

By: Senator(s) Kirby

To: Finance

SENATE BILL NO. 2692

1 AN ACT TO REENACT AND AMEND SECTION 57-73-25, MISSISSIPPI
2 CODE OF 1972, TO EXTEND THE DATE OF REPEAL ON THE INCOME TAX
3 CREDIT FOR CERTAIN EMPLOYERS SPONSORING SKILLS TRAINING FOR
4 EMPLOYEES; 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 reenacted and 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.

66 (8) This section shall stand repealed from and after July 1,
67 2010.

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