

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 2710

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 REMOVE THE JULY 1, 2004, REPEAL DATE
4 ON THIS TAX CREDIT; 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 * * * skills training. The fifty percent
11 (50%) credit shall be granted to employers that participate in
12 employer-sponsored training programs through any community/junior
13 college in the district within which the employer is located or
14 training approved by such community/junior college. * * * The
15 credit is applied to qualified training * * * expenses, which are
16 expenses related to instructors, instructional materials and
17 equipment, and the construction and maintenance of facilities by
18 such employer designated for training purposes which is
19 attributable to training * * * provided through such
20 community/junior college or training approved by such
21 community/junior college. The credits allowed under this section
22 shall only be used by the actual employer qualifying for the
23 credits. The credit shall not exceed fifty percent (50%) of the
24 income tax liability in a tax year and may be carried forward for
25 the five (5) successive years if the amount allowable as credit
26 exceeds the income tax liability in a tax year; however,
27 thereafter, if the amount allowable as a credit exceeds the tax
28 liability, the amount of excess shall not be refundable or carried

29 forward to any other taxable year. The credit authorized under
30 this section shall not exceed Two Thousand Five Hundred Dollars
31 (\$2,500.00) * * * per employee during any one year. Nothing in
32 this section shall be interpreted in any manner as to prevent the
33 continuing operation of state-supported university programs.

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

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

42 (4) For the purposes of this section:

43 (a) "* * * Skills training" means any
44 employer-sponsored training by an appropriate community/junior
45 college or training approved by such community/junior college that
46 enhances skills that improve job performance. If the employer
47 provides pre-employment training, the portion of the
48 pre-employment training that involves skills training shall be
49 eligible for the credit.

50 * * *

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

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

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

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

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

70 * * *

71 **SECTION 2.** This act shall take effect and be in force from
72 and after July 1, 2004.