



Mississippi House of Representatives Weekly Summary

Week of February 25, 2013

This week, House members raced the clock to meet Wednesday's deadline for original floor action on Appropriation and Revenue bills originating in the House, and Thursday's deadline of reconsideration on Appropriation and Revenue bills originating in the House. House members also began addressing Senate bills this week.

On the House floor Monday, members discussed and passed [House Bill 844](#) (HB844) by a vote of 75-43. Adoption of this bill would exempt members of certain industrial manufacturers, farming entities and the fishing/shrimping industry from paying sales tax on electricity and fuel required to keep those industries running. These groups currently are taxed at 1.5 percent, which is a reduced rate from the standard 6 percent sales tax. This will cost the General Fund approximately \$6.9 million. Supporters of the bill say this tax break provides an incentive for new businesses seeking to move to Mississippi. Mississippi is one of 13 states utilizing this incentive. Opponents believe the state cannot afford to eliminate a vital tax to such a broad group of businesses when the state struggles to fund many of its programs.

Additional bills authorizing tax credits to different groups emerged from the Ways and Means Committee this week onto the House calendar. [House Bill 566](#) (HB566) authorizes an income tax credit for costs paid by business enterprises to expand and relocate its employees to Mississippi. If a business expands and meets certain established criteria, the business will receive a tax credit for some relocation costs up to \$1 million statewide. HB566 passed 106-9. Similarly, [House Bill 591](#) (HB591) offers a sales tax exemption and an income tax credit to companies moving its headquarters to Mississippi. They must create at least 20 jobs to qualify. HB591 passed the House floor by a vote of 111-6.

[House Bill 992](#) (HB992) provides a tax incentive to physicians and nurse practitioners who practice in critical shortage areas or underserved areas. The bill states that any earnings greater than \$100,000 by a newly licensed physician or a newly licensed nurse practitioner are exempt from state income tax for 10 years. Supporters hope this bill will increase access to medical care in rural areas by recruiting new doctors to those areas. Opponents believe the bill neglects to define "rural," allowing the language to apply to areas like Oxford, Southaven, McComb, etc. The bill passed on the House floor by a vote of 92-26.



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In the Ways and Means committee, members passed [Senate Bill 2183](#) (SB2183) which authorizes individuals age 21 and older to make homemade beer for personal, family, domestic or household uses. Guidelines state that production may not exceed 100 gallons for a one-person household a year and 200 gallons for a two- or more-person household per year. People residing in dry counties are excluded from this measure. The bill currently awaits floor action.

The Tourism Committee passed [Senate Bill 2565](#) (SB2565) using a strike-all amendment that inserts the previously passed [House Bill 935](#) (HB935) language into the bill. HB935 passed the House floor unanimously. Both bills create the Mississippi Tourism Advisory Board and the Tourism Advertising Marketing Fund. This is a five-year pilot program that would help promote Mississippi in a more efficient, cost-effective and competitive manner. Enactment of this measure requires no startup funds from the State's General Fund and imposes no additional taxes. It is a performance-based funding model, where a percentage of tourism-related sales tax growth goes into a specific tourism marketing fund for promotional activities of the Mississippi Development Authority (MDA) Tourism Division.

[Senate Bill 2526](#) (SB2526) also passed out of the Tourism Committee this week. Adoption of this bill would allow legally purchased alcoholic beverages, beer and light wine to be transported unopened through a dry county without repercussions. Committee members also passed [Senate Bill 2462](#) (SB2462), which extends the Mississippi Motion Picture Incentive Act to include computer or video game businesses that wish to locate in Mississippi. Enactment of this measure increases the amount of payroll to \$5 million, allowing this group to apply it toward the Mississippi Motion Picture Incentive Act Rebate.

In Second Amendment news this week, the Senate passed [House Bill 485](#) (HB485). This bill exempts the names and addresses of people who have concealed carry permits from being a matter of public record. House members concurred with minor changes from the Senate, and the bill is on its way to the Governor's desk to be signed.

Visitors to the Capitol this week included members of the Delta Sigma Theta Sorority; Gulfport native and former NBA star Mahmoud Abul-Rauf; dignitaries from Tanzania and Turkey; and Jim Longino, grandson to former Governor Andrew Houston Longino (1900-1904). Governor Longino is credited with the vision to construct the new Capitol.