

1 HB113
2 164267-1
3 By Representative McClammy
4 RFD: Ways and Means Education
5 First Read: 03-MAR-15

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8 SYNOPSIS: Under existing law, an income tax credit is
9 not provided to a taxpayer for hiring a student in
10 a public high school in Montgomery County, Alabama,
11 during school breaks, after school, or on weekends.

12 This bill would provide an income tax credit
13 for hiring certain persons who are students in a
14 public high school in Montgomery County, Alabama,
15 under the age of 19 during school breaks, after
16 school, or on weekends.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT
21

22 To provide an income tax credit to a taxpayer for
23 hiring a student in a public high school in Montgomery County,
24 Alabama, during school breaks, after school, or on weekends.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. A taxpayer who employs a student worker
27 under the age of 19 years who is enrolled in a public high

1 school in Montgomery County, Alabama, to work during school
2 breaks, after school, or on weekends, including during the
3 summer or official holidays, in the state and shall retain the
4 student worker as an employee for at least nine months shall
5 be allowed an income tax credit for hiring the student. The
6 amount of the income tax credit shall be equal to the wages
7 paid to the student worker during the taxable year up to a
8 maximum of two thousand five hundred dollars (\$2,500) for each
9 student worker employed and retained by the taxpayer each
10 year. The taxpayer shall claim the income tax credit with
11 respect to a student worker in the year in which the
12 nine-month period ends and the following year.

13 Section 2. (a) The credit allowed pursuant to
14 Section 1 shall not exceed 50 percent of the amount of the tax
15 imposed for the taxable year reduced by the sum of all credits
16 allowable, except payments of tax made by or on behalf of the
17 taxpayer. This limitation shall apply to the cumulative amount
18 of the credit, including carry forwards, claimed by the
19 taxpayer under this act for the taxable year. Any unused
20 portion of the credit may be carried forward for the
21 succeeding five years.

22 Section 3. The income tax credit pursuant to this
23 act shall be effective for January 1, 2016, for the 2016
24 taxable year and subsequent taxable years.

25 Section 4. This act shall become effective
26 immediately following its passage and approval by the
27 Governor, or its otherwise becoming law.

