

By: Minor

To: Finance

SENATE BILL NO. 3007

1 AN ACT TO REENACT SECTIONS 57-10-401 THROUGH 57-10-445 AND
2 SECTION 27-7-22.3, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR THE
3 ISSUANCE OF BONDS BY THE MISSISSIPPI BUSINESS FINANCE CORPORATION
4 TO FINANCE ECONOMIC DEVELOPMENT PROJECTS IN ORDER TO INDUCE THE
5 LOCATION OR EXPANSION OF MANUFACTURING FACILITIES WITHIN THIS
6 STATE, AND PROVIDE FOR A CREDIT AGAINST STATE INCOME TAXES FOR
7 CERTAIN COMPANIES FOR DEBT SERVICE PAID BY SUCH COMPANIES UNDER
8 FINANCING AGREEMENTS ENTERED INTO WITH THE MISSISSIPPI BUSINESS
9 FINANCE CORPORATION, AND PROVIDE FOR A CREDIT AGAINST STATE INCOME
10 TAXES FOR EMPLOYEES OF CERTAIN COMPANIES WHO PAY JOB DEVELOPMENT
11 ASSESSMENT FEES IN THE AMOUNT OF SUCH FEES; TO REPEAL SECTION
12 57-10-449, MISSISSIPPI CODE OF 1972, WHICH REPEALS SECTIONS
13 54-10-401 THROUGH 57-10-445, MISSISSIPPI CODE OF 1972, ON OCTOBER
14 1, 2000; AND FOR RELATED PURPOSES.

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

16 SECTION 1. Section 57-10-401, Mississippi Code of 1972, is
17 reenacted as follows:

18 **[In cases involving an economic development project for which**
19 **the Mississippi Business Finance Corporation has issued bonds for**
20 **the purpose of financing the approved costs of such project prior**
21 **to July 1, 1994, this section shall read as follows:]**

22 57-10-401. As used in Sections 57-10-401 through 57-10-445
23 the following terms shall have the meanings ascribed to them
24 herein unless the context clearly indicates otherwise:

25 (a) "Approved company" means any eligible company
26 seeking to locate an economic development project in a county,
27 which eligible company is approved by the corporation.

28 (b) "Approved costs" means:

29 (i) Obligations incurred for equipment and labor
30 and to contractors, subcontractors, builders and materialmen in
31 connection with the acquisition, construction and installation of
32 an economic development project;

33 (ii) The cost of acquiring land or rights in land
34 and any cost incidental thereto, including recording fees;

35 (iii) The cost of contract bonds and of insurance
36 of all kinds that may be required or necessary during the course
37 of acquisition, construction and installation of an economic
38 development project which is not paid by the contractor or
39 contractors or otherwise provided for;

40 (iv) All costs of architectural and engineering
41 services, including test borings, surveys, estimates, plans and
42 specifications, preliminary investigations, and supervision of
43 construction, as well as for the performance of all the duties
44 required by or consequent upon the acquisition, construction and
45 installation of an economic development project;

46 (v) All costs which shall be required to be paid
47 under the terms of any contract or contracts for the acquisition,
48 construction and installation of an economic development project;

49 (vi) All costs, expenses and fees incurred in
50 connection with the issuance of bonds pursuant to Sections
51 57-10-401 through 57-10-445;

52 (vii) All costs funded by a loan made under the
53 Mississippi Small Enterprise Development Finance Act; and

54 (viii) All costs of professionals permitted to be
55 engaged under the Mississippi Small Enterprise Development Finance
56 Act for a loan made under such act.

57 (c) "Assessment" means the job development assessment
58 fee authorized in Section 57-10-413.

59 (d) "Bonds" means the revenue bonds, notes or other
60 debt obligations of the corporation authorized to be issued by the
61 corporation on behalf of an eligible company or other state
62 agency.

63 (e) "Corporation" means the Mississippi Business
64 Finance Corporation created under Section 57-10-167, Mississippi
65 Code of 1972.

