

**Schedule**



# West Virginia Military Incentives Credit

Rev. 09-12

West Virginia  
State Tax  
Department

Tax Year Ending	
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Name(s) shown on tax return \_\_\_\_\_

Your social security number \_\_\_\_\_

Employer Name \_\_\_\_\_

Tax Identification Number \_\_\_\_\_

	(1) Veteran's or Member's Name & Social Security Number	(2) Category – Check one (if disabled check box and enter percent of disability.)	(3) Period of Employment during tax year.	(4) Wages Paid	(5) Credit
a	Name (Last, First, MI) _____  SSN _____	<input type="checkbox"/> Disabled      ___% <input type="checkbox"/> Disadvantaged    30% <input type="checkbox"/> National Guard    25% <input type="checkbox"/> Reserves            25%	Beg. _____  End _____	\$ _____	\$ _____
b	Name (Last, First, MI) _____  SSN _____	<input type="checkbox"/> Disabled      ___% <input type="checkbox"/> Disadvantaged    30% <input type="checkbox"/> National Guard    25% <input type="checkbox"/> Reserves            25%	Beg. _____  End _____	\$ _____	\$ _____
c	Name (Last, First, MI) _____  SSN _____	<input type="checkbox"/> Disabled      ___% <input type="checkbox"/> Disadvantaged    30% <input type="checkbox"/> National Guard    25% <input type="checkbox"/> Reserves            25%	Beg. _____  End _____	\$ _____	\$ _____
d	Name (Last, First, MI) _____  SSN _____	<input type="checkbox"/> Disabled      ___% <input type="checkbox"/> Disadvantaged    30% <input type="checkbox"/> National Guard    25% <input type="checkbox"/> Reserves            25%	Beg. _____  End _____	\$ _____	\$ _____
e	Name (Last, First, MI) _____  SSN _____	<input type="checkbox"/> Disabled      ___% <input type="checkbox"/> Disadvantaged    30% <input type="checkbox"/> National Guard    25% <input type="checkbox"/> Reserves            25%	Beg. _____  End _____	\$ _____	\$ _____

**Total of column 5a through 5e.....** \_\_\_\_\_

Carry this total over to the appropriate line on your Personal Income Tax Form (IT-140) or Summary Schedule TC of the West Virginia Corporation Net Income Tax Return (CNF-120).

# West Virginia Military Incentive Credit

## INFORMATION & INSTRUCTIONS

The purpose of the West Virginia Military Incentive Credit (formerly called the Veterans Employment Credit) is to encourage the employment of veterans and members of the guard and reserve forces in the private sector. This would be accomplished by providing tax credits to qualified employers providing employment to economically disadvantaged veterans, disabled veterans and unemployed members of the West Virginia National Guard and United States Reserve forces.

### ELIGIBLE TAXPAYERS

Eligibility for the Military Incentive Credit is limited to employers hiring individuals certified as eligible by the West Virginia Division of Employment Security. The credit typically applies if the eligible individual is employed for a continuous period of one year or more. Certain other restrictions and limitations also apply.

Tax credits will not be available to employers for any individual employed for less than one year of continuous employment. However, if the individual voluntarily leaves employment with the employer; the individual becomes totally disabled and unable to continue his employment; or the individual is terminated for good cause shown, the employer shall be entitled to a partial tax credit in a proportional amount corresponding to the ratio of the time period during which the veteran was actually employed.

The tax credit is not available for the employment of any individual who displaces a person already employed or for the employment of any individual for whom the employer is receiving job training payments from either the federal or state government.

### AMOUNT OF CREDIT

For economically disadvantaged veterans hired, the credit available to the employer is 30% of the first \$5,000.00 in wages or compensation actually paid the employee. For disabled veterans, the credit is the percentage of disability multiplied by the first \$5,000.00 in wages or compensation actually paid the employee. For members of the West Virginia National Guard and United States Reserve forces, the credit is 25% of the first \$5,000.00 in wages or compensation actually paid the employee.

