

By: Senator(s) Bean

To: Finance

SENATE BILL NO. 2315

1 AN ACT TO AMEND SECTION 27-7-22.1, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE AUTOMATIC REPEALER ON THE INCOME TAX CREDIT FOR
3 EMPLOYERS WHO HIRE PERSONS RECEIVING TEMPORARY ASSISTANCE FOR
4 NEEDY FAMILIES; AND FOR RELATED PURPOSES. BE IT ENACTED BY THE
5 LEGISLATURE OF THE STATE OF MISSISSIPPI:

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

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

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

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

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

29 percent (20%) of the first Five Thousand Two Hundred Dollars
30 (\$5,200.00) in wages paid annually to such person.

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

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

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

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

45 (6) This section shall stand repealed from and after January
46 1, 2001.

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