

By: Representatives Holland, Moore

To: Ways and Means

HOUSE BILL NO. 345

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT IN AN AMOUNT EQUAL TO
2 TWENTY-FIVE PERCENT OF EXPENDITURES MADE IN A TAX YEAR FOR CERTAIN
3 SOIL AND WATER CONSERVATION PRACTICES UP TO A MAXIMUM OF
4 \$2,500.00; AND FOR RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 SECTION 1. (1) For any taxpayer who is engaged in
7 agricultural production for market and who has in place a soil
8 conservation plan approved by the local Soil and Water
9 Conservation District, a credit against the taxes imposed under
10 this chapter shall be allowed in the amount of twenty-five percent
11 (25%) of the first Ten Thousand Dollars (\$10,000.00) expended for
12 the purchase or installation, or both, of the following
13 agricultural best management practices:

14 (a) Conservation tillage equipment; or
15 (b) Livestock-waste and poultry-waste management,
16 including, but not limited to, dams, pipes, pumps, agitators,
17 sprayers, spreaders, installation charges and other related
18 expenses.

19 (2) The tax credit shall not exceed Two Thousand Five
20 Hundred Dollars (\$2,500.00) or the total amount of the tax imposed
21 by this chapter, whichever is less, in the year the practice was
22 completed or conservation tillage equipment purchased as certified
23 by the Mississippi Soil and Water Conservation Commission or its
24 agent, the local Soil and Water Conservation District. If the
25 amount of the credit exceeds the taxpayer's liability for such
26 taxable year, the excess may not be carried over. If a taxpayer
27 has received federal, state or local cost-share or grant

28 assistance, only the percent of the total cost of the project that
29 was contributed by the taxpayer shall be used to determine the tax
30 credit. For purposes of this section, the amount of any tax
31 credit attributable to either of the agricultural best management
32 practices provided in subsection (1) of this section by a
33 partnership shall be allotted to the individual partners in
34 proportion to their ownership or interest in the partnership.

35 (3) In order for expenditures made for the type of equipment
36 described in subsection (1)(a) of this section to qualify for the
37 credit provided for in this section, the type of equipment must be
38 on a list of all equipment that qualifies as conservation tillage
39 equipment provided to the State Tax Commission by the Mississippi
40 Soil and Water Conservation Commission.

41 (4) In order for expenditures for the types of activities
42 provided for in subsection (1)(b) of this section to qualify for
43 the credit provided for in this section, the taxpayer must obtain
44 a certificate of qualification from the Mississippi Soil and Water
45 Conservation Commission or its agent in the local Soil and Water
46 Conservation District, certifying that the construction,
47 renovation or practice offers a water quality benefit through
48 livestock-waste or poultry-waste management.

49 SECTION 2. The provisions of Section 1 of this act shall be
50 codified in Chapter 7 of Title 27, Mississippi Code of 1972.

51 SECTION 3. This act shall take effect and be in force from
52 and after January 1, 1999.