- 1 HB365
- 2 149198-2
- 3 By Representative Williams (P)
- 4 RFD: Ways and Means Education
- 5 First Read: 28-FEB-13

1	149198-2:n:02/28/2013:LLR/tj LRS2013-1065R1	
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8	SYNOPSIS:	Under existing law, an income tax credit is
9		not provided for hiring college students or
10		graduates of an accredited school of engineering in
11		the state.
12		This bill would provide an income tax credit
13		for a business which employs a student worker who
14		is enrolled for at least two years in or is a
15		graduate of an accredited school of engineering in
16		the state and who retains the student worker or
17		graduate as an employee for at least 3 months and
18		up to 12 months.
19		This bill would provide that a business
20		would not be eligible for the tax credit if the
21		student worker or graduate is a spouse, a
22		dependent, an adult child and his or her spouse, a
23		parent, a spouse's parent, or a sibling and his or
24		her spouse of the taxpayer or the person
25		responsible for hiring an employee for the

taxpayer.

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1	A BILL
2	TO BE ENTITLED
3	AN ACT

Relating to tax credit; to provide an income tax credit for a business which employs a student worker who is enrolled for at least two years in or is a graduate of an accredited school of engineering in the state and who retains the student worker or graduate as an employee for at least 3 months and up to 12 months; and provide a taxpayer would not eligible for the tax credit if the student worker or graduate is a spouse, a dependent, an adult child and his or her spouse, a parent, a spouse's parent, or a sibling and his or her spouse of the business or the person responsible for hiring an employee for the taxpayer.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act may be known and cited as the "Alabama Engineers Internship Program."

Section 2. (a) A business which employs a student worker who is enrolled for at least two years in or is a graduate of an accredited school of engineering in the state and who retains the student worker or graduate as an employee for at least 3 months and up to 12 months shall be allowed an income tax credit for hiring the student or graduate. The amount of the income tax credit shall be equal to 50 percent of the costs of employing each student worker or graduate for each student worker or graduate employed and retained by the

taxpayer each year. The taxpayer shall claim the income tax credit with respect to a student worker in the year in which the employment period ends and the following year.

(b) An employer cannot claim a tax credit for a student worker or graduate who is a spouse, a dependent, an adult child and his or her spouse, a parent, a spouse's parent, or a sibling and his or her spouse of the business or the person responsible for hiring an employee for the business.

Section 3. (a) The credit allowed pursuant to

Section 1 shall not exceed 50 percent of the amount of the tax
imposed for the taxable year reduced by the sum of all credits
allowable, except payments of tax made by or on behalf of the
business. This limitation shall apply to the cumulative amount
of the credit, including carry forwards, claimed by the
business under this act for the taxable year. Any unused
portion of the credit may be carried forward for the
succeeding five years.

(b) The income tax credit pursuant to this act shall be effective January 1, 2014, for the 2013 taxable year and subsequent taxable years thereafter.

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