66 (f) "Economic development project" means and includes
67 the acquisition of any equipment or real estate in a county and
68 the construction and installation thereon, and with respect
69 thereto, of improvements and facilities necessary or desirable for
70 improvement of the real estate, including surveys, site tests and
71 inspections, subsurface site work, excavation, removal of
72 structures, roadways, cemeteries and other surface obstructions,
73 filling, grading and provision of drainage, storm water detention,
74 installation of utilities such as water, sewer, sewage treatment,
75 gas, electricity, communications and similar facilities, off-site
76 construction of utility extensions to the boundaries of the real
77 estate, and the acquisition, construction and installation of
78 manufacturing, telecommunications, data processing, distribution
79 or warehouse facilities on the real estate, for lease or financial
80 arrangement by the corporation to an approved company for use and
81 occupancy by the approved company or its affiliates for
82 manufacturing, telecommunications, data processing, distribution
83 or warehouse purposes. Such term also includes, without
84 limitation, any project the financing of which has been approved
85 under the Mississippi Small Enterprise Development Finance Act.

86 (g) "Eligible company" means any corporation,
87 partnership, sole proprietorship, business trust, or other entity
88 which is:

89 (i) Engaged in manufacturing which meets the
90 standards promulgated by the corporation under Sections 57-10-401
91 through 57-10-445;

92 (ii) A private company approved by the corporation
93 for a loan under the Mississippi Small Enterprise Development
94 Finance Act;

95 (iii) A distribution or warehouse facility
96 employing a minimum of fifty (50) people or employing a minimum of
97 twenty (20) people and having a capital investment in such
98 facility of at least Five Million Dollars (\$5,000,000.00); or

99 (iv) A telecommunications or data processing
100 business.

101 (h) "Executive director" means the Executive Director
102 of the Mississippi Business Finance Corporation.

103 (i) "Financing agreement" means any financing documents
104 and agreements, indentures, loan agreements, lease agreements,
105 security agreements and the like, entered into by and among the
106 corporation, private lenders and an approved company with respect
107 to an economic development project.

108 (j) "Manufacturing" means any activity involving the
109 manufacturing, processing, assembling or production of any
110 property, including the processing resulting in a change in the
111 conditions of the property and any activity functionally related
112 thereto, together with the storage, warehousing, distribution and
113 related office facilities in respect thereof as determined by the
114 Mississippi Business Finance Corporation; however, in no event
115 shall "manufacturing" include mining, coal or mineral processing,
116 or extraction of Mississippi minerals.

117 (k) "State agency" means any state board, commission,
118 committee, council, university, department or unit thereof created
119 by the Constitution or laws of this state.

120 (l) "Revenues" shall not be considered state funds.

121 (m) "State" means the State of Mississippi.

122 (n) "Mississippi Small Enterprise Development Finance
123 Act" means the provisions of law contained in Section 57-71-1 et
124 seq.

125 **[In cases involving an economic development project for which**
126 **the Mississippi Business Finance Corporation has not issued bonds**
127 **for the purpose of financing the approved costs of such project**
128 **prior to July 1, 1994, this section shall read as follows:]**

129 57-10-401. As used in Sections 57-10-401 through 57-10-445
130 the following terms shall have the meanings ascribed to them
131 herein unless the context clearly indicates otherwise:

132 (a) "Approved company" means any eligible company
133 seeking to locate an economic development project in a county,
134 which eligible company is approved by the corporation.

135 (b) "Approved costs" means:

136 (i) Obligations incurred for equipment and labor
137 and to contractors, subcontractors, builders and materialmen in
138 connection with the acquisition, construction and installation of
139 an economic development project;

140 (ii) The cost of acquiring land or rights in land
141 and any cost incidental thereto, including recording fees;

142 (iii) The cost of contract bonds and of insurance
143 of all kinds that may be required or necessary during the course
144 of acquisition, construction and installation of an economic
145 development project which is not paid by the contractor or
146 contractors or otherwise provided for;

147 (iv) All costs of architectural and engineering
148 services, including test borings, surveys, estimates, plans and
149 specifications, preliminary investigations, and supervision of
150 construction, as well as for the performance of all the duties
151 required by or consequent upon the acquisition, construction and
152 installation of an economic development project;

