



Transforming Turnover Into a Tax Strategy

How a Restaurant Group Used WOTC to Save
\$120K—and Scale Smarter

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Key Takeaways

- A 3-unit restaurant group recovered \$120,000 in federal tax credits using the Work Opportunity Tax Credit (WOTC)
- Their generalist accountant never mentioned the WOTC—even though they qualified every year
- With a restaurant-specialized accountant, they built a repeatable system to maximize future credits
- Those savings funded operational upgrades, staff investments, and growth

This money would've gone to the IRS. Instead, it went back into the business.

The Problem

Three restaurants. Over 180 employees. Zero tax credits.

A full-service restaurant group operating three high-volume locations was feeling the squeeze. Labor costs were rising, margins were tightening, and turnover was a constant reality.

Every year, they hired dozens of new team members from a wide range of backgrounds, including individuals receiving SNAP benefits, veterans, and those facing significant employment barriers.

These hires should have made them eligible for the Work Opportunity Tax Credit (WOTC)—a powerful federal incentive designed to reward employers for hiring from underrepresented groups.

But here's the catch:

Their accountant didn't specialize in restaurants.

So, no one ever brought up WOTC.

No one screened candidates.

No one filed the forms.

They were unknowingly leaving six figures on the table, year after year.

The Solution

A Specialized Accountant Changed Everything

The restaurant group didn't need a new hiring strategy—they needed an accountant who understood how to turn their existing strategy into savings. Their previous accountant had never asked the right questions or brought industry-specific opportunities to the table.

That changed when they connected with a restaurant-specialized accountant through The Restaurant CPAs—an expert who had implemented the Work Opportunity Tax Credit (WOTC) for other multi-unit operators and knew exactly how to get started without disrupting day-to-day operations.

Here's how they turned hiring into a tax win:

1. **Lookback Analysis** – They reviewed the past year's hires to uncover missed opportunities.
2. **WOTC Screening Integration** – A simple third-party tool was built right into their hiring process.
3. **GM Training** – Managers learned how to spot eligible hires and capture the necessary info from day one.
4. **Credit Submission** – Their new accountant handled all certification and filing, making it seamless.

What once felt complicated and out of reach became a repeatable, low-effort process.

Best of all, the owners didn't have to change how they hired—they simply had to start capturing what they were already doing.

With the right accountant, every hire became a financial opportunity.



The Results

\$120,000+ Recovered in Just One Year

In their first year working with a restaurant-specialized accountant, this group unlocked more than \$120,000 in federal tax credits—savings they never knew they were eligible for.

By reviewing past hires and capturing WOTC credits moving forward, the accountant helped the group identify approximately 50 eligible hires, each averaging around \$2,400 in credits.

The result? A six-figure windfall that would've otherwise been sent straight to the IRS.

But this wasn't just a line item on a spreadsheet. That money became momentum.

Here's how the savings showed up in the real world:

- Funded a kitchen renovation that had been postponed for over a year
- Covered two full-time salaries without straining payroll
- Rolled out a new POS and labor management system across all locations
- Offset the upfront costs of opening a fourth unit, accelerating expansion plans

Instead of being absorbed by taxes, the \$120K was reinvested directly into the business, fueling growth, improving operations, and boosting long-term profitability.



Why It Matters

This wasn't just about saving money. It was about changing the way they ran their business.

For years, this restaurant group had done everything right—managed growth, hired consistently, kept operations running smoothly.

But behind the scenes, they were missing out on tens of thousands in tax credits simply because no one had ever shown them what was possible.

Partnering with a restaurant-specialized accountant didn't just unlock one-time savings—it introduced an entirely new way of thinking about hiring, compliance, and financial strategy.

What used to be a revolving door of labor challenges became a system for long-term value.

Here's what changed:

- They recovered over \$120,000 in missed credits in just the first year
- They built a repeatable process to capture WOTC credits every year going forward
- They turned labor turnover into a tax advantage, instead of a financial drain
- They gained confidence in their financial strategy and clarity on where their money was going

In the end, it wasn't just about the numbers. It was about building a stronger business—one that could reinvest in its people, its systems, and its future.



Most Restaurants Miss This

With us, you're not "most" restaurants.

The Work Opportunity Tax Credit isn't a secret. But it might as well be if your accountant doesn't know how to use it.

The WOTC has been part of the federal tax code for years. It was created to reward businesses for inclusive hiring practices and to help employers offset the cost of onboarding and training.

It's a perfect fit for restaurants, where hiring is constant, fast-paced, and often includes individuals from underrepresented backgrounds.

And yet, most restaurants don't claim a single dollar.

Why? Because most accountants aren't looking for it.

Generalist CPAs don't understand the rhythms of restaurant operations, and they rarely build tax strategies around hiring practices, turnover, or staff structure.

This case study is proof of what we believe at The Restaurant CPAs:

The right accountant doesn't just file your taxes—they find the money you're missing.

And when that accountant understands your business inside and out, those missed opportunities start turning into cash flow, reinvestment, and growth.

Stop Missing Out

Get connected with a restaurant-specialized accountant today—at no cost to you.

Let us match you with the right expert to help you uncover credits, optimize your finances, and grow smarter.

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