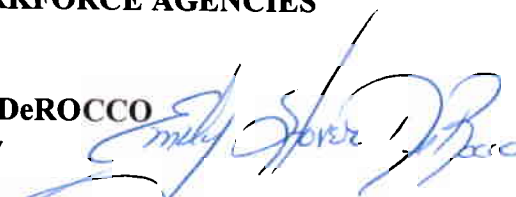


EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. Department of Labor Washington, D.C. 20210	CLASSIFICATION WOTC & WtWTC
	CORRESPONDENCE SYMBOL OWI
	DATE April 22, 2005

TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 30-04

**TO: ALL STATE WORKFORCE LIAISONS
ALL STATE WORKFORCE AGENCIES**

FROM: EMILY STOVER DeROCCO
Assistant Secretary



SUBJECT: Work Opportunity Tax Credit (WOTC) and Welfare-to-Work Tax Credit (WtWTC) Program and Internal Revenue Service (IRS) "Relief Period" Granted to Employers Affected by Recent Tropical Storms and Hurricanes

1. **Purpose.** To inform the state workforce agencies (SWAs) of special filing "relief periods" for WOTC/WtWTC certification requests in Presidential Disaster Areas (PDAs) struck by recent tropical storms and hurricanes and provide guidance for its implementation.
2. **References.** Internal Revenue Service, Revenue Procedure 2004-13, 2004-4 I.R.B. 335; the Working Families Tax Relief Act of 2004 (P.L. 108-311); Internal Revenue Code of 1986, Sections 51, 51A, and 7508A, as amended; 26 CFR 301.7508A-1; and ETA Handbook No. 408, Third Edition, November 2002.
3. **Background.** Section 7508A of the Internal Revenue Code (26 U.S.C. 7508A) permits the IRS to grant a postponement of time to perform specified acts for taxpayers affected by a presidentially declared disaster or a terroristic or military action. Section 301.7508A-1(b) of the Regulations on Procedure and Administration (26 CFR 301.7508A-1(b)) gives the IRS the authority to disregard a period of time in determining whether any or all of the acts described in section 301.7508A-1(c) were performed within the time prescribed.

Section 301.7508A-1(c) lists acts that may be postponed. In addition to the listed acts, Section 301.7508A-1(c)(1)(vii) includes any other act specified in a revenue ruling, revenue procedure, notice, announcement, news release, or other guidance published in the Internal Revenue Bulletin. Revenue Procedure 2004-13, published in 2004-4 I.R.B. at 335-356, provides an updated list of time-sensitive acts, the performance of which may be postponed under section 7508A.

RESCISSIONS	EXPIRATION DATE Continuing
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Section 15.12 of Revenue Procedure 2004-13 lists the following act related to the WOTC and WtWTC Program as one that can be postponed under 26 U.S.C. 7508A:

“Sec. 51(d)(12)(A)(ii)(II) and 51A(d)(1) -- An employer seeking the Work Opportunity Credit or the Welfare-to-Work Credit with respect to an individual must submit Form 8850, Pre-Screening Notice and Certification Request for the Work Opportunity and Welfare-to-Work Credits, to the State Employment Security Agency not later than the 21st day after the individual begins work for the employer.”

Postponements under these IRS provisions are not automatically available if a disaster occurs. Rather, the IRS, generally, publishes a notice or news release authorizing a postponement for a specified extension period that is available to “affected taxpayers.”

20 CFR 301.7508A-1(d)(1) defines “affected taxpayer” as including any business entity or sole proprietor whose principal place of business is located in a covered disaster area, and any business entity or sole proprietor whose principal place of business is not located in a covered disaster area, but whose records necessary to meet a deadline for an act covered by in section 301.7508A-1(c) are maintained in a covered disaster area.

Section 301.7508A-1(d)(2) defines “covered disaster area” as an area of a Presidentially declared disaster to which the IRS has determined section 301.7508A-1(b) applies.

4. **Information.** The IRS has issued a series of news releases, available on its website, announcing special filing “relief periods” for “tax payers” in PDAs struck by recent tropical storms and hurricanes. As explained above, WOTC/WtWTC certification requests from employers and consultants within the PDAs (or whose records are within a PDA) are eligible for this relief. This relief is a measure similar to the one granted as a result of the September 11, 2001 terrorists attacks in New York and Arlington County in the Commonwealth of Virginia.

