



## Tax Credit Services

With Paychex HR PEO

Your business may be able to lower its tax liability each year through available credits. Don't let complex requirements, inexperience with the process, or a lack of time keep you from potentially infusing thousands of dollars into your business. When you work with Paychex HR PEO, it's simple to claim valuable tax credits you may be eligible for.

### Hiring Tax Credits

#### Work Opportunity Tax Credit (WOTC)

Your business could earn federal WOTC by hiring individuals from groups that face barriers to employment such as Supplemental Nutrition Assistance Program (SNAP) recipients, temporary assistance for needy family (TANF) recipients, and unemployed veterans.

These tax credits are likewise available if your company hires from other eligible groups, including certain Veteran groups, supplemental security income recipients, summer youth employees in empowerment zones, designated community residents (who are living in federal zones and/or renewal communities), individuals requiring vocational rehabilitation services, and ex-felons. **The credit ranges from \$1,200 to \$9,600 per eligible employee.**

#### Our Hiring Tax Credit Service provides:

- Applicant eligibility verification and screening
- Applicant-screening form preparation and filing
- Tracking of hours and wages paid
- Access to real-time data on your client dashboard
- A legally compliant audit trail for claimed credits

### Research and Development (R&D) Tax Credit

Changes to your design, development, or business processes to make them less expensive, greener, or faster could be earning you tax credits. The R&D Tax Credit\* can be applied to new product development and manufacturing and software development production.

Industries likely to qualify for the R&D Tax Credit include:

- Manufacturing and fabrication
- Construction
- Electronics
- Engineering
- Architecture
- Software development
- Biotechnology
- Surgical techniques
- Food sciences
- Agriculture, and more

## Location-Based Tax Credits

To encourage economic development in select areas of the U.S., the government has established tax credits available to qualified business owners.

**Credits can total as much as \$3,000 per qualified employee each year**, which you can use to reduce your federal income tax liability. Many programs even allow businesses to file claims retroactively and use credits to reduce future tax bills.

Our Location-Based Tax Credit Service streamlines the complicated process by:

- Applying for location-based credits and identifying eligible employees.
- Tracking pertinent address changes, hours worked, and wages paid to calculate credits earned for qualified employees.
- Providing a comprehensive year-end report for easy tax-return preparation.
- Maintaining documentation and an audit trail for seven years.
- Tracking legislation and regulations for tax credit compliance and to ensure that you get the maximum benefit available.

### Other types of tax credits Paychex HR PEO can assist with:

- Research and Development Wage-Based Credit
- Cost segregation
- Training incentives
- State tax credits
- Domestic production deduction

### Learn More and Claim Your Credits

When you work with our PEO, we can help find tax credits on your behalf.

Your business will also receive:

- Comprehensive support for HR admin
- Risk mitigation and compliance help
- Access to an affordable benefits portfolio and insurance solutions
- Three dedicated points of contact, with 24/7/365 customer service
- Access to our award-winning HCM technology



**Learn more about PEO  
and claim your credits.**

[Get Started Today](#)

\*Tax laws at the federal and state level are subject to change.

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