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Paychex Launches Tax Credit Services

New product to help businesses find, qualify and apply for state and federal wage-based tax credits

ROCHESTER, N.Y.--(BUSINESS WIRE)--

Paychex, Inc. today introduced its new Tax Credit Services, a product that provides small and medium-sized businesses across the United States with an easy and cost-effective tool to help them identify and apply for wage-based tax credits they may be eligible to receive. Paychex Tax Credit Services target two types of business tax credits: location-based and job creation tax credits.

Wage-based tax credits were designed to encourage economic development and create job growth in targeted areas throughout the country. These credits are incentives used to reduce business income tax liability at the state and federal levels. They can be used in the current year or can be carried forward to reduce tax bills in future years.

"Small business owners often don't take advantage of tax credits because they aren't aware of them, are overwhelmed by the paperwork, or see the identification and application process as cost prohibitive," said Cliff Gibson, Paychex vice president of sales and leader of Paychex's newly-created Tax Credit Services sales division. "Our service offers business owners an easy, affordable way to obtain the credits they're entitled to receive - which reduces their tax burden and puts more money back in their pockets to help run their business."

The Paychex Tax Credit Services include wage-based tax incentives offered by both state and federal governments. They are:

- Location-based tax credits - These are related to federal zones called Empowerment Zones and Renewal Communities. Businesses who locate their companies and hire people who live in designated tax credit zones can qualify for credits annually. Certain states also offer location-based tax credits.
- Job creation tax credits - These are the Work Opportunity Tax Credit (WOTC) and the Welfare to Work Tax Credit (WtWTC). They were created to encourage businesses to hire individuals who are part of targeted groups that have traditionally found it difficult to get work.

The Work Opportunity Tax Credit, due to expire at the end of this year, was just extended by Congress for almost four more years - through August 31, 2011.

All Paychex payroll clients will receive a free analysis to determine if they are eligible for state and federal tax credits.

More information about Paychex Tax Credit Services

(<http://smallbusiness.paychex.com/taxservices/taxcredit.aspx>) is available online or by calling 1-800-322-7292.

About Paychex

Paychex, Inc. (NASDAQ:PAYX) is a leading provider of payroll, human resource, and benefits outsourcing solutions for small- to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration, and employee pay services, including direct deposit, check signing, and Readychex(R). Human Resource Services include 401(k) plan recordkeeping, workers' compensation administration, section 125 plans, a professional employer organization, time and attendance solutions, and other administrative services for business. Paychex was founded in 1971. With headquarters in Rochester, New York, the company has more than 100 offices and serves approximately 543,000 payroll clients nationwide. For more information about Paychex and our products, visit www.paychex.com.

Source: Paychex, Inc.