Affected taxpayers described in any of these news releases can postpone the due dates of their IRS Forms 8850 until (in some cases) December 30, 2004. Taxpayers should mark the top margin of IRS Form 8850 in red with the appropriate disaster designation. The IRS Forms 8850 that can be postponed are those due on or after the date on which the storm or hurricane struck. Below is a list of news releases each identifying the storm or hurricane, the affected states, the date the storm or hurricane first hit the area, the final date of the extension period and the disaster designation.

List of News Releases:

IR-2004-108 – Tropical Storm Bonnie and Hurricane Charley – affected Florida counties – struck 8/11-30/04 – extended through 12/30/04.

IR-2004-115 – Hurricane Frances – affected Florida counties – struck beginning 9/3/04 – extended through 12/30/04.

FL 2004-14/NFL 2004-18 – Hurricane Jeanne – affected Florida counties – struck beginning 9/24/04 – extended through 12/30/04.

IR-2004-118 – Hurricane Ivan – affected Alabama, Florida, Louisiana, and Mississippi counties – struck beginning 9/13/04 – extended through 12/30/04.

List of Expired News Releases (in case of backlogs):

NC04-74 – Tropical Storm Gaston – affected Virginia counties – struck 8/30-9/8/04 – extended through 11/3/04.

NC04-76 – Tropical Storm Frances – affected North Carolina counties – struck 9/7-12/04 – extended through 11/9/04. The extension period for counties also struck by Hurricane Ivan is 11/18/04.

NGA-04-03/SGA-2004-14 – Hurricane Ivan – affected Georgia counties – struck beginning 9/14/04 – extended through 11/18/04.

Unnumbered – severe storms and flooding – affected Ohio counties – struck beginning 8/27/04 – extended through 11/18/04.

IRS PA-2004-60 – Tropical Depressions Frances and Ivan – affected Pennsylvania counties – struck beginning 9/8/04 – extended through 11/18/04.

NC04-81 – Hurricane Ivan – affected North Carolina counties – struck beginning 9/16/04 – extended through 11/18/04.

Unnumbered – severe storms, flooding and landslides – affected West Virginia counties – struck 9/16-27/04 – extended through 11/18/04.

NJ-2004-49 – Tropical Depression Ivan – affected New Jersey counties – struck 9/18-10/1 – extended through 12/1/04.

NY-2004-36 – Tropical Depression Ivan – affected New York counties – struck 9/16-9/24 – extended through 12/1/04.

SC05-04 – Tropical Storm Frances – affected South Carolina counties – struck 9/6-10/11 – extended through 12/7/04.

Unnumbered – Severe storms and flooding – affected Minnesota counties – struck 9/14-27/04 – extended through 12/7/04 – “Severe Storms – MN.”

NY-2004-47 – affected “New York Floods, 14 counties”— struck from 8/13/04 through 9/16/04 –extended through 12/16/04.

VA-2004-67 – remnants of hurricane Jeanne – affected Virginia counties – struck beginning 9/27/04 – extended through 12/20/04 – “Hurricane Jeanne - VA.”

To learn the affected counties in each state and the disaster designation, it will be necessary to check the news releases. The IRS updates news releases as new disaster areas pertaining to a particular event are declared. The most recent version of each news release can be found at <http://www.irs.gov>. To access this information, SWAs and employers should follow these simple steps: from the home page, click on Newsroom at the top. Then click on Disaster Relief under Related Topics in the left hand column. Then click on state news links. Neither IRS nor this office will issue additional advisories after future disasters. This TEGL provides specific universal information that applies to similar or different disasters. In the future, when any area in the country is designated a disaster area by the President, go to www.irs.gov to learn the particulars for that disaster. If a link to the disaster is not on the homepage, click on Newsroom and follow the instructions in the paragraph above.

5. **Guidance to SWAs.** For all applicable deadlines, a timely postmark or equivalent from a private delivery service serves as sufficient evidence of timely filing if the SWA receives the IRS Form 8850 after the postponed deadline. For a list of acceptable private delivery services for purposes of submitting IRS Form 8850 to the SWA, see Notice 2001-62.
6. **Action Requested.** Recipients are requested to distribute this TEGL, with Attachment, to all WOTC State Coordinators, related program staff, employers and consultants and other interested partners.
7. **Inquiries.** Questions should be directed to the WOTC Regional Coordinators.
8. **Attachment.** Notice 2001-62.