

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 2710  
(As Sent to Governor)

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 EXTEND FROM JULY 1, 2004, TO JULY 1,  
4 2006, THE REPEAL DATE ON THIS TAX CREDIT; 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:

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

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

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

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

43 (4) For the purposes of this section:

44 (a) "\* \* \* Skills training" means any  
45 employer-sponsored training by an appropriate community/junior  
46 college or training approved by such community/junior college that  
47 enhances skills that improve job performance. If the employer  
48 provides pre-employment training, the portion of the  
49 pre-employment training that involves skills training shall be  
50 eligible for the 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 \* \* \* skills training \* \* \* programs for an  
64 employer for a multiple number of years, not to exceed five (5)  
65 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 the training was offered and the type  
70 training offered.

71           (8) This section shall stand repealed from and after July 1,  
72 2006.

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