

Part III - Administrative, Procedural, and Miscellaneous

Work Opportunity Tax Credit -- Supplementary Instructions for Form 8850

Announcement 96-116

This announcement provides supplementary instructions for employers pertaining to the date-of-birth entry space on the applicant information portion of Form 8850, Work Opportunity Credit Pre-Screening Notice and Certification Request.

BACKGROUND

On September 26, 1996, the IRS issued Form 8850 for use by employers who wish to obtain the Work Opportunity Tax Credit (WOTC) by hiring individuals who belong to one of seven targeted groups defined in section 51(d)(11) of the Internal Revenue Code.

At the top of the Form 8850, there is an entry for the job applicant's date of birth. This information is requested on the form because of specific age requirements for membership in the following three targeted groups: high-risk youths (ages 18-24), qualified summer youth employees (ages 16-17), and qualified food stamp recipients (ages 18-24).

Some employers have expressed an interest in limiting the extent to which age information is collected in the pre-screening process to those age brackets that are determinative of eligibility in a WOTC targeted group. To accommodate this concern, the IRS expects to publish a revised Form 8850.

In a notice published in the Federal Register on October 3, 1996, the IRS requested comments on Form 8850 as required by the Paperwork Reduction Act of 1995. Those comments are due December 2, 1996. The IRS expects to publish a revised version of Form 8850 in early 1997. Meanwhile, the following supplementary instructions apply to the September 1996 version of the form.

SUPPLEMENTARY INSTRUCTIONS

In the case of applicants who are age 25 or older, employers are not required to ask for the applicant's date of birth and may leave the date-of-birth entry space blank on Form 8850.

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