

By: Senator(s) Fillingane

To: Finance

SENATE BILL NO. 2940

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT TO EMPLOYERS WHO PAY
2 COSTS IN CONNECTION WITH A QUALIFIED WELLNESS PROGRAM IN THE
3 AMOUNT OF 50% OF THE COSTS PAID IN CONNECTION WITH THE QUALIFIED
4 WELLNESS PROGRAM; TO LIMIT THE AMOUNT OF THE CREDIT THAT AN
5 EMPLOYER MAY CLAIM IN ANY ONE TAXABLE YEAR; TO PROVIDE THAT THE
6 AGGREGATE AMOUNT OF TAX CREDITS THAT MAY BE AWARDED UNDER THIS ACT
7 IN ANY ONE CALENDAR YEAR SHALL NOT EXCEED \$1,000,000.00; TO
8 PROVIDE THE COMPONENTS THAT A WELLNESS PROGRAM MUST HAVE TO
9 QUALIFY FOR THE CREDIT; TO PROVIDE THAT IF THE AMOUNT OF THE
10 ALLOWABLE CREDIT EXCEEDS THE INCOME TAX LIABILITY OF THE EMPLOYER
11 IN A TAXABLE YEAR, THE AMOUNT OF THE EXCESS SHALL NOT BE
12 REFUNDABLE OR CARRIED FORWARD TO ANY OTHER TAXABLE YEAR; TO
13 REQUIRE THE STATE DEPARTMENT OF HEALTH, OFFICE OF PREVENTATIVE
14 HEALTH, TO CERTIFY EMPLOYERS' ELIGIBILITY FOR THE CREDIT; TO
15 PROVIDE THAT \$30,000.00 SHALL BE APPROPRIATED ANNUALLY TO THE
16 DEPARTMENT OF HEALTH/OFFICE OF PREVENTIVE HEALTH TO ASSIST IN THE
17 DISCHARGE OF THE OFFICE'S DUTIES UNDER THIS ACT; AND FOR RELATED
18 PURPOSES.

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

20 **SECTION 1.** (1) A credit is allowed against the taxes
21 imposed by this chapter to an employer who pays costs in
22 connection with a qualified wellness program. The amount of the
23 credit, subject to the limitations set forth under subsection (2)
24 of this section, is an amount equal to fifty percent (50%) of the
25 costs paid in connection with the qualified wellness program.



26 (2) (a) The amount of credit claimed by an employer under
27 this section for any taxable year may not exceed the sum of (i)
28 the product of Two Hundred Dollars (\$200.00) and the number of
29 eligible employees of the employer not in excess of one hundred
30 (100) eligible employees, plus the product of One Hundred Dollars
31 (\$100.00) and the number of eligible employees of the employer in
32 excess of one hundred (100) eligible employees, or (ii) Twenty
33 Thousand Dollars (\$20,000.00), whichever is the lesser amount.

34 (b) The aggregate amount of tax credits that may be
35 awarded under this section in any calendar year shall not exceed
36 One Million Dollars (\$1,000,000.00).

37 (3) "Qualified wellness program" means a program that
38 consists of at least three (3) of the following components:

39 (a) A health awareness component, which provides for
40 the dissemination of health information and resources that
41 addresses the specific needs and health risks of employees.

42 (b) An employee engagement component, which provides
43 for:

44 (i) The establishment of leadership to actively
45 engage employees in worksite wellness programs through program
46 planning, delivery, evaluation and improvement efforts; and

47 (ii) The tracking of employee participation.

48 (c) A behavioral change component, which encourages
49 healthy employee lifestyles and medical condition prevention and
50 management through coaching, seminars, online programs, or



51 self-help materials that provide technical assistance and
52 problem-solving skills. This component may include programs
53 relating to:

54 (i) Management of lifestyle issues such as tobacco
55 use, physical fitness, nutrition and substance abuse; and

56 (ii) Prevention and management of conditions such
57 as obesity, diabetes, heart disease, cancer, preterm delivery,
58 mental health and other chronic conditions.

59 (d) A supportive environment component, which includes
60 access to healthy options at the workplace and policies and
61 services that promote healthy lifestyle behaviors, including
62 policies relating to:

63 (i) Tobacco use at the workplace;

64 (ii) The nutrition of food available at the
65 workplace through cafeterias and vending options;

66 (iii) Minimizing stress and promoting positive
67 mental health in the workplace;

68 (iv) Access to on-site care and/or telehealth
69 services;

70 (v) Where applicable, accessible and attractive
71 stairs and walking routes;

72 (vi) The encouragement of physical activity
73 before, during, and after work hours; and

74 (vii) Lactation supportive resources for nursing
75 mothers.



76 (4) "Eligible employee" means an employee who works an
77 average of not less than twenty-four (24) hours per week during
78 the taxable year.

79 (5) If the taxpayer is a partnership or Subchapter S
80 corporation, the credit is allowed to the partners or shareholders
81 in accordance with the determination of income and distributive
82 share of income under Sections 702 and 704 and Subchapter S of the
83 Internal Revenue Code.

84 (6) If the amount of the allowable credit exceeds the tax
85 imposed by this chapter, the amount of the excess shall not be
86 refundable or carried forward to any other taxable year.

87 (7) The State Department of Health, Office of Preventative
88 Health shall certify employers as qualified for the credit, and
89 shall recertify employers on an annual basis upon satisfactory
90 evidence that the employer's qualified wellness program is
91 succeeding in measurable compliance to at least three (3) of the
92 components listed in subsection (3) of this section. In the
93 certification process, special consideration shall be given to
94 programs in the following areas in which intervention is shown to
95 prevent illness or death:

96 (a) Congestive heart failure;

97 (b) Cancer;

98 (c) Hypertension;

99 (d) Type I and II diabetes;

100 (e) Prenatal care and premature birth prevention;



101 (f) Asthma; and

102 (g) Addictions.

103 (8) The Department of Revenue, in cooperation with the State
104 Department of Health and the Mississippi Development Authority,
105 shall adopt any rules necessary for the administration of this
106 section.

107 (9) Thirty Thousand Dollars (\$30,000.00) shall be
108 appropriated annually to the State Department of Health, Office of
109 Preventive Health, to assist in the discharge of the office's
110 duties under this section.

111 (10) This section shall be repealed from and after January
112 1, 2019.

113 **SECTION 2.** Section 1 of this act shall be codified in
114 Chapter 7, Title 27, Mississippi Code of 1972.

115 **SECTION 3.** This act shall take effect and be in force from
116 and after January 1, 2017.

