



Homeless Hiring Tax Credit

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ABOUT US

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Nicky brings a decade of public accounting experience and extensive knowledge in partnership returns, trusts, estates, and individual taxation to her clients.

Prior to joining Miller Kaplan in 2020, Nicky spent several years in wealth management and fixed asset accounting before moving on to several public accounting firms—including Damasco & Associates (which merged into Miller Kaplan in 2016).

ABOUT US

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Qiva specializes in tax compliance, controversy, and consulting services—assisting her clients with tax research, gift taxes, the taxation of trusts, estates and Qualified Settlement Funds (QSFs), and information reporting and withholding. Qiva is a licensed attorney in California (Bar number 299837) and Washington (Bar number 58957).

Prior to joining Miller Kaplan in 2018, Qiva worked as a staff attorney at a financial advisory firm, as a tax associate at EY, and as a claims examiner with GEICO Insurance.

Homeless Hiring Tax Credit (HHTC)

- ▶ Tax credit for hiring eligible individuals who are, or recently were, homeless.
 - ▶ Available for taxable years beginning on or after January 1, 2022, and before January 1, 2027.
 - ▶ Employers may receive \$2,500 to \$10,000 in tax credit per eligible employee based on hours worked in the taxable year.
 - ▶ Employers may claim up to \$30,000 of credit per taxable year.
 - ▶ Any unused credit may be carried over for 3 taxable years.
 - ▶ A total of \$30 million of credit is available annually.

Homeless Hiring Tax Credit

Credit Amounts

- ▶ The credit amount is based on the number of hours worked by the eligible employee in the taxable year.

Actual hours worked (in the taxable year)	Credit amount
0 – 499	\$0
500 – 999	\$2,500
1000 – 1499	\$5,000
1500 – 1999	\$7,500
2000 or more	\$10,000

Homeless Hiring Tax Credit

Eligible employee requirements

- ▶ Must meet the following requirements:
 - ▶ Be currently/recently homeless (within 180 days of hire) or be receiving services from a homeless services provider, and
 - ▶ Receive a certificate through a certifying organization.
 - ▶ The certificate expires 1 year after issuance.

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Eligible employer

- ▶ Employers will need to:
 - ▶ Obtain a certification of the individual's homeless status from a certifying organization.
 - ▶ Pay wages equal to or greater than 120% of the state minimum wage.
 - ▶ Make a **tentative credit reservation** with the Franchise Tax Board (FTB) within 30 days of completing the New Hire reporting requirement with the Employment Development Department (EDD).

Homeless Hiring Tax Credit

Tentative Credit Reservation

- ▶ You will need the following information to complete the reservation:

Employer Information	Employee Information
Type of entity (corporation, partnership, individual, etc.)	Employee's name
Name of business	Social security number
Business ID (California Corporation number, Federal Employer Identification Number, social security number, etc.)	Date of hire
Address of business	Date you completed EDD New Hire Reporting requirements
Business contact name and phone number	Hours the employee is expected to work for the next 12 months
Paid preparer information <ul style="list-style-type: none">• Preparer name• Preparer ID	Starting hourly wages

- Information from the HHTC Certificate
- Name and address of certifying organization
 - Eligible employee requirements
 - Date certificate was issued

Homeless Hiring Tax Credit

Helpful Links

- ▶ For more information on the Homeless Hiring Tax Credit, go to the FTB website:
 - ▶ <https://www.ftb.ca.gov/file/business/credits/homeless-hiring-tax-credit/index.html>
- ▶ To start the HHTC credit reservation:
 - ▶ <https://www.ftb.ca.gov/file/business/credits/homeless-hiring-tax-credit/reservation.html>
- ▶ For information on the New Hire reporting requirement, go the EDD website:
 - ▶ https://www.edd.ca.gov/payroll_taxes/new_hire_reporting.htm#ReportingRequirements
- ▶ The California Workforce Association can assist employers in hiring an eligible employee:
 - ▶ <https://calworkforce.org/>
- ▶ For a list of Continuum of Care programs:
 - ▶ https://bcsh.ca.gov/calich/documents/coc_poc.pdf

Questions?



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