

HB 88 -- Tax Credit for Employers of Certain High School Students

Sponsor: Brown (50)

Beginning January 1, 2010, this bill authorizes a tax credit for employers who hire qualified high school students for summer jobs. 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. The department must also track students for whom employers receive this tax credit.

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