

HOUSE BILL 76

By McCormick

AN ACT to amend Tennessee Code Annotated, Section 62-43-105, relative to professional employer organizations.

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

SECTION 1. Tennessee Code Annotated, Section 62-43-105(d)(1), is amended by deleting the subdivision in its entirety and substituting instead the following:

(1) For purposes of determination of tax credits and other economic incentives provided by this state, or a local government entity, and based on employment, covered employees may be deemed employees solely of the client.

SECTION 2. Tennessee Code Annotated, Section 62-43-105(d)(2), is amended by deleting the subdivision in its entirety and substituting instead the following:

(2) A client may be eligible for any tax credit, economic incentive, or other benefit arising as the result of the employment of covered employees of the client.

SECTION 3. Tennessee Code Annotated, Section 62-43-105(d)(3), is amended by deleting the subdivision in its entirety and substituting instead the following:

(3) Notwithstanding that the professional employer organization is the W-2 reporting employer, the client may continue to qualify for the benefit, incentive, or credit.

SECTION 4. This act shall take effect July 1, 2015, the public welfare requiring it.