

HB 56 -- Tax Credit for Employers of Certain High School Students

Sponsor: Brown (50)

Beginning January 1, 2012, this bill authorizes a tax credit for an employer who hires a qualified high school student for summer employment. The tax credit is equal to 35% of the wages paid to the student employee, but can only be claimed if the employer pays the student at least a total of \$100. An employer can claim up to \$50,000 per year. The program has a cumulative annual cap of \$3 million. The credit is nonrefundable, but can be carried forward up to four years.

To qualify, a student must be currently enrolled as a junior or senior in high school, meet minimum attendance requirements, earn at least a 2.0 grade point average, and be eligible for the federal free or reduced-price school lunch program. Students who are home schooled and meet these requirements are also eligible. The Department of Elementary and Secondary Education must establish a procedure by which an employer can determine if he or she is eligible to receive the tax credit based on if the student employee qualifies and a procedure for tracking students for whom employers receive this tax credit.

The provisions of the bill will expire December 31 six years from the effective date.