

January 13, 2023

U.S. Department of Labor
Employment and Training Administration
Office of Workforce Investment
200 Constitution Avenue NW, Suite C-4510
Washington, DC 20201

Via Email: Ask.WOTC@dol.gov

Dear National WOTC Team:

This response is in reference to the **Supporting Statement for Work Opportunity Tax Credit (WOTC) OMB Control No. 1205-0371 seeking open comments on ETA Form 9198 Employer Representative Declaration Work Opportunity Tax Credit (WOTC).**

ADP, Inc. (ADP) is the nation's largest payroll and human resources service provider, paying roughly one out of every six workers in the United States. ADP provides a range of administrative solutions to more than a million employers worldwide, which enable employers of all types and sizes to manage their employment responsibilities from recruitment to retirement, including employment tax administration, human resource management, benefits administration, time and attendance, retirement plans, and talent management. One of our solutions is Tax Credits, which includes the Work Opportunity Tax Credit (WOTC).

ADP greatly appreciates you taking the time to address an issue that has concerned us for years, which is having a specific and designated WOTC authorization form that provides consultants the ability to act on behalf of their clients regarding the WOTC program.

Overview

WOTC is a federal tax credit available to employers that hire individuals from certain targeted groups that have historically faced significant barriers to employment. WOTC is authorized under Section 51 and Section 3111€ of the Internal Revenue Code of 1986, as amended. WOTC is authorized until December 31, 2025, under Sec. 113 of Division EE, Title – Consolidated Appropriations Act, 2021 (Pub. L. 116-260). WOTC administrative reporting and processing forms are approved for use through March 31, 2023 (OMB control number 1205-0371). The Employment and Training Administration (ETA) is seeking to update the WOTC administrative reporting and processing forms for Office of Management and Budget (OMB) approval and introduce a new form for program use: ETA Form 9198, *Employer Authorization Declaration Form*.

Our comments related to Form 9198 and revised Form 9061 follow.

Form 9198

- **Duration of the Form:** Form 9198 is valid for a period of five years from the *date it is signed by the employer*, who may revoke it earlier (the representative also may withdraw the authorization earlier as well). Form 9198 may not designate year(s) or period(s) retroactively. More specifically, employers cannot specify years/periods that have ended as of the date the employer signs the authorization. Existing powers of attorney remain in effect for periods that have ended as of the date the employer signs Form 9198.

Due to the timing of employers executing and returning to consultants the Form 9198, it is not uncommon that there is a period of time during which there is no authorization in place. To help ensure that there are no gaps in authorization and that consultants are able to provide services as directed by clients, it would be preferable that an effective date govern the duration of the authorization, including past time periods. It would be preferable to permit retroactive effective dates.

- **Revocation of Prior Powers of Attorney:** The filing of Form 9198 automatically revokes all prior powers of attorney for the same matters or period covered by the new form unless the employer indicates otherwise. (Some employers want an existing power of attorney to remain in place . The DOL allows employers to have as many as five representatives on file with the SWA as specified below).

We would prefer to remove the automatic revocation of all prior authorizations on file with the applicable SWA, and rely upon effective date to control who has authorization for a particular matter.

- **Use of Other Forms:** SWAs are authorized to use substitute forms for Form 9198. Presumably, employers wishing to use a different form may request authority to do so from their SWA. Multiple forms could create inconsistencies. We recommend greater standardization and uniformity, and suggest mandate the use of the designated one form.

Revised Form 9061

- The revised Form 9061 is requiring truncated SSNs while the full SSN is already in the file for 8850 that clients and consultant alike are using. Given that the Form 8850 requires the full SSN, we strongly support truncation of the SSN on Form 9061 for privacy and security reasons.



- Currently the ordering of the questions on the Form 9061 are succinct with the questions as they appear on the 8850, but the proposed change would alter that alignment. It would be preferable if the ordering the WOTC question on Form 9061 and 9950 were consistent with one another.

Please let us know if there is any additional information you need that may assist in addressing the above concerns. Thank you in advance for your consideration.

Sincerely,

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