

By: Burton

To: Universities and
Colleges; Finance

SENATE BILL NO. 2639
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 57-73-25, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT THE TAX CREDIT FOR EMPLOYERS PROVIDING BASIC
3 SKILLS TRAINING OR RETRAINING PROGRAMS SHALL BE CERTIFIED BY THE
4 STATE BOARD FOR COMMUNITY AND JUNIOR COLLEGES; AND FOR RELATED
5 PURPOSES.

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

7 SECTION 1. Section 57-73-25, Mississippi Code of 1972, is
8 amended as follows:[RDD1]

9 57-73-25. (1) A twenty-five percent (25%) income tax credit
10 shall be granted to any employer (as defined in subsection (4) of
11 this section) sponsoring basic skills training. The twenty-five
12 percent (25%) credit shall be granted to employers that
13 participate in employer-sponsored retraining programs through a
14 community/junior college in the district within which the employer
15 is located. The retraining must be designed to increase
16 opportunities for employee advancement with the employer. The
17 credit is applied to qualified training expenses, which are
18 expenses related to instructors, instructional materials and
19 equipment, and the construction and maintenance of facilities by
20 such community/junior college designated for training purposes.
21 The credits allowed under this section shall only be used by the
22 actual employer qualifying for the credits. The credit shall not
23 exceed fifty percent (50%) of the income tax liability in a tax
24 year and may be carried forward for the five (5) successive years
25 if the amount allowable as credit exceeds the income tax liability
26 in a tax year; however, thereafter, if the amount allowable as a
27 credit exceeds the tax liability, the amount of excess shall not

28 be refundable or carried forward to any other taxable year.
29 Nothing in this section shall be interpreted in any manner as to
30 prevent the continuing operation of state-supported university
31 programs.

32 (2) Employer-sponsored training shall include an evaluation
33 by the State Board for Community and Junior Colleges to ensure
34 that the training provided is job related and conforms to the
35 definitions of "basic skills training" and "retraining programs"
36 as hereinafter defined.

37 (3) Employers shall be certified as eligible for the tax
38 credit by the State Board for Community and Junior Colleges and
39 the State Tax Commission.

40 (4) For the purposes of this section:

41 (a) "Basic skills training" means any
42 employer-sponsored training by the appropriate community/junior
43 college that enhances reading, writing or math skills, up to the
44 twelfth grade level, of employees who are unable to function
45 effectively on the job due to deficiencies in these areas or who
46 would be displaced because such skill deficiencies will inhibit
47 their training for new technology.

48 (b) "Retraining programs" means employer-sponsored
49 training by the appropriate community/junior college for hourly
50 paid employees of manufacturing companies that, upon successful
51 completion, certifies the employee as qualified to be considered
52 for a promotional opportunity with the employer.

53 (c) "Employer-sponsored training" means training
54 purchased by the company from the appropriate community/junior
55 college in the district within which the employer is located.

56 (d) "Employer" means manufacturers, warehousemen,
57 distributors, processors or refiners, or telecommunications
58 enterprises meeting certain minimum criteria established by the
59 Department of Economic and Community Development.

60 (5) The tax credits provided for in this section shall be in
61 addition to all other tax credits heretofore granted by the laws
62 of the state.

63 (6) The Board of Community/Junior Colleges shall make a
64 report to the Legislature by January 30 of each year summarizing

65 the number of participants, the junior or community college
66 through which said training was offered and the type training
67 offered.

68 (7) As used in this section, the term "telecommunications
69 enterprises" means entities engaged in the creation, display,
70 management, storage, processing, transmission or distribution for
71 compensation of images, text, voice, video or data by wire or by
72 wireless means, or entities engaged in the construction, design,
73 development, manufacture, maintenance or distribution for
74 compensation of devices, products, software or structures used in
75 the above activities. Companies organized to do business as
76 commercial broadcast radio stations, television stations or news
77 organizations primarily serving in-state markets shall not be
78 included within the definition of the term "telecommunications
79 enterprises."

80 SECTION 2. This act shall take effect and be in force from
81 and after July 1, 2000.