



FISCAL NOTE

Senate Bill 43

Committee: Finance and Taxation Education Sponsor: Senator Bobby Singleton

Analyst: Jennifer Farish

Date: 03/17/2023

Senate Bill 43 as introduced would allow a credit against the state income tax or the financial institution excise tax in an amount equal to the federal income tax credit claimed for the Work Opportunity Tax Credit (WOTC) Program, up to a maximum of \$1,000 per individual hired that is included within the targeted groups pursuant to the federal program. This would reduce receipts to the Education Trust Fund (ETF) and the State General Fund (SGF) by a combined maximum of \$10,000,000 annually beginning January 1, 2024 and ending December 31, 2025, unless the federal WOTC program is extended by Congress. The credit is not refundable or transferable, and will not be allowed to decrease a taxpayer's tax liability to less than zero. The amount of the reduction to the ETF and SGF will be dependent upon whether the tax credits claimed are applied against income tax or the financial institution excise tax.

Additionally, this bill will increase the administrative obligations of the Department of Revenue to adopt rules necessary to carry out the provisions of this bill.