Classification	Percentage	x	Wage Base	= Credit
Disadvantaged Veteran	30%	x	\$5,000.00	=\$1,500.00
Disabled Veteran	Disability Percentage	x	\$5,000.00	=\$0.00 - \$5,000.00
National Guard or Reserve	25%	x	\$5,000.00	=\$1,250.00

### DEFINITIONS OF QUALIFIED EMPLOYEES

An "Economically Disadvantaged" veteran means a person who:

1. Receives, or is a member of a family which receives, cash welfare payments under a federal, state or local welfare program;
2. Has been certified as eligible by the West Virginia Department of Employment Security and has been employed for a continuous period of one year;
3. Has, or is a member of a family which has, received a total family income for the six months prior to application which, in relation to family size, was not in excess of the high of:
  - a. The poverty level determined in accordance with criteria established by the federal office of management and budget; or
  - b. Seventy percent of the lower living standard income; or
  - c. Is receiving food stamps pursuant to the food stamp act of 1977; or



- d. Is a foster child on behalf of whom local government payments are made; or
- e. Is an adult handicapped individual whose own income meets the requirements of subdivisions 1 and 2 of this subsection, but who is a member of a family whose income does not meet such requirements.

“**Korean conflict**” veteran means a person who served in the armed services of the United States at least one day during the period of time beginning on the twenty-seventh day of June, one thousand nine hundred fifty, and extending through the thirty-first day of January, one thousand nine hundred fifty five.

“**Vietnam era veteran**” means a person who served in the armed services of the United States at least one day during the period of time beginning the fifth day of August. one thousand nine hundred sixty-four. and extending through the seventh day of may. one thousand nine hundred seventy-five.

“**National Guard member**” means a member of any component of the West Virginia National Guard.

“**Reserve member**” means a member of any component of the reserve forces of the United States.

If you desire additional information about the “Military Incentive Program Act of 1991”, you must contact your local Job Service Office or the West Virginia Employment Services Division, 112 California Avenue, Charleston, WV 25305 (304) 558-7849.

## INSTRUCTIONS

Enter the name(s) and Identification number shown on your West Virginia State Personal Income Tax return or that shown on the West Virginia Corporation Net Income Tax return.

Enter the employer name and Identification number as it appears on the “Employer Certification” issued by the West Virginia Department of Employment Security.

**Column 1** Enter the Veteran’s or member’s last name, first name then middle initial on the first line. Enter his or her social security number (SSN) on the second line.

**Column 2** Check the appropriate box. If the veteran or member is disabled, enter the percentage of compensation for service connected disability as determined by the Veteran’s Administration of the United States. If the veteran or member is disadvantaged. the legislated thirty percent (30%) limitation has been preprinted. See introduction for definition of “Economically Disadvantaged Veteran”. If member of the National Guard or Reserves, the legislated twenty-five percent (25%) limitation has been preprinted.

**Column 3** Enter the Beginning and Ending date of employment during your taxable year for each veteran or member. If the period of employment for a veteran or member is less than one year. then the allowable credit must be prorated as described in the “Column 5” instructions.

**Column 4** Enter the total amount of wages or compensation paid to the veteran or member during the taxable year or \$5,000.00, WHICHEVER IS LESS.

**Column 5** Enter the amount of allowable credit for each qualified veteran or member you have employed for the entire taxable year computed by multiplying the amount shown in column 4 by the applicable percentage shown in column 2. If the period of employment is not for the entire taxable year you must also prorate the calculated credit according to the ratio of the employment dates shown in Column 3 to a full one-year period. In other words, if the period of employment was August 1, to December 31 of the taxable year the calculated credit must be multiplied by 5/12.

The maximum credit for each veteran or member is limited to the smallest of either the calculation just described for a partial year of employment or \$5,000.00 for a 100 percent “Disabled” veteran or member.

Add lines (a) through (e) of Column 5 and enter the total in the appropriate space. Carry this total over to the appropriate line on your Personal Income Tax Form (IT-140) or CNF-120TC of the West Virginia Corporation Net Income Tax Return.

