



# TaxNewsFlash

United States



No. 2022-269  
September 19, 2022

## IRS updates information on pre-screening and certification process of Work Opportunity Tax Credit (WOTC)

The IRS today issued a release announcing updated information on the Work Opportunity Tax Credit (WOTC)—available to employers that hire designated categories of workers “who face significant barriers to employment.”

According to today’s IRS release—[IR-2022-159](#)—the updates include information on the pre-screening and certification process.

To satisfy the requirement to pre-screen a job applicant, on or before the day a job offer is made, a pre-screening notice (Form 8850, *Pre-Screening Notice and Certification Request for the Work Opportunity Credit*) must be completed by the job applicant and the employer. After pre-screening a job applicant, the employer must then request certification by submitting Form 8850 to the appropriate state workforce agency no later than 28 days after the employee begins work.

Although the credit generally is not available to tax-exempt organizations, a special provision allows tax-exempt organizations to claim the WOTC against the employer’s share of Social Security tax for hiring qualified veterans. These organizations claim the credit on Form 5884-C, *Work Opportunity Credit for Qualified Tax-Exempt Organizations Hiring Qualified Veterans*.

Read more on the [IRS Work Opportunity Tax Credit webpage](#).

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