

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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HOUSE DRH70375-LC-194 (04/19)

Short Title: Credit for Hiring Apprentices.

(Public)

Sponsors: Representative Goodwin.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE A TAX CREDIT FOR EMPLOYERS WHO PARTICIPATE
IN AN APPRENTICESHIP PROGRAM APPROVED BY THE DEPARTMENT
OF LABOR.

The General Assembly of North Carolina enacts:

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

"§ 105-129.16D. Credit for employing apprentices.

(a) Credit. – An eligible taxpayer is allowed a credit based on the number of registered apprentices it employed during the taxable year. For the purpose of this section, a registered apprentice is an employee that meets all of the following conditions:

(1) Is registered in an apprenticeship program approved by the Department of Labor pursuant to Chapter 94 of the General Statutes.

(2) Was employed by the taxpayer for at least nine months during the taxable year.

(b) Amount. – The amount of the credit is the applicable amount in the table below based on the number of registered apprentices the taxpayer employed during the taxable year:

<u>Apprentices</u>	<u>Credit</u>
<u>1 to 3</u>	<u>\$10,000</u>
<u>4 to 10</u>	<u>\$25,000</u>
<u>11 or more</u>	<u>\$50,000</u>

(c) Eligibility. – A taxpayer is eligible for the credit allowed by this section if, as of the end of the taxable year, the Department of Labor had not assessed within the past three years final penalties in excess of seven thousand dollars (\$7,000).

1 (d) Allocation. – If the taxpayer is an individual who is a nonresident or a
2 part-year resident, the taxpayer must reduce the amount of the credit by multiplying it
3 by the fraction calculated under G.S. 105-134.5(b) or (c), as appropriate. If the taxpayer
4 is not an individual and is required to apportion its multistate business income to this
5 State, the taxpayer must reduce the amount of the credit by multiplying it by the
6 apportionment fraction used to apportion its business income to this State.

7 (e) Documentation. – In order to claim the credit allowed by this section the
8 taxpayer must make available to the Department a written certification from the
9 Apprenticeship and Training Bureau of the North Carolina Department of Labor
10 containing the name and taxpayer identification number of each registered apprentice
11 employed by the taxpayer for at least nine months during the taxable year."

12 **SECTION 2.** G.S. 105-129.15A reads as rewritten:

13 "**§ 105-129.15A. Sunset.**

14 G.S. 105-129.16 is repealed effective for business property placed in service on or
15 after January 1, 2002. G.S. 105-129.16D is repealed effective for taxable years
16 beginning on or after January 1, 2009. The remainder of this Article is repealed
17 effective January 1, 2006. The repeal of G.S. 105-129.16A applies to renewable energy
18 property placed in service on or after ~~January 1, 2006.~~that date."

19 **SECTION 3.** This act becomes effective for taxable years beginning on or
20 after January 1, 2005. The fact that an apprenticeship was approved before January 1,
21 2005, does not render it ineligible for the credit provided in this act.