

By: Senator(s) Little, Chaney, Burton,  
Robertson

To: Finance

SENATE BILL NO. 2730

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 June 30, 2004.