

By: Senator(s) Chaney, Chamberlin, Mettetal, To: Finance
Brown, Dawkins, Hewes, Walls, Carmichael,
Thomas, King, Hyde-Smith, Jackson (15th),
Clarke, Huggins, Lee (47th), Albritton,
Posey, Dearing, Morgan, Flowers, Lee (35th),
Browning, Gollott, Moffatt, Wilemon, Ross,
Michel, Pickering, Nunnelee, Kirby, Doxey,
Williamson, Butler

SENATE BILL NO. 2427

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 SKILLS TRAINING AND RETRAINING, AND TO DELETE THE REPEALER
4 THEREON; AND FOR RELATED PURPOSES.

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

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

8 57-73-25. (1) A fifty percent (50%) income tax credit shall
9 be granted to any employer (as defined in subsection (4) of this
10 section) sponsoring basic skills training. The fifty percent
11 (50%) credit shall be granted to employers that participate in
12 employer-sponsored retraining programs through any
13 community/junior college in the district within which the employer
14 is located or training approved by such community/junior college.
15 The retraining must be designed to increase opportunities for
16 employee advancement or retention with the employer. The credit
17 is applied to qualified training or retraining expenses, which are
18 expenses related to instructors, instructional materials and
19 equipment, and the construction and maintenance of facilities by
20 such employer designated for training purposes which is
21 attributable to training or retraining provided through such
22 community/junior college or training approved by such
23 community/junior college. The credits allowed under this section
24 shall only be used by the actual employer qualifying for the
25 credits. The credit shall not exceed fifty percent (50%) of the
26 income tax liability in a tax year and may be carried forward for
27 the five (5) successive years if the amount allowable as credit
28 exceeds the income tax liability in a tax year; however,

29 thereafter, if the amount allowable as a credit exceeds the tax
30 liability, the amount of excess shall not be refundable or carried
31 forward to any other taxable year. The credit authorized under
32 this section shall not exceed Two Thousand Five Hundred Dollars
33 (\$2,500.00) * * * per employee, during any one (1) year. Nothing
34 in this section shall be interpreted in any manner as to prevent
35 the continuing operation of state-supported university programs.

36 (2) Employer-sponsored training shall include an evaluation
37 by the local community or junior college that serves the employer
38 to ensure that the training provided is job related and conforms
39 to the definitions of " * * * skills training" and "retraining
40 programs" as hereinafter defined.

41 (3) Employers shall be certified as eligible for the tax
42 credit by the local community or junior college that serves the
43 employer and the State Tax Commission.

44 (4) For the purposes of this section:

45 (a) " * * * Skills training" means any
46 employer-sponsored training by an appropriate community/junior
47 college or training approved by such community/junior college that
48 enhances skills that improve job performance. Only that part of
49 preemployment training that involves skills training will be
50 eligible for the tax credit.

51 * * *

52 (b) "Employer-sponsored training" means training
53 provided by the appropriate community/junior college in the
54 district within which the employer is located or training approved
55 by such community/junior college.

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

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

62 (6) A community/junior college may commit to provide
63 employer-sponsored basic skills training or retraining programs
64 for an employer for a multiple number of years, not to exceed five
65 (5) years.

66 (7) The State Board for Community and Junior Colleges shall
67 make a report to the Legislature by January 30 of each year
68 summarizing the number of participants, the junior or community
69 college through which said training was offered and the type
70 training offered.

71 * * *

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