

DEPARTMENT OF SOCIAL SERVICES

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February 4, 1982

ALL-COUNTY LETTER NO. 82-11

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: CHANGES IN THE JOBS TAX CREDIT PROGRAM

REFERENCE: ACL NO. 80-22

Many County Welfare Departments (CWDs) have participated in the Jobs Tax Credit program in varying degrees throughout the state, in accordance with local cooperative agreements entered into with the Employment Development Department (EDD). This participation in some cases has meant the vouchering of general assistance recipients for the Targeted Jobs Tax Credit (TJTC) program and the vouchering and certifying of Aid to Families with Dependent Children (AFDC) recipients for the Welfare Tax Credit program.

As you may know, on August 13, 1981, the President signed The Economic Tax Recovery Act which significantly impacted all three federal tax credit programs--i.e., TJTC, WIN and Welfare. Most significant to CWDs is the following:

- o Effective October 1, 1981, CWDs are no longer authorized to voucher general assistance clients for the TJTC program. EDD has been designated by the Department of Labor as the sole vouchering and certifying agency for TJTC.
- o Effective January 1, 1982, repeals the WIN and Welfare Tax Credit programs as separate programs, and includes the individuals targeted under these programs as target groups under TJTC. This means that there will be no vouchering or issuing of certifications for the WIN/Welfare Tax Credit programs after December 31, 1981 by any agency.

Other changes to the program include:

- o Effective August 14, 1981, added as a target group former CETA-PSE employees terminated from their CETA-funded positions after December 31, 1980.


GEN 654 (9/79)

- o Effective January 1, 1982, adds the economically disadvantaged criteria to the target group "Youth in Cooperative Education Programs".
- o Eliminates the retroactive certification feature of the program by requiring employers to either (1) obtain certification for newly hired individuals at least one day prior to the first day the person begins on the job; or (2) submit a written request for certification to EDD at least one day before the person begins work. (A written request postmarked the day before the person begins work is acceptable.)

CWDs are encouraged to continue utilizing this program as a tool to facilitate moving their clients into mainstream employment. In order to accomplish this in the most efficient manner, each CWD should establish a cooperative arrangement with the nearest Job Service to define procedures for referring their clients for vouchering as well as for verifying the welfare status of clients for EDD. CWDs are the sole source for verifying the status of general assistance and AFDC clients targeted under the Job Tax Credit program. Therefore, a timely response to EDD is essential to providing the full range of services to welfare clients as expeditiously as possible.

It should be noted that there are no changes to the state's California Jobs Tax Credit (CJTC) program. CJTC will continue to "piggy-back" the federal program with EDD assuming responsibility for the vouchering and certification of clients for that program also.

Sincerely,



MARION J. WOODS
Director

cc: CWDA