

# Smucker Introduces Bipartisan Improve and Enhance the Work Opportunity Tax Credit Act



December 14, 2023 [Press Release](#)

## Legislation strengthens proven tool connecting individuals to the workforce

**Washington**—Rep. Lloyd Smucker (PA-11) has introduced the bipartisan Improve and Enhance the Work Opportunity Tax Credit Act, alongside Reps. Terri Sewell (AL-7), Brian Fitzpatrick (PA-1), Steven Horsford (NV-4), and Mike Kelly (PA-16). The legislation strengthens the Work Opportunity Tax Credit (WOTC), which has a proven track record of connecting disadvantaged individuals to employment and has long received bipartisan support. [Click here for bill text.](#)

The WOTC provides federal tax credit to employers who invest in American workers who have consistently faced barriers to employment, including eligible veterans, SNAP recipients, individuals with disabilities, and long-term unemployed individuals. Employers incur higher recruitment and training costs to reach WOTC eligible populations and support their successful transition back into employment. WOTC has not been updated since its enactment twenty-seven years ago and its value has been eroded significantly due to inflation.

“Connecting individuals to great-paying jobs through a strengthened Work Opportunity Tax Credit will grow our economy and reduce long-term unemployment. We know that the best anti-poverty program is a good job. I thank my colleagues for joining me in introducing the pro-growth Improve and Enhance the Work Opportunity Tax Credit Act on a bipartisan basis. The WOTC has received bipartisan support since its enactment, and I am hopeful that my colleagues in Congress will join with me in supporting this legislation to improve a proven job creating tax credit,” **said Rep. Smucker.**

“As Americans continue to return to the workforce, employers need a modern tool to help recruit and retain individuals seeking long-term employment opportunities,” **said Rep. Sewell.** “I am proud that this legislation builds upon the prior successes of Work Opportunity Tax Credit while factoring in the twenty-five years of economic change our country has seen since its enactment.”

“The Work Opportunity Tax Credit (WOTC) is a proven resource to assist disadvantaged Americans with employment,” **said Congressman Fitzpatrick.** “By adjusting credit amounts to account for inflation and eliminating arbitrary age limits, the bipartisan *Improve and Enhance the Work Opportunity Tax Credit Act* will ensure that more individuals can utilize this important program and encourage long-term employment.”

“In Southern Nevada and across the United States, hard-working people need help to find good jobs that pay living wages. By increasing the Work Opportunity Tax Credit (WOTC), Congress can make it easier for employers to bring on new workers and keep our economy strong,” **said Congressman Steven Horsford.** “I’m glad to support the Improve and Enhance the Work Opportunity Tax Credit Act, which will make the largest difference for those hit the hardest by unemployment, including people of color, young workers, women, people with disabilities, veterans, and underserved communities.”

### Background:

- The *Improve and Enhance the Work Opportunity Tax Credit Act of 2023* would update the WOTC, which has not been changed since its enactment twenty-seven years ago, and encourage longer-service employment.
- The bill would (1) increase the current credit percentage from 40% to 50% of qualified wages and (2) add a second level of credit for employees who work 400 or more hours. In addition, the bill eliminates the arbitrary age cap at which SNAP recipients are eligible for WOTC. This change will provide an incentive to hire older workers and better align the credit with the work reforms adopted in the debt ceiling negotiations in 2023.
- The [National Employment Opportunity Network](#) reports that the WOTC has saved federal governments an estimated \$202 billion over ten years.

### What are they saying about the Improve and Enhance the Work Opportunity Tax Credit Act?

“As a constituent of Congressman Smucker and the President of the National Employment Opportunity Network (NEON), an organization dedicated to incentives to encourage the hiring of disadvantaged and marginalized individuals, I am pleased to endorse the “Improve and Enhance the Work Opportunity Tax Credit Act”. This legislation expands and updates the work opportunity credit to further facilitate the hiring of individuals on public assistance programs.

