



1 language.

2 **44-46.1-2. Definitions.** – The following definitions shall apply for the purposes of this  
3 chapter, unless the context otherwise requires:

4 (1) "Business entity" means a person conducting a trade or business in this state.

5 (2) "Qualified English language training expense" means amounts incurred by a business  
6 entity for training in English language literacy to employees of that business entity with limited  
7 English language proficiency. Such expenses include, and are limited to:

8 (i) Books and supplies;

9 (ii) Tuition paid or incurred by a business entity to an institution for providing language  
10 training to employees of the business;

11 (iii) Pro-rated portion of wages paid or incurred by a business entity to a person for the  
12 purpose of providing language training to employees of the business; and

13 (iv) Wages paid to an employee receiving language training to the extent allocable to the  
14 time when that employee is receiving training.

15 **44-46.1-3. Tax credit for businesses that provide English language classes to**  
16 **employees.** – (a) A qualified business entity may claim a tax credit against taxes otherwise due  
17 under the provisions of chapters 11, 13, 14, 15, 17 and 30 of this title in the amount determined  
18 under subsection (b), for qualified English language training expenses that are paid in the taxable  
19 year for which the business entity claims a credit. The same tax credit may not be applied more  
20 than once against different taxes by the same taxpayer.

21 (b) Subject to subsection (a), for each taxable year, a business entity is eligible for a  
22 credit allowed in an amount equal to fifty percent (50%) of the qualified English language  
23 training expenses paid. The maximum allowable credit for a business is ten thousand dollars  
24 (\$10,000) for any taxable year.

25 **44-46.1-4. Administration.** – The tax administrator shall make available suitable forms  
26 with instructions for claiming the credit. The claim shall be in a form that the tax administrator  
27 may prescribe. The tax administrator may prescribe rules and regulations, not inconsistent with  
28 law, to carry into effect the provisions of this chapter.

29 **44-46.1-5. Accounting.** – An itemized accounting of the costs associated with the credit  
30 established under this chapter and an affidavit attesting to the facts shall be furnished by the  
31 claimant taxpayer to the division of taxation.

1           SECTION 2. This act shall take effect on October 1, 2013, and shall be applicable to all  
2 taxable years after December 31, 2013.

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LC01108  
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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TAXATION -- BUSINESS TAX CREDIT

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1           This act would create a tax credit for businesses that provide English language classes for  
2 its non-English speaking employees.

3           This act would take effect on October 1, 2013, and would be applicable to all taxable  
4 years after December 31, 2013.

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