

1 HB541  
2 167024-2  
3 By Representatives McClammy, Melton and Lawrence  
4 RFD: Ways and Means Education  
5 First Read: 23-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, which  
18 crosses Dallas, Lowndes, and Montgomery County,  
19 under the age of 19 during school breaks, after  
20 school, or on weekends.

21  
22 A BILL  
23 TO BE ENTITLED  
24 AN ACT  
25

26 To provide an income tax credit for hiring students  
27 enrolled in a public high school who live within a 20-mile

1 radius of the Selma to Montgomery National Historic Trail,  
2 which crosses Dallas, Lowndes, and Montgomery County, under  
3 the age of 19 during school breaks, after school, or on  
4 weekends.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

23 Section 3. The credit allowed pursuant to Section 2  
24 shall not exceed 50 percent of the amount of the tax imposed  
25 for the taxable year reduced by the sum of all credits  
26 allowable, except payments of tax made by or on behalf of the  
27 taxpayer. This limitation shall apply to the cumulative amount

1 of the credit, including carry forwards, claimed by the  
2 taxpayer under this act for the taxable year. Any unused  
3 portion of the credit may be carried forward for the  
4 succeeding five years.

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

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