153 (v) All costs which shall be required to be paid
154 under the terms of any contract or contracts for the acquisition,
155 construction and installation of an economic development project;

156 (vi) All costs, expenses and fees incurred in
157 connection with the issuance of bonds pursuant to Sections
158 57-10-401 through 57-10-445;

159 (vii) All costs funded by a loan made under the
160 Mississippi Small Enterprise Development Finance Act; and

161 (viii) All costs of professionals permitted to be
162 engaged under the Mississippi Small Enterprise Development Finance
163 Act for a loan made under such act.

164 (c) "Assessment" means the job development assessment

165 fee authorized in Section 57-10-413.

166 (d) "Bonds" means the revenue bonds, notes or other
167 debt obligations of the corporation authorized to be issued by the
168 corporation on behalf of an eligible company or other state
169 agency.

170 (e) "Corporation" means the Mississippi Business
171 Finance Corporation created under Section 57-10-167, Mississippi
172 Code of 1972.

173 (f) "Economic development project" means and includes
174 the acquisition of any equipment or real estate in a county and
175 the construction and installation thereon, and with respect
176 thereto, of improvements and facilities necessary or desirable for
177 improvement of the real estate, including surveys, site tests and
178 inspections, subsurface site work, excavation, removal of
179 structures, roadways, cemeteries and other surface obstructions,
180 filling, grading and provision of drainage, storm water detention,
181 installation of utilities such as water, sewer, sewage treatment,
182 gas, electricity, communications and similar facilities, off-site
183 construction of utility extensions to the boundaries of the real
184 estate, and the acquisition, construction and installation of
185 manufacturing, telecommunications, data processing, distribution
186 or warehouse facilities on the real estate, for lease or financial
187 arrangement by the corporation to an approved company for use and
188 occupancy by the approved company or its affiliates for
189 manufacturing, telecommunications, data processing, distribution
190 or warehouse purposes. Such term also includes, without
191 limitation, any project the financing of which has been approved
192 under the Mississippi Small Enterprise Development Finance Act.

193 If an eligible company closes a facility in this state and
194 becomes an approved company under the provisions of Sections
195 57-10-401 through 57-10-449, only that portion of the project for
196 which such company is attempting to obtain financing that is in
197 excess of the value of the closed facility shall be included

198 within the definition of the term "economic development project."

199 The Mississippi Business Finance Corporation shall promulgate
200 rules and regulations to govern the determination of the
201 difference between the value of the closed facility and the new
202 facility.

203 (g) "Eligible company" means any corporation,
204 partnership, sole proprietorship, business trust, or other entity
205 which:

206 (i) Engaged in manufacturing which meets the
207 standards promulgated by the corporation under Sections 57-10-401
208 through 57-10-445;

209 (ii) A private company approved by the corporation
210 for a loan under the Mississippi Small Enterprise Development
211 Finance Act;

212 (iii) A distribution or warehouse facility
213 employing a minimum of fifty (50) people or employing a minimum of
214 twenty (20) people and having a capital investment in such
215 facility of at least Five Million Dollars (\$5,000,000.00); or

216 (iv) A telecommunications or data processing
217 business.

218 (h) "Executive director" means the Executive Director
219 of the Mississippi Business Finance Corporation.

220 (i) "Financing agreement" means any financing documents
221 and agreements, indentures, loan agreements, lease agreements,
222 security agreements and the like, entered into by and among the
223 corporation, private lenders and an approved company with respect
224 to an economic development project.

225 (j) "Manufacturing" means any activity involving the
226 manufacturing, processing, assembling or production of any
227 property, including the processing resulting in a change in the
228 conditions of the property and any activity functionally related
229 thereto, together with the storage, warehousing, distribution and
230 related office facilities in respect thereof as determined by the

231 Mississippi Business Finance Corporation; however, in no event
232 shall "manufacturing" include mining, coal or mineral processing,
233 or extraction of Mississippi minerals.

