

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB112**

**Bill Subtitle: TO AMEND THE LAW CONCERNING THE INCOME TAX CREDIT FOR YOUTH APPRENTICESHIP PROGRAMS.**

---

### **Basic Change :**

**Sponsor: Senator J. English**

SB112 provides a technical correction to § 26-51-509 by eliminating the use of the term "youth" in the definition of "apprentice".

### **Revenue Impact :**

Estimate Revenue Neutral.

### **Taxpayer Impact :**

None.

### **Resources Required :**

None.

### **Time Required :**

Adequate time is provided.

### **Procedural Changes :**

None.

### **Other Comments :**

None.

### **Legal Analysis :**

Act 1042 of the 2017 Regular Session (SB 505) was enacted to expand the income tax credit available to an employer (the taxpayer) for employing an apprentice. Under the prior apprenticeship income tax credit provisions, credit could be claimed only for the employment of "youth" apprentices between the ages of 16 to 21. Act 1042 retained the 16 year old minimum age requirement but removed the 21 year old maximum age limit. The amount of the credit is equal to 10% of the certified wages earned by an apprentice or \$2,000.00, whichever is less. The credit is limited to \$10,000 per taxpayer per year and any excess credit can be carried forward by a taxpayer for up to two years. The bill strikes the reference to "youth" in two different subsections of § 26-51-509 in order to make this section consistent with Act 1042 of 2017.