

1 HB440
2 167024-1
3 By Representative McClammy
4 RFD: Ways and Means Education
5 First Read: 09-APR-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 who lives within a 20-mile
11 radius of the Selma to Montgomery National Historic
12 Trail during school breaks, after school, or on
13 weekends.

14 This bill would provide an income tax credit
15 for hiring students enrolled in a public high
16 school who live within a 20-mile radius of the
17 Selma to Montgomery National Historic Trail under
18 the age of 19 during school breaks, after school,
19 or on weekends.

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21 A BILL
22 TO BE ENTITLED
23 AN ACT
24

25 To provide an income tax credit for hiring students
26 enrolled in a public high school who live within a 20-mile
27 radius of the Selma to Montgomery National Historic Trail

1 under the age of 19 during school breaks, after school, or on
2 weekends.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. This bill may be known and cited as the
5 Selma to Montgomery National Historic Trail Employment Act.

6 Section 2. A taxpayer who employs a student enrolled
7 in a public high school who lives within a 20-mile radius of
8 the Selma to Montgomery National Historic Trail during school
9 breaks, after school, or on weekends, including during the
10 summer or official holidays, in the state and shall retain the
11 student worker as an employee for at least nine months shall
12 be allowed an income tax credit for hiring the student. The
13 amount of the income tax credit shall be equal to the wages
14 paid to the student worker during the taxable year up to a
15 maximum of two thousand five hundred dollars (\$2,500) for each
16 student worker employed and retained by the taxpayer each
17 year. The taxpayer shall claim the income tax credit with
18 respect to a student worker in the year in which the
19 nine-month period ends and the following year.

20 Section 3. The credit allowed pursuant to Section 2
21 shall not exceed 50 percent of the amount of the tax imposed
22 for the taxable year reduced by the sum of all credits
23 allowable, except payments of tax made by or on behalf of the
24 taxpayer. This limitation shall apply to the cumulative amount
25 of the credit, including carry forwards, claimed by the
26 taxpayer under this act for the taxable year. Any unused

1 portion of the credit may be carried forward for the
2 succeeding five years.

3 Section 4. The income tax credit pursuant to this
4 act shall be effective for January 1, 2016, for the 2016
5 taxable year and subsequent taxable years.

6 Section 5. This act shall become effective
7 immediately following its passage and approval by the
8 Governor, or its otherwise becoming law.