Congressman Smucker’s bill would provide employers with greater resources to extend employment opportunities to those who face barriers to employment by increasing the WOTC wage base, which has been unchanged for twenty-five years, and by eliminating the thirty-nine year old upper age limit for the WOTC SNAP category. Congressman Smucker’s bill recognizes that the costs of on-boarding and providing on-the-job training have increased dramatically since WOTC started and will facilitate the hiring of older Americans who find themselves in need of rejoining the workforce.

Congressman Smucker understands that we all benefit when job opportunities are extended to individuals who face barriers in the workforce, and I urge Congress to adopt as soon as possible his proposals to update and expand a very successful program,” **said Kitty Leggieri, President of the National Employment Opportunity Network.**

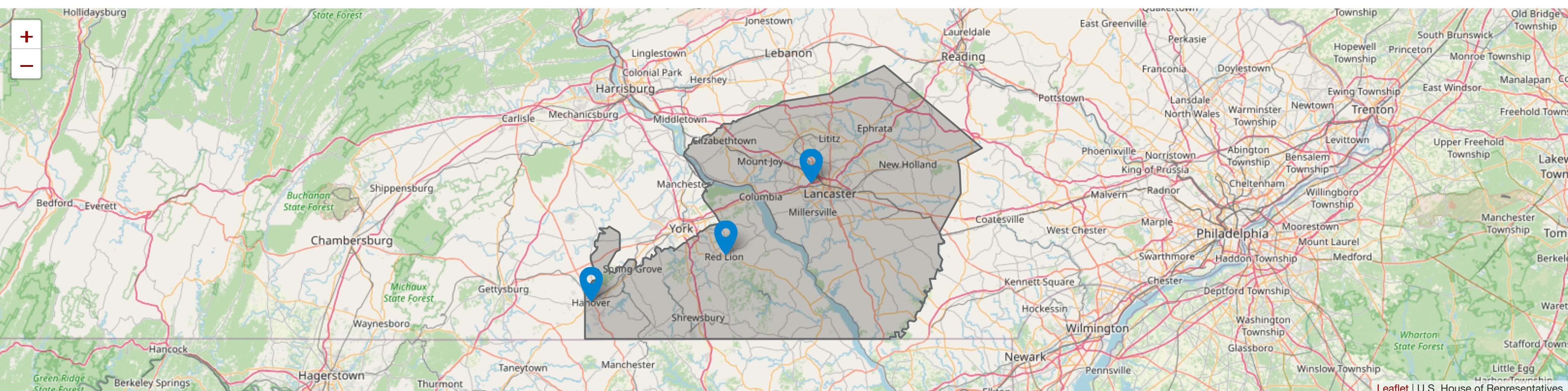
“The Critical Labor Coalition strongly supports the Improve and Enhance the Work Opportunity Tax Credit (WOTC) Act and applauds Rep. Smucker for making this a priority as we work together to address the labor shortage,” **said Misty Chally, Executive Director, Critical Labor Coalition.** “As many businesses continue to struggle with workforce shortages and the economy faces record unemployment, this jobs-focused legislation will remove roadblocks for job seekers and help employers fully staff their businesses.”

“FMI – The Food Industry Association applauds Representatives Lloyd Smucker (R-PA) and Terri Sewell (D-AL) for their leadership in improving the Work Opportunity Tax Credit (WOTC). WOTC is an important workforce-building tool, utilized by our grocery, wholesaler, and product supplier members, to hire individuals facing barriers to employment. FMI is pleased to support this bipartisan effort to strengthen the path for veterans, SNAP participants, justice-involved individuals, and others to obtain meaningful employment in the food industry,” **said Christine Pollack, FMI Vice President, Government Relations.**

This legislation is also supported by: National Restaurant Association, Retail Industry Leaders Association, National Grocers Association, International Franchise Association, American Health Care Association, American Hotel & Lodging Association, The American Seniors Housing Association, American Staffing Association, the Family League of Baltimore, and the National Beer Wholesalers Association.

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Issues: [Congress Economy & Jobs Tax Reform](#)



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