

From: [Bell, Derek](#)
To: [Moore, Megan](#)
Cc: [Mendenhall, Scott](#)
Subject: TETC
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Hi Megan:

I have rounded up some data in response to Rep. Thane's question about which industries most commonly utilize the TETC. Although we do have some information, it is not as refined as I would like (more on that below) at this point. From what we do know, the following represents (on a percentage basis) those trade professions that were most reflected our 2024 TY returns.

- Service Techs: 28%
- Electricians: 21%
- Plumbers: 16%
- Welders: 14%
- Construction: 7%
- Mechanics: 5%
- IT: 3.5%
- Truck drivers: 3.5%

When requesting this credit, the taxpayer (the employer) is required to complete our TETC supplemental form and include it with its return. Supplemental forms are not always supported by vendors and may not be received through electronic filing, even if requested. Because this information is submitted to us through a supplemental form, we cannot input system requirements to help us identify issues with the worksheet-- it's all manual review (or, audit). Ultimately, this information is difficult to get inside our system due to the various ways we receive it.

As a result, we experience issues tracking (in real time) the trades listed on the supplemental form. Some taxpayers don't complete the "employee trade profession" column of the supplemental form. For the reasons noted above, our system cannot stop those returns. However, this omission is partly mitigated because in many cases it relates to an amount that flowed through from a separate pass-through return wherein the entity did disclose the type of trade profession. Another issue is that the employer may not tie the employee to their actual trade or ties it to a trade that is not listed in the statute. Although the list of professions is pretty inclusive, it could be that some employers have listed a profession that is not found in the statute. Lastly, simply evaluating the type of business the underlying taxpayer is engaged in may not tell us what we want to know. For instance, an HVAC company may be using the

credit to hire someone associated with a different listed trade profession (IT, electrician, etc.). Ultimately, these are all things that we need to investigate on audit.

Hope this helps.

How did we do? Let us know!

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**BUSINESS &
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