



# TaxNewsFlash

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## Notice 2021-43: Relief for certain employers claiming the Work Opportunity Tax Credit

The IRS today released an advance version of [Notice 2021-43](#) [PDF 145 KB] extending the 28-day deadline for employers claiming the Work Opportunity Tax Credit (WOTC) to submit a request to a designated local agency (DLA) to certify that an employee hired between January 1 and October 8, 2021, is a “designated community resident” or a “qualified summer youth employee.”

To be certified as a “designated community resident” or a “qualified summer youth employee” under the WOTC, the employee must have a principal place of residence within an Empowerment Zone where the employee continuously resides.

A related IRS release—[IR-2021-168](#)—notes that Empowerment Zone designations terminated on December 31, 2020, but the “Taxpayer Certainty and Disaster Tax Relief Act of 2020” (enacted as Division EE of the Consolidated Appropriations Act, 2021) permitted these designations to be extended through 2025. In May 2021, the Empowerment Zone designations were extended through December 31, 2025 (from December 31, 2020).

The transition relief provided under Notice 2021-43 allows employers to submit Form 8850, *Pre-Screening Notice and Certification Request for the Work Opportunity Credit*, for these employees until November 8, 2021.

Today’s notice also provides guidance to certain employers that submitted a Form 8850 to a DLA for eligible employees during the period of transition relief but received a denial due to the termination of Empowerment Zone designations on December 31, 2020, or received a certification before Empowerment Zone designations were extended.

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