

810-3-135-.02 - Reporting and Calculating Credit for Approved Basic Skills Education Program.

(1) SCOPE. This regulation applies to the computation and limitation of the credit available in the Basic Skills Educational Program.

(2) DEFINITIONS. Terms defined in regulation 810-3-135-.01 are incorporated herein by reference for purposes of this regulation, unless the context clearly indicates otherwise.

(3) PROCEDURE. For tax periods beginning on or after January 1, 1993, an income tax credit equal to 20 percent of the actual costs of education of a qualified employee shall be provided to an employer who provides or sponsors a basic skills education program approved by and in compliance with the rules and regulations established by the Alabama Department of Education.

(4) At the time of filing any tax return with the Department in which the education credit is claimed, the person signing the tax return shall file with the Department a statement indicating:

(a) The actual costs of education of qualified employee(s), and,

(b) A copy of the current year's "Workplace Education Tax Credit Certificate" and Certificate number issued by the Alabama Department of Education.

(5) The income tax credit available shall be limited to the amount of the employer's income tax liability for the taxable year as computed without regard to this regulation.

(a) In no event may the credit be carried forward or back to a prior or subsequent year.

(6) No income tax credit shall be granted pursuant to this article to any employer of an employee participating in a basic skills education program if the employer receives or requires reimbursement or any form of remuneration for any cost of the education.

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Authority: **Code of Alabama 1975, §40-18-135 et seq**

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