234 (k) "State agency" means any state board, commission,
235 committee, council, university, department or unit thereof created
236 by the Constitution or laws of this state.

237 (l) "Revenues" shall not be considered state funds.

238 (m) "State" means the State of Mississippi.

239 (n) "Mississippi Small Enterprise Development Finance
240 Act" means the provisions of law contained in Section 57-71-1 et
241 seq.

242 SECTION 2. Section 57-10-403, Mississippi Code of 1972, is
243 reenacted as follows:

244 57-10-403. (1) The Legislature finds and declares that the
245 general welfare and material well-being of citizens of the state
246 depend in large measure upon the development and growth of
247 industry in the state.

248 (2) The Legislature finds and declares further that it is in
249 the best interest of the state to induce the location or expansion
250 of manufacturing facilities within this state in order to advance
251 the public purposes of relieving unemployment by creating new jobs
252 within this state that, but for the inducements to be offered by
253 the corporation to approved companies as herein provided, would
254 not exist, and of creating new sources of tax revenues for the
255 support of the public services provided by this state and country.

256 (3) The Legislature finds and declares further that the
257 authority granted by this article and the purposes to be
258 accomplished hereby are proper governmental and public purposes
259 for which public monies may be expended, and that the inducement
260 of the location or expansion of manufacturing facilities within
261 the state is of paramount importance, mandating that the
262 provisions of this act be liberally construed and applied in order
263 to advance the public purposes.

264 SECTION 3. Section 57-10-405, Mississippi Code of 1972, is
265 reenacted as follows:

266 57-10-405. In addition to its other powers and duties, the
267 corporation shall have all the powers necessary or convenient to
268 carry out and effectuate the purposes and provisions of Sections
269 57-10-401 through 57-10-445, including, but without limiting the
270 generality of the foregoing, the power:

271 (a) To provide and finance economic development
272 projects under the provisions of Sections 57-10-401 through
273 57-10-445, and cooperate with counties, municipalities and
274 eligible companies in order to promote, foster and support
275 economic development within the counties and municipalities;

276 (b) To conduct hearings and inquiries, in the manner
277 and by the methods as it deems desirable, including, without
278 limitation, appointment of special committees, for the purpose of
279 gathering information with respect to counties, municipalities,
280 eligible companies and economic development projects, for the
281 purpose of making any determinations necessary or desirable in the
282 furtherance of Sections 57-10-401 through 57-10-445;

283 (c) To negotiate the terms of, and enter into financing
284 agreements with, approved companies, and in connection therewith
285 to acquire, convey, sell, own, lease, mortgage, finance, foreclose
286 or otherwise dispose of any property, real or personal, in
287 connection with an economic development project, and to pay, or
288 cause to be paid, in accordance with the provisions of a financing
289 agreement, the approved costs of an economic development project
290 from any funds available therefor, including, without limitation,
291 funds available as the result of the issuance of bonds under the
292 Mississippi Small Enterprise Development Finance Act;

293 (d) To delegate to the executive director the rights
294 and powers of the corporation required for the proper and
295 desirable execution of the purposes of this article;

296 (e) To consent, if it deems it necessary or desirable

297 in the fulfillment of its purposes, to the modification of the
298 terms of any financing agreements of any kind to which the
299 corporation is a party;

300 (f) To include in any borrowing the amounts deemed
301 necessary by the corporation to pay financing charges, consultant,
302 advisory and legal fees, fees for bond insurance, letters of
303 credit or other forms of credit enhancement, investment advisory
304 fees, trustees' fees and other expenses necessary or incident to
305 the borrowing;

306 (g) To make and publish administrative regulations
307 respecting its programs and other administrative regulations
308 necessary or appropriate to effectuate the purposes of Sections
309 57-10-401 through 57-10-445, and necessary to administer the
310 procedures and program as provided for in Sections 57-10-401
311 through 57-10-445;

