

HOUSE BILL 2556

By Moody

AN ACT to amend Tennessee Code Annotated, Title 39;
Title 50 and Title 67, relative to taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 4, Part 20, is amended by adding the following as a new section:

(a) Beginning January 1, 2023, an employer that employs a person who is a trafficked person, as defined in § 39-13-314, in a full-time position for at least forty (40) weeks during a calendar year is eligible for a credit against the tax imposed under this part in the amount of two thousand five hundred dollars (\$2,500) for each person so employed.

(b) An employer is eligible to receive credits pursuant to subsection (a) in an amount not to exceed fifty thousand dollars (\$50,000) per taxable year.

(c) Credits earned pursuant to subsection (a) for a taxable year must not exceed the employer's tax liability under this part.

(d) Credits earned pursuant to subsection (a) may be carried forward and applied to the employer's tax liability under this part for the subsequent three (3) years.

(e) Credits earned pursuant to subsection (a) must not be applied against an employer's tax liability under this part for years prior to 2023.

(f) On or before March 1 of 2024, and on or before March 1 of each year thereafter, the commissioner of revenue shall issue a report to the chairs of the finance, ways, and means committees of the house of representatives and the senate on the tax credit created by this section. The report must include statistics for the preceding taxable year showing:

(1) The total number of employers that claimed a credit pursuant to this section; and

(2) The number and total value of all credits earned and applied pursuant to this section during the tax year.

(g) As used in this section, "full-time position" means employment in a position that:

(1) Is located in this state;

(2) Involves a work week of thirty (30) hours or more;

(3) Has no predetermined end date; and

(4) Pays at or above the federal hourly minimum wage, as provided by the Fair Labor Standards Act (29 U.S.C. § 201 et seq.).

SECTION 2. The department of revenue is authorized to promulgate rules in accordance with the Uniform Administrative Procedures Act, compiled in Tennessee Code Annotated, Title 4, Chapter 5, to implement this act.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.