

Ohio – Second round of training program applications now available

September 9, 2013

In brief

On September 5, 2013, the Ohio Development Services Agency [announced](#) the second round of applications for the Ohio Incumbent Worker Training Program (Program). \$27 million of training grants will be awarded under the Program on a first-come, first-served basis. Accordingly, qualified taxpayers should act quickly to secure program benefits.

In detail

Pursuant to the Ohio state budget enacted on [June 30, 2011 \(H.B. 153, Sec. 261.20.90\)](#), as modified by [H.B. 487, Sec. 261.20.90](#), effective June 11, 2012), \$50 million was allocated to support the Ohio Incumbent Workforce Training Voucher Program for the 2013 and 2014 fiscal years. [Click here](#) for our insight into the Program's first round of training credits.

The Program allows eligible employers to recover up to 50% of eligible training costs. Awards are limited to \$250,000 (previously \$500,000) per entity (i.e., per FEIN) and \$4,000 per employee. The program is first-come, first-serve, and \$27 million in funds are available. The second round online application is now available, but it may not be submitted until September 30, 2013.

Significant elements of the Program are provided below.

Eligible employers

Eligible employers are those in the following industries: advanced manufacturing, aerospace and aviation, automotive, biohealth, energy, financial services, food processing, information technology and services, polymers and chemicals, logistics, back office, and research and development. Corporate headquarters are also eligible. Employer eligibility will be determined by NAICS number, although the guidelines do not indicate which specific codes qualify.

Eligible employees

Eligible employees are those employed at an Ohio facility engaged in production, back office operations, information technology, logistics, or research and development activities.

Employees must make at least 150% of the federal minimum wage plus benefits and work at least 25 hours per week.

Eligible training

Eligible training for the second round is largely the same as for the first round. However, employers are encouraged to view the [itemized list](#) of eligible training because the list is much more specific than the first round list. As before, eligible training includes college courses (credit and non-credit), training provided with the purchase of new equipment, training that leads to an industry recognized certificate, upgrade of computer skills (e.g., Excel, Access), training from a trade association that offers an independently certified training curriculum and testing, training for improved process efficiency (e.g., Six Sigma), training for the ICD-10-CM/PCS diagnostics

classification system. One important change from the first round is that the training must be required by the company.

Ineligible training

The list of ineligible training also is more specific than the first round list. It includes legal and regulatory compliance training, safety training, continuing education classes required for professional certification, soft skills, training required by public agencies, GED, and training reimbursed by other government programs, training to maintain an occupational license, training that leads to a professional license, truck

driving/CDL training, and training via online resource libraries or any other resource where an individual can choose from a number of courses over a period of time.

Eligible costs

Eligible costs include trainer wages, tuition, and 25% (previously 10%) of materials costs. Ineligible costs include trainee wages, conference fees, and travel costs.

The takeaway

Because funds are available on a first-come, first-served basis, employers choosing to pursue the Program should complete the application

before the submission date to improve chances of receiving an allocation. Funds are expected to be exhausted within hours.

The \$250,000 maximum award per employer is imposed on an FEIN basis. As a result, opportunities may exist for multiple affiliated corporations with different FEINs to apply under the Program.

It appears that eligible costs are those incurred between August 1, 2013, and June 30, 2014. Participants should be aware of the potential risk that costs incurred prior to final approval and execution of the agreement may not be covered.

Let's talk

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