312 (h) To make, execute and effectuate any and all
313 agreements or other documents with any governmental agency or any
314 person, corporation, association, partnership, or other
315 organization or entity, necessary or appropriate to accomplish the
316 purposes of Sections 57-10-401 through 57-10-445, including any
317 financing agreements with state agencies or any political
318 subdivisions of the state under which funds may be pledged by or
319 to the corporation for the payment of its bonds;

320 (i) To accept gifts, devises, bequests, grants, loans,
321 appropriations, revenue sharing, other financing and assistance
322 and any other aid from any source and to agree to, and to comply
323 with, conditions attached thereto;

324 (j) To sue and be sued in its own name, plead and be
325 impleaded; and

326 (k) To invest any funds held by the corporation or its
327 agents or trustees, under Sections 57-10-401 through 57-10-445,
328 including, but not limited to, the proceeds of bonds issued under
329 Sections 57-10-401 through 57-10-445, reserve or other funds, or

330 any monies not required for immediate disbursement, and the
331 investment income on any of the foregoing, in obligations
332 authorized by Sections 57-10-401 through 57-10-445.

333 SECTION 4. Section 57-10-407, Mississippi Code of 1972, is
334 reenacted as follows:

335 57-10-407. The corporation may accept and expend: (a)
336 monies which may be appropriated from time to time by the
337 Legislature; (b) monies which may be available under the
338 Mississippi Small Enterprise Development Finance Act; or (c)
339 monies which may be received from any source, including income
340 from the corporation's operations, under Sections 57-10-401
341 through 57-10-445, for effectuating the purposes of Sections
342 57-10-401 through 57-10-445, including, without limitation, the
343 payment of the expenses of administration and operation incurred
344 pursuant to Sections 57-10-401 through 57-10-445 and the
345 establishment and, if deemed desirable, maintenance of a reserve
346 or contingency fund for the administration of Sections 57-10-401
347 through 57-10-445.

348 SECTION 5. Section 57-10-409, Mississippi Code of 1972, is
349 reenacted as follows:

350 **[In cases involving an economic development project for which**
351 **the Mississippi Business Finance Corporation has issued bonds for**
352 **the purpose of financing the approved costs of such project prior**
353 **to July 1, 1994, this section shall read as follows:]**

354 57-10-409. The corporation may enter into, with any approved
355 company, a financing agreement with respect to its economic
356 development project. The terms and provisions of each financing
357 agreement shall be determined by negotiations between the
358 corporation and the approved company, except that each financing
359 agreement shall include the following provisions:

360 (a) If the corporation issues any bonds in connection
361 with an economic development project, the term of the financing
362 agreement shall not be less than the last maturity of the bonds

363 issued with respect to the economic development project, except
364 that the financing agreement may terminate upon the earlier
365 redemption of all of the bonds issued with respect to the economic
366 development project and may grant to the approved company an
367 option to purchase the economic development project from the
368 corporation upon the termination of the financing agreement for
369 such consideration and under such terms and conditions the
370 corporation may approve. Nothing in this paragraph shall limit
371 the extension of the term of a financing agreement if there is a
372 refunding of the correlative bonds or otherwise.

373 (b) If the corporation issues any bonds in connection
374 with an economic development project, the financing agreement
375 shall specify that the annual obligations of the approved company
376 under Sections 57-10-401 through 57-10-445 shall equal in each
377 year at least the annual debt service for that year on the bonds
378 issued with respect to the economic development project; and the
379 approved company shall pay such obligation of the financing
380 agreement to the trustee for bonds issued for the benefit of the
381 approved company, at such time and in such amounts sufficient to
382 amortize such bonds.

383 (c) If the corporation loans funds to an approved
384 company that is a private company under the Mississippi Small
385 Enterprise Development Finance Act, the financing agreement shall
386 include the terms and conditions of the loan required by Section
387 57-71-1 et seq.

388 (d) (i) In consideration for financing agreement
389 payment, the approved company may be permitted the following
390 during the period of time in which the financing agreement is in
391 effect, not to exceed twenty-five (25) years:

- 392 1. A tax credit on the amount provided for in
393 Section 27-7-22.3(2), Mississippi Code of 1972; plus
- 394 2