

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 767

Short Title: IT Training Tax Credit.

(Public)

Sponsors: Senator Reeves.

Referred to: Finance.

April 2, 2001

A BILL TO BE ENTITLED

AN ACT TO CREATE A TAX CREDIT FOR PROVIDING INFORMATION
TECHNOLOGY TRAINING FOR EMPLOYEES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3A of Chapter 105 of the General Statutes is amended
by adding a new section to read:

"§ 105-129.11A. Credit for employee information technology training.

(a) Definition. – As used in this section, 'information technology' has the same
meaning as in G.S. 147-33.81.

(b) Credit. – A taxpayer that provides information technology training for its
employees during the taxable year is allowed a credit equal to the sum of the wages paid
to the employee during the training and the instructional costs of the training. Wages
paid to an employee performing his or her job while being trained are not eligible for
the credit. The credit allowed under this section may not exceed one thousand five
hundred dollars (\$1,500) per employee trained during the taxable year. This credit is not
allowed for expenditures that are paid or reimbursed by a governmental entity.

(c) No Double Credit. – A taxpayer that claims any other credit allowed under
this Chapter with respect to employee training may not take the credit allowed in this
section with respect to the same employee training."

SECTION 2. G.S. 105-129.4(b) reads as rewritten:

"(b) Wage Standard. – A taxpayer is eligible for the credit for creating ~~jobs or jobs,~~
the credit for worker ~~training~~ training, or the credit for employee information
technology training if the jobs for which the credit is claimed meet the wage standard at
the time the taxpayer applies for the credit. A taxpayer is eligible for the credit for
investing in machinery and equipment, the credit for research and development, or the
credit for investing in real property for a central office or aircraft facility if the jobs at
the location with respect to which the credit is claimed meet the wage standard at the
time the taxpayer applies for the credit. Jobs meet the wage standard if they pay an

1 average weekly wage that is at least equal to the applicable percentage times the
2 applicable average weekly wage for the county in which the jobs will be located, as
3 computed by the Secretary of Commerce from data compiled by the Employment
4 Security Commission for the most recent period for which data are available. The
5 applicable percentage for jobs located in an enterprise tier one area is one hundred
6 percent (100%). The applicable percentage for all other jobs is one hundred ten percent
7 (110%). The applicable average weekly wage is the lowest of the following: (i) the
8 average wage for all insured private employers in the county, (ii) the average wage for
9 all insured private employers in the State, and (iii) the average wage for all insured
10 private employers in the county multiplied by the county income/wage adjustment
11 factor. The county income/wage adjustment factor is the county income/wage ratio
12 divided by the State income/wage ratio. The county income/wage ratio is average per
13 capita income in the county divided by the annualized average wage for all insured
14 private employers in the county. The State income/wage ratio is the average per capita
15 income in the State divided by the annualized average wage for all insured private
16 employers in the State."

17 **SECTION 3.** This act is effective for taxable years beginning on or after
18 January 1, 2002.