

By: Representative Guice

To: Ways and Means

HOUSE BILL NO. 1758

1 AN ACT TO AMEND SECTION 57-73-25, MISSISSIPPI CODE OF 1972,
2 TO INCREASE AND REDEFINE THE TAX CREDIT FOR EMPLOYERS PROVIDING
3 CERTAIN SKILLS TRAINING; TO AUTHORIZE THE CREDIT TO APPLY TO
4 CERTAIN TRAINING SPONSORED OR APPROVED BY THE STATE BOARD OF
5 CONTRACTORS OR THE MISSISSIPPI CONSTRUCTION EDUCATION FOUNDATION;
6 TO REMOVE THE JULY 1, 2004, REPEAL DATE ON THIS TAX CREDIT; AND
7 FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 57-73-25, Mississippi Code of 1972, is
10 amended as follows:

11 57-73-25. (1) A fifty percent (50%) income tax credit shall
12 be granted to any employer (as defined in subsection (4) of this
13 section) sponsoring * * * skills training. The fifty percent
14 (50%) credit shall be granted to employers that participate in
15 employer-sponsored training programs through: (a) any
16 community/junior college in the district within which the employer
17 is located or training approved by such community/junior college,
18 (b) the State Board of Contractors or training approved by the
19 State Board of Contractors, and/or (c) the Mississippi
20 Construction Education Foundation or training approved by the
21 Mississippi Construction Education Foundation. The credit is
22 applied to qualified training * * * expenses, which are expenses
23 related to instructors, instructional materials and equipment, and
24 the construction and maintenance of facilities by such employer
25 designated for training purposes which is attributable to
26 training * * * provided through: (a) such community/junior
27 college or training approved by such community/junior college, (b)
28 the State Board of Contractors or training approved by the State
29 Board of Contractors, and/or (c) the Mississippi Construction

30 Education Foundation or training approved by the Mississippi
31 Construction Education Foundation. The credits allowed under this
32 section shall only be used by the actual employer qualifying for
33 the credits. The credit shall not exceed fifty percent (50%) of
34 the income tax liability in a tax year and may be carried forward
35 for the five (5) successive years if the amount allowable as
36 credit exceeds the income tax liability in a tax year; however,
37 thereafter, if the amount allowable as a credit exceeds the tax
38 liability, the amount of excess shall not be refundable or carried
39 forward to any other taxable year. The credit authorized under
40 this section shall not exceed Two Thousand Five Hundred Dollars
41 (\$2,500.00) * * * per employee during any one year. Nothing in
42 this section shall be interpreted in any manner as to prevent the
43 continuing operation of state-supported university programs.

44 (2) Employer-sponsored training shall include an evaluation
45 by the local community or junior college that serves the employer,
46 the State Board of Contractors or the Mississippi Construction
47 Education Foundation, as the case may be, to ensure that the
48 training provided is job related and conforms to the definition of
49 "* * * skills training" * * * as hereinafter defined.

50 (3) Employers shall be certified as eligible for the tax
51 credit by the local community or junior college that serves the
52 employer, the State Board of Contractors or the Mississippi
53 Construction Education Foundation, as the case may be, and the
54 State Tax Commission.

55 (4) For the purposes of this section:

56 (a) "* * * Skills training" means any
57 employer-sponsored training by: (i) an appropriate
58 community/junior college or training approved by such
59 community/junior college, (ii) the State Board of Contractors or
60 training approved by the State Board of Contractors, and/or (iii)
61 the Mississippi Construction Education Foundation or training
62 approved by the Mississippi Construction Education Foundation,

63 that enhances skills that improve job performance. If the
64 employer provides preemployment training, the portion of the
65 preemployment training that involves skills training shall be
66 eligible for the credit.

67 * * *

68 (b) "Employer-sponsored training" means training
69 provided by: (i) the appropriate community/junior college in the
70 district within which the employer is located or training approved
71 by such community/junior college, (ii) the State Board of
72 Contractors or training approved by the State Board of
73 Contractors, and/or (iii) the Mississippi Construction Education
74 Foundation or training approved by the Mississippi Construction
75 Education Foundation.

76 (c) "Employer" means those permanent business
77 enterprises as defined and set out in Section 57-73-21(2), (3),
78 (4) and (5).

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

82 (6) A community/junior college may commit to provide
83 employer-sponsored * * * skills training * * * programs for an
84 employer for a multiple number of years, not to exceed five (5)
85 years.

86 (7) The State Board for Community and Junior Colleges shall
87 make a report to the Legislature by January 30 of each year
88 summarizing the number of participants, the junior or community
89 college through which the training was offered and the type
90 training offered. The State Board of Contractors and the
91 Mississippi Construction Education Foundation each shall make a
92 report to the Legislature by January 30 of each year summarizing
93 the number of participants in each entity's programs and the type
94 training offered.

95 * * *

96 **SECTION 2.** This act shall take effect and be in force from
97 and after June 30, 2004.