

APPRENTICESHIP TAX CREDIT

ABOUT THE PROGRAM

An employer is allowed up to a \$1250 income tax credit for each qualifying apprentice.

An employer can claim a tax credit for up to ten (10) apprentices annually.

Employers can earn an additional \$500 tax credit for each apprentice under the age of 18 for 90 days of their seven-month employment.

The credit can be applied against any income tax or financial institution excise tax imposed under Chapters 16 or 18 of Title 40. The income tax credit is not refundable, none transferable, and cannot be carried forward.

The credit cannot be claimed for an individual apprentice for more than four taxable years, regardless of employer. If applicable, the Alabama Office of Apprenticeship can verify previous credit with another employer.

ELIGIBILITY

Add apprentices on or after January 1, 2017.

Have a written Employer Apprenticeship Agreement with the office of apprenticeship.

Employ apprentice for at least seven (7) full months of the calendar year for which the credit is being claimed.

Submit all required paperwork to the Alabama Office of Apprenticeship, including a copy of Apprenticeship Agreement (Appendix B) for each registered apprentice.

Receive "Apprenticeship Tax Credit Certificate" from the Alabama Office of Apprenticeship confirming that the apprentice is in compliance with all federal and state requirements for the program and signifying to the employer that their eligibility for the credit has been transmitted to the Alabama Department of Revenue.

EXAMPLE TAX CREDIT FORMS



Alabama Apprenticeship Tax Credit Application-2019

Mail completed application to:

Alabama Office of Apprenticeship

1 Technology Court Montgomery, Alabama 36116

Phone: 334.280.4414

Date of this application (mm/dd/yyyy): ____/____/____ Employer Federal EIN: ____

Name of Employer Applying for Tax Credit: _____

Sponsor Program Number: _____

Employer Mailing Address: _____

City: _____ State: _____ Zip: _____

Employer Point of Contact: _____

Job Title: _____

Email: _____ Office Phone: _____ Cell Phone: _____

General Information- Apprenticeship Tax Credit Program

ABOUT THE PROGRAM:

- An employer is allowed up to a \$1,000 tax credit for each qualifying apprentice.
- An employer can claim a tax credit for up to five (5) apprentices annually.
- The credit can be applied against any income tax or financial institution excise tax under Chapters 16 or 18 of Title 40.
- The tax credit is not refundable, non-transferable, and cannot be carried forward.
- The credit cannot be claimed for an individual apprentice for more than one year regardless of employer. The Alabama Office Of Apprenticeship may verify information with previous employer(s).

TO BE ELIGIBLE FOR THE TAX CREDIT, THE EMPLOYER:

- Must add apprentices on or after January 1, 2017
- Must apply for the tax credit annually by submitting an "Alabama Apprenticeship Application" (this form) to the Alabama Office of Apprenticeship.
- Must be actively participating in a registered apprenticeship agreement with the Department of Labor
- Must verify eligibility of each apprentice for which the credit is being claimed

By signing this application, I attest that the information within is true and accurate knowledge and that I am authorized to act on behalf of the identified employer in:

Employer representative signature: _____



Questions for determining eligibility of individual apprentice(s) for whom the employer wishes to claim a tax credit.

Use the questions below to ensure eligibility for each apprentice for whom you wish to claim a tax credit.

1. As of the date of this application, is this apprentice participating in an apprenticeship registered with the USDOL?
 - a. Yes (Proceed to #2)
 - b. No (Apprentice does not qualify for tax credit. Stop here.)
2. Have you attached to this application a signed copy of the USDOL Program Registration and Apprenticeship Agreement (Appendix B) for this apprentice? (Only required if this is the first time you have requested a tax credit for this apprentice.)
 - a. Yes (Proceed to #3)
 - b. No, but I have previously claimed a tax credit for this apprentice. (Proceed to #3)
 - c. No, and this is the first time I am seeking a tax credit for this apprentice. (Apprentice does not qualify for tax credit. Stop here.)
3. As of the date of this application, has the apprentice completed at least 7 months of employment during calendar year 2019 with the employer seeking the tax credit?
 - a. Yes (Apprentice qualifies for tax credit.)
 - b. No (Apprentice does not qualify for tax credit. Stop here.)

Identify the specific apprentices for whom you are seeking a tax credit.

Apprentice #1
RAPIDS ID Number: _____ Last Name: _____ First Name: _____

Apprentice #2
RAPIDS ID Number: _____ Last Name: _____ First Name: _____

Apprentice #3
RAPIDS ID Number: _____ Last Name: _____ First Name: _____

Apprentice #4
RAPIDS ID Number: _____ Last Name: _____ First Name: _____

Apprentice #5
RAPIDS ID Number: _____ Last Name: _____ First Name: _____



APPRENTICESHIP TAX CREDIT

THIS CERTIFICATE DOCUMENTS

Inc.



IS ELIGIBLE TO RECEIVE A TAX CREDIT IN THE AMOUNT OF \$5000.00 FOR TAX YEAR 2019
ON BEHALF OF

Phillip
Michael
Gregory
Justin
Timothy

AND DOCUMENTATION OF ELIGIBILITY HAS BEEN TRANSMITTED
TO THE ALABAMA DEPARTMENT OF REVENUE.

Katanga Mants, Program Operations Manager

Joshua Laney, Director