



HIRE Act – 2010

Qualified Employees / W-11 Form Employee Affidavit

On March 18, President Obama signed the Hiring Incentives to Restore Employment (HIRE) Act into law. **HIRE** provides tax incentives for businesses that hire unemployed workers. As a result, the IRS has issued a W-11 form to certify employee eligibility for the program.

The W-11 is signed under penalty of perjury and states: "I certify that I have been unemployed or have not worked for anyone more than 40 hours during the 60-day period ending on the date I began employment with this employer."

A "qualified" employee is defined as he/she who:

- ✓ begins employment *after* February 3, 2010 and before January 1, 2011
- ✓ *certifies by signing the W-11* that s/he has not been employed for more than 40 hours during the 60-day period prior to the date of hire
- ✓ *has not been employed by the employer to replace another employee* unless the other employee was separated voluntarily or for cause.
- ✓ is not *related* to the employer, (where "relation" is defined as "child or a descendant of your child, your sibling or stepsibling, your parent or an ancestor of your parent, your stepparent, your niece or nephew, your aunt or uncle, or your in-law" or someone who is "related to anyone who owns more than 50% of your outstanding stock or capital and profits interest or is your dependent or a dependent of anyone who owns more than 50% of your outstanding stock or capital and profits interest").
- ✓ There is NO requirement for the number of hours your new hire must work.

If you have recently hired an employee who meets the requirements for the HIRE Act, please have them complete this form. Employers need this certification to claim both the payroll tax exemption and the new hire retention credit. Employers *do not file these statements with the IRS*, but should instead retain them along with other payroll and income tax records.

Please contact us at support@bigfishpayroll.com if you have any questions regarding the eligibility of your new hire.