

By: Representative Moody

To: Public Health and  
Welfare

HOUSE BILL NO. 682

1 AN ACT TO AMEND SECTION 27-7-22.1, MISSISSIPPI CODE OF 1972,  
2 TO EXTEND THE REPEALER ON THE INCOME TAX CREDIT FOR EMPLOYERS WHO  
3 HIRE PERSONS RECEIVING TEMPORARY ASSISTANCE FOR NEEDY FAMILIES  
4 (TANF) BENEFITS; AND FOR RELATED PURPOSES.

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

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

8 27-7-22.1. (1) For any employer who employs a person who  
9 was receiving Temporary Assistance for Needy Families (TANF)  
10 assistance at the time the employer hired such person, a credit  
11 against the taxes imposed pursuant to this chapter shall be  
12 allowed for the wages paid to such person in the following  
13 amounts:

14 (a) If such person is compensated at Four Dollars  
15 (\$4.00) or more above the hourly rate of the federal minimum wage,  
16 the employer shall receive a credit in the amount of forty percent  
17 (40%) of the first Five Thousand Two Hundred Dollars (\$5,200.00)  
18 in wages paid annually to such person.

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

25 (c) If such person is compensated at Three Dollars  
26 (\$3.00) or less above the hourly rate of the federal minimum wage,  
27 the employer shall receive a credit in the amount of twenty

28 percent (20%) of the first Five Thousand Two Hundred Dollars  
29 (\$5,200.00) in wages paid annually to such person.

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

33 (3) An employer shall not receive the credit provided for in  
34 this section if such employer dismisses an employee to create a  
35 position for a TANF recipient.

36 (4) The tax credit allowed by this section shall not exceed  
37 the amount of taxes due the State of Mississippi. Any amount  
38 allowable as a credit pursuant to this section that exceeds the  
39 employer's tax liability shall not be refundable or carried  
40 forward to any other taxable year.

41 (5) The tax credit authorized in this section shall apply  
42 only in cases in which the person whose wages are used to  
43 calculate the credit was hired after July 1, 1993.

44 (6) This section shall stand repealed from and after January  
45 1, 2001.

46 SECTION 2. This act shall take effect and be in force from  
47 and after January 1, 1999.