

## FINANCIAL BENEFITS TO THOSE WHO HIRE VETERANS

In addition to getting outstanding employees, those who hire veterans may be able to take advantage of a variety of incentives from the federal and state governments.

### **Veteran Administration Vocational Rehabilitation & Employment program**

- **On the job training program** - Employer hires veteran at an apprentice wage and VR & E supplements the salary up to the journeyman wage
- **Special employer incentive program** - for veterans facing extraordinary obstacles to employment who are placed in an OJT or a work experience. VR & E can reimburse the employer up to 50% of the veteran's salary for up to 6 months. The employer is also eligible for a federal tax credit for hiring an individual who participated in a vocational rehabilitation program.

For more information go to

[http://www.vba.va.gov/bln/vre/emp\\_resources.htm](http://www.vba.va.gov/bln/vre/emp_resources.htm)

### Federal Work Opportunity Tax Credit

- **Veteran** - who received unemployment compensation for not less than 4 weeks during the one year period ending on the hiring date can earn the employer a tax credit of 40% of the first \$6,000 in wages, for a maximum credit of \$2,400 for those new hires employed at least 400 hours
- **Disabled veteran** - who received unemployment compensation for not less than 4 weeks during the one year period ending on the hiring date can earn the employer a tax credit of 40% of the first \$12,000 in wages, for a maximum credit of \$ 4,800 for those new hires employed at least 400 hours

For more information go to

<http://www.dli.state.pa.us/landi/cwp/view.asp?a=129&q=67287>

### **Pennsylvania Employment Incentive Payment Program**

**veterans** - hired as qualified vocational rehabilitation referrals can earn an employer tax credits that can be applied to state business taxes.

An eligible individual is a person who:

- within the twelve months preceding the start-to-work date, received Pennsylvania General (cash) Assistance (GA) or Temporary (cash) Assistance for Needy Families (TANF), and/or
- is a disabled person who completed or is completing rehabilitative services approved through the State Rehabilitation Services program or the U.S. Department of Veterans Affairs.

An employee must work one year in order to qualify the employer for the maximum first year credit of \$2,700. Partial credits may be earned, depending on the accepted reason for employee separation.

An employer can earn a tax credit of up to 30 percent of the first \$9,000 in qualified first year wages; 20 percent for year two; and 10 percent for year three. Also, if the employer provides or pays for childcare or transportation services for each new employee, up to \$1,800 of addition EIP tax credits are available over the three-year period.

For more information go to

<http://www.dli.state.pa.us/landi/cwp/view.asp?a=129&Q=67294>