

By: Representative Frierson

To: Ways and Means

HOUSE BILL NO. 1104

1 AN ACT TO AMEND SECTION 57-73-25, MISSISSIPPI CODE OF 1972,  
2 WHICH PROVIDES AN INCOME TAX CREDIT FOR CERTAIN EMPLOYERS  
3 SPONSORING SKILLS TRAINING FOR EMPLOYEES, TO REMOVE THE REPEALER  
4 ON SUCH SECTION; 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 (50%)  
11 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 credit is  
15 applied to qualified training expenses, which are expenses related  
16 to instructors, instructional materials and equipment, and the  
17 construction and maintenance of facilities by such employer  
18 designated for training purposes which is attributable to training  
19 provided through such community/junior college or training  
20 approved by such community/junior college. The credits allowed  
21 under this section shall only be used by the actual employer  
22 qualifying for the credits. The credit shall not exceed fifty  
23 percent (50%) of the income tax liability in a tax year and may be  
24 carried forward for the five (5) successive years if the amount  
25 allowable as credit exceeds the income tax liability in a tax  
26 year; however, thereafter, if the amount allowable as a credit  
27 exceeds the tax liability, the amount of excess shall not be  
28 refundable or carried forward to any other taxable year. The

29 credit authorized under this section shall not exceed Two Thousand  
30 Five Hundred Dollars (\$2,500.00) per employee during any one (1)  
31 year. Nothing in this section shall be interpreted in any manner  
32 as to prevent the continuing operation of state-supported  
33 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 defined.

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

41 (4) For the purposes of this section:

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

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

53 (c) "Employer" means those permanent business  
54 enterprises as defined and set out in Section 57-73-21.

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

58 (6) A community/junior college may commit to provide  
59 employer-sponsored skills training programs for an employer for a  
60 multiple number of years, not to exceed five (5) years.

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

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67           **SECTION 2.** This act shall take effect and be in force from  
68 and after July 1, 2006.