approach. We're doing more than merely "keeping up" – we're investing in the latest technology by developing seamless integrations with the industry leading platforms while keeping the candidate experience top of mind. Providing an easy-to-use, digital experience for your candidate, using innovative automation to enhance data privacy and security, and developing insights into your workforce via analytics are just a few ways we are leading the way.

### Seamless candidate experience

In the constrained labor market, we recognize the candidate experience and time-to-apply is always a top priority for employers. We are committed to providing options and innovative screening solutions. With greater than 50% of candidates applying from mobile devices, our screening platform is adaptive using a mobile-first design enabling candidates to screen from anywhere, at any time. We offer modern, Application Programming Interface (API) based integrations designed to connect your existing human resources information system (HRIS) to the EY WOTC platform. Regardless of the platform, our screening questions are flexible, dynamic and easy to understand, resulting in a seamless completion from the candidate.

### Information security

Our data privacy and information security program and practices are focused on maintaining information appropriately and lawfully, while providing confidentiality, integrity and availability.

## Technology makes things happen, but people give it purpose



### Account management with a human touch

One key differentiator of the EY WOTC platform is that when you have a question you can easily reach out to your EY WOTC-specific account manager. We have a dedicated team of industry-experienced account managers who are available to support you with a low client-to-account-manager ratio.

### Automation and analytics

Tax and HR departments often struggle with the accessibility, accuracy and integrity of data. These issues may be compounded by the reality of disparate and antiquated technology systems and the pressure to move toward a digital environment. This focus on building foundational digital capabilities within the tax department is accelerating the need for accessible and reliable data. The EY Global Tax Platform (GTP) Indirect Tax provides the ability to more effectively access and leverage vast amounts of data to support strategic tax objectives. Combining technology with the deep technical experiences of our professionals can enable businesses to digitize and transform the tax function while improving the performance of your WOTC program.



**Building a better working world**



### Why Ernst & Young LLP?

We have over 22 years of WOTC experience:

- ▶ Working with 20% of the Fortune 100, with clients across 15 of industries
- ▶ Helping our clients realize additional credit increases averaging 30% to 50%
- ▶ Generating the highest eligibility and WOTC certification in the industry
- ▶ Accessing a full complement of tax technical resources
- ▶ Providing audit support in front of the IRS, as well as timely, relevant, easy-to-use reporting that has undergone formal quality reviews

### EY Workforce Tax Services

We are a leading provider of workforce tax services, representing many of the largest US and global employers. Our service delivery model helps facilitate integration and support across the employment life cycle.

In addition to industry leading client service, we provide timely and relevant advanced content, including special reports, tax alerts, EY Payroll Newsflash (timely alerts on federal and state payroll tax developments) and our monthly newsletter and tax technical webcasts.

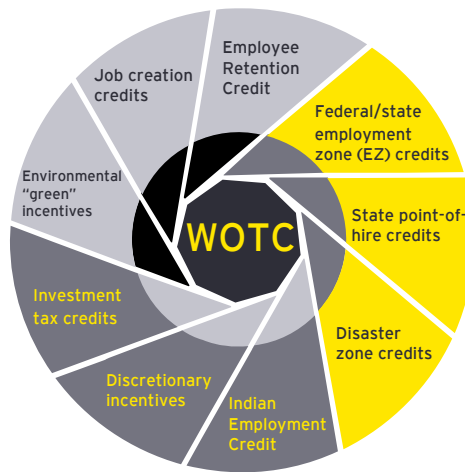
### EY Talent Outreach Services

- ▶ Designed to expand your candidate base with local and national community-based organizations (CBOs) helping job seekers gain employment
- ▶ Assistance with assistance with company governance goals, such as diversity and inclusion (D&I) initiatives through database reporting
- ▶ Access to over 12,000 CBOs available
- ▶ Automated job-posting distribution directly to career counselors for pre-screening and applicant referrals
- ▶ Location-based reporting for identification of local organizations
- ▶ Can support company WOTC initiatives

### EY high-touch delivery service model

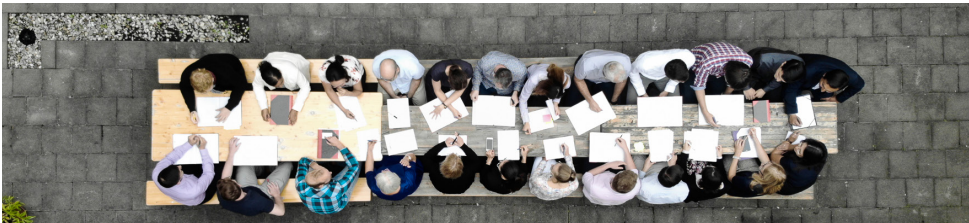
- ▶ Providing unrivaled, appropriate service to help shape your organization's IRS audit and tax operations of the future by:
  - ▶ Combining the efforts of a responsive, centralized team of subject matter professionals who are up-to-date on compliance and regulations and who can offer the full range of insights of a firm to proactively prepare your organization for legislative changes and transparency
  - ▶ Applying our capabilities for speed and quality in highly technical, specialized areas of tax to reduce your tax risk, while improving your tax benefits

### The WOTC has served as the focal point of the credit and incentives program for our clients



### Integration with other tax credits and incentives

- ▶ EY serves as a large full-service global credits and incentives provider
  - ▶ Accessing more than 800 incentives advisors globally and over 200 dedicated US-based incentives professionals integrating across multiple tax credits and incentives, including: statutory tax credits, abatements and exemptions; the New Markets Tax Credit and other federal investment credits; plus other federal, state, local and utility credits and incentives
  - ▶ Providing additional, streamlined compliance with automation of tax forms and credit generation for provisions and federal returns



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