

By: Representative Scott (80th)

To: Public Health and Welfare

HOUSE BILL NO. 81

1 AN ACT TO AMEND SECTION 27-7-22.1, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT THE INCOME TAX CREDIT AVAILABLE TO EMPLOYERS FOR
3 HIRING RECIPIENTS OF TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
4 (TANF) SHALL NOT BE ALLOWED FOR ANY TANF RECIPIENT UNTIL THE
5 EMPLOYER HAS EMPLOYED THAT PERSON FOR AT LEAST SIX MONTHS; TO
6 DELETE THE REPEALER ON THAT CODE SECTION; AND FOR RELATED
7 PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 SECTION 1. Section 27-7-22.1, Mississippi Code of 1972, is
10 amended as follows:

11 27-7-22.1. (1) For any employer who employs a person who
12 was receiving Temporary Assistance for Needy Families (TANF)
13 assistance at the time the employer hired such person, a credit
14 against the taxes imposed pursuant to this chapter shall be
15 allowed for the wages paid to such person in the following
16 amounts:

17 (a) If such person is compensated at Four Dollars
18 (\$4.00) or more above the hourly rate of the federal minimum wage,
19 the employer shall receive a credit in the amount of forty percent
20 (40%) of the first Five Thousand Two Hundred Dollars (\$5,200.00)
21 in wages paid annually to such person.

22 (b) If such person is compensated at less than Four
23 Dollars (\$4.00) but more than Three Dollars (\$3.00) above the
24 hourly rate of the federal minimum wage, the employer shall
25 receive a credit in the amount of twenty-five percent (25%) of the
26 first Five Thousand Two Hundred Dollars (\$5,200.00) in wages paid
27 annually to such person.

28 (c) If such person is compensated at Three Dollars

29 (\$3.00) or less above the hourly rate of the federal minimum wage,
30 the employer shall receive a credit in the amount of twenty
31 percent (20%) of the first Five Thousand Two Hundred Dollars
32 (\$5,200.00) in wages paid annually to such person.

33 (2) No credit shall be claimed for wages paid to any person
34 for more than thirty-six (36) months, regardless of the number of
35 employers who employ such person.

36 (3) An employer shall not be authorized to receive the
37 credit under this section for any person until the employer has
38 employed that person for not less than six (6) months.

39 (4) An employer shall not receive the credit provided for in
40 this section if such employer dismisses an employee to create a
41 position for a TANF recipient.

42 (5) The tax credit allowed by this section shall not exceed
43 the amount of taxes due the State of Mississippi. Any amount
44 allowable as a credit pursuant to this section that exceeds the
45 employer's tax liability shall not be refundable or carried
46 forward to any other taxable year.

47 (6) The tax credit authorized in this section shall apply
48 only in cases in which the person whose wages are used to
49 calculate the credit was hired after July 1, 1993.

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51 SECTION 2. This act shall take effect and be in force from
52 and after July 1, 1999.