

VETERAN HIRING CREDIT — TAX COORDINATION

Expand WOTC §51 for Rural Defense Tech Veteran Hiring + Coordinate VEVRAA Recordkeeping With IRS
WOTC to Eliminate Duplicate Reporting

VEVRAA Recordkeeping | 38 U.S.C. §4212 | Due: MARCH 9, 2026 | [regulations.gov](https://www.regulations.gov)

⚠️ URGENT — COMMENT DEADLINE: MARCH 9, 2026 ⚠️

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Filer	James Hunter Poole, Executive Chairman & CEO — Obelisk Tech Systems Inc.
CAGE / UEI	9S0L8 U34MSJ6A6413 Thomasville, Thomas County, Georgia (Rural, ~23% poverty, ~14% BA attainment)
Contracts	Navy · Army · SOCOM · AFSOC — Cybersecurity, AI, Quantum Comms, Encrypted Comms, Submarine/Aerial Drone Systems
Standing	ETAAC Nominee DARPA SBIR HR0011SB20254-12 14-Patent Portfolio DTIC AD1348980 NIST 800-171 ITAR DS-2032 BIS SNAP-R S745686 FinCEN MSB DOE Energy-AI Nexus
Entity	Delaware Corporation — Defense Technology CAGE 9S0L8 SAM.gov Active SBIR Applicant

I. THE RECORDKEEPING-CREDIT DISCONNECT

Federal law currently requires federal contractors to maintain VEVRAA recordkeeping on veteran employment (this collection) AND allows contractors to claim Work Opportunity Tax Credits (WOTC) under IRC §51 for hiring veterans. These two programs — one mandatory compliance burden, one voluntary tax incentive — require collection of substantially overlapping workforce data. Yet they are administered by different agencies (DOL/OFCCP and IRS/Treasury), use different forms, have different definitions of 'protected veteran,' and generate entirely separate compliance tracks. A small contractor must maintain duplicate systems for what is essentially the same underlying data.

The solution is not to eliminate either program — it is to coordinate them so that VEVRAA recordkeeping simultaneously satisfies WOTC documentation requirements, and vice versa. A contractor maintaining a VEVRAA-compliant applicant tracking system should automatically satisfy the WOTC documentation requirements for veteran hires. OFCCP and IRS have never coordinated on this. Obelisk formally demands they do.

II. SPECIFIC DEMANDS

A. VEVRAA/WOTC Data Coordination

- OFCCP and IRS to issue joint guidance confirming that VEVRAA-compliant applicant tracking records (self-identification invitations, veteran status documentation) satisfy IRS Form 8850 (WOTC Pre-Screening Notice) documentation requirements for veteran hires.
- Eliminate the requirement for contractors to complete Form 8850 separately when the contractor's VEVRAA-compliant ATS already captures the required veteran status information.

B. Expanded WOTC for Rural Defense Tech

- Expand IRC §51 WOTC to add a Rural Defense Technology target group: protected veterans hired as software developers, cybersecurity analysts, AI specialists, systems engineers, or UAS/submarine systems engineers in rural high-poverty census tracts (poverty >15%, BA attainment <20%). Credit: \$9,600 per hire (matching the highest current WOTC tier).
- Obelisk's Thomas County, Georgia location — poverty ~23%, BA attainment ~14% — qualifies under both metrics. A \$9,600 credit per rural veteran hire directly incentivizes Obelisk to hire locally, reducing the economic isolation of the rural defense technology corridor that Obelisk is building.

C. VEVRAA Recordkeeping Credit

- Create a new general business credit under IRC §38 for VEVRAA recordkeeping costs incurred by Tier 1 and Tier 2 contractors (under 100 employees). Credit: 30% of documented VEVRAA compliance costs (legal fees, ATS, AAP drafting). Cap: \$15,000 per year. This recognizes that VEVRAA compliance is a federal mandate with no corresponding compensation — unlike federal contract performance, where the contractor is paid for its work.

Respectfully submitted,

James Hunter Poole

Executive Chairman & CEO | Obelisk Tech Systems Inc.

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