

By: Senator(s) Clarke, Chaney, Nunnelee,  
Jackson (15th), Burton, Doxey, Brown, Michel,  
Flowers, Lee (35th), White, Wilemon

To: Finance

SENATE BILL NO. 3021

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR EMPLOYERS WHO  
2 HIRE PERSONS WHO WERE RECEIVING MEDICAID BENEFITS AT THE TIME THEY  
3 WERE HIRED IF THE EMPLOYER PROVIDES A BASIC HEALTH BENEFITS PLAN  
4 FOR SUCH PERSONS AND, AFTER SUCH EMPLOYMENT, THE EMPLOYEE IS NO  
5 LONGER RECEIVING MEDICAID BENEFITS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** (1) A taxpayer who employs a person who was a  
8 recipient of Medicaid at the time he was hired and provides a  
9 basic health benefits plan for such employee, shall be eligible  
10 for a credit against the taxes imposed by this chapter in the  
11 amount of Four Hundred Dollars (\$400.00) for each employee so  
12 hired if, after such employment, the employee is no longer  
13 receiving Medicaid benefits. To qualify for the credit authorized  
14 by this section, the basic health benefits plan must be equivalent  
15 to the health benefit plan provided to state employees.

16 (2) The State Tax Commission shall adopt rules and  
17 regulations to implement the provisions of this section.

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

20 **SECTION 3.** This act shall take effect and be in force from  
21 and after January 1, 2005.