

The Kentucky Unemployment Tax Credit Program

Revised 03/27/2015

The 1982 Kentucky General Assembly enacted [KRS 141.065](#) which provides an unemployment tax credit against the income tax liability of Kentucky employers who hire qualified unemployed individuals.

Employers may claim a \$100 credit for each eligible individual who has been certified by the Office of Employment and Training. Certification requires that the employee be unemployed for 60 days prior to being hired into full-time employment and must remain employed full time for 180 consecutive calendar days in the tax year in which the credit is claimed.

Application Process:

The application is completed by the employer and the employee. Part I is employer information, Part II is employee information, Part III is the employment history, and Part IV is signed by both the employer and the employee, then mailed or faxed to:

**Kentucky Career Center
Tax Credit Unit
500 Mero Street 4th Floor
Frankfort, KY 40601
Fax 502-564-7459**

A review of both the employee and employer sections prior to submission will reduce unnecessary delays in the issuance of certifications. If a question does not apply, indicate by N/A (non-applicable).

A numbered Certification, Denial Letter (for ineligibility), or Letter of Deficiency (for incomplete applications) will be issued to the employer.

To avoid requests that will be automatically denied, the following statements must be answered "yes."

Were you a Kentucky resident on the hire date?

Were you actively seeking work during the 60 days prior to the hire date?

Were you readily available to accept full time employment prior to the hire date?

Do you have an employment history?

Labor Market Experience:

If the applicant was employed at least 23 hours per week or 100 hours per month for at least one month prior to the 60 day minimum unemployment requirement prior to hire date; he or she is considered to have labor market experience.

An employee is considered unemployed if:

Prior to the 60-day minimum unemployment payment period, the individual had prior labor market attachment; and during the 60 day minimum unemployment period prior to being hired, the employee was not working or was not employed more than 23 hours per week or was not employed more than 100 hours per month and was actively seeking and readily available for full- time employment.

Involvement in a strike or labor dispute during the prior 60 days does not meet the definition of unemployment for the purposes of this program.

An employee is considered employed if:

He or she worked more than 23 hours per week, or more than 100 hours per month and meets the 180 consecutive days of employment requirement.

Credit may not be claimed if the following apply:

Relatives, dependents and on-the-job training recipients are not eligible employees.

The employee qualifies as a dependent of the tax payer/employment for federal and state income purposes.

The employee is a relative of the taxpayer/employer, or an individual who owns more than fifty percent of the outstanding stock corporation.

If the taxpayer/employer is an estate or trust, is a grantor, beneficiary, or fiduciary.

Certificates:

The completed application is mailed to the Tax Credit Unit for verification. Upon approval, the employer is sent a numbered tax certificate, which is used to claim the \$100 credit on State Department of Revenue Tax Schedule UTC.

Kentucky Unemployment Tax Credit Program Application

Cabinet for Education & Workforce Development
OFFICE OF EMPLOYMENT AND TRAINING

PART I: EMPLOYER INFORMATION (TO BE PRINTED OR TYPED BY THE EMPLOYER)

Employer Name:	Employer Telephone Number: () -
Employer <u>Contact Person</u> or <u>Third Party Representative</u> :	Employer Address:
KY Tax Identification Number: -	Federal Tax Identification Number: -

PART II: EMPLOYEE INFORMATION (TO BE PRINTED OR TYPED)

Employee Name:	Social Security Number:	<u>Hire Date</u> (mm/dd/yy) / /
Were you a resident of Kentucky <u>on the hire date</u> ?	(Check one) Yes <input type="checkbox"/> No <input type="checkbox"/>	<u>Start-to-Work Date</u> (mm/dd/yy) / /
Employee Address <u>on hire date</u> : Street, City, State, Zip Code		
Were you actively seeking work <u>during the 60 days prior to the hire date above</u> ?		(Check one) Yes <input type="checkbox"/> No <input type="checkbox"/>
Were you readily available to accept full-time employment <u>during the 60 days prior to the hire date above</u> ?		(Check one) Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you have an employment history?		(Check one) Yes <input type="checkbox"/> No <input type="checkbox"/>

PART III EMPLOYMENT HISTORY, LABOR MARKET ATTACHMENT (TO BE PRINTED OR TYPED)

Employer Name:	Employer Telephone Number: () -	Employed (Month/ Day/ Year) (mm/dd/yy) From: / / To: / /
Employer Address:		Average Hours Worked: Per Week Per Month
Employer Name:	Employer Telephone Number: () -	Employed (Month/ Day/ Year) (mm/dd/yy) From: / / To: / /
Employer Address:		Average Hours Worked: Per Week Per Month
Employer Name:	Employer Telephone Number: () -	Employed (Month/ Day/ Year) (mm/dd/yy) From: / / To: / /
Employer Address:		Average Hours Worked: Per Week Per Month

PART IV: READ, SIGN AND DATE PART IV AFTER COMPLETING ALL OF PART I, II and III.

Employee Self Attestation I hereby certify that the above statements are accurate and I understand that, if I knowingly submit false or inaccurate information, I may face prosecution, which could result in such penalties as prescribed by Kentucky Law. I authorize the Office of Employment and Training and the Kentucky Revenue Cabinet to verify any information stated in this application and to make any contacts or inquiries to verify my current or past employment status.

Employee Signature: _____ Date: _____

Employer Self Attestation I hereby attest that the information on this application is true to the best of my knowledge and that I am accepting these statements in good faith from the above employee.

Employer Signature: _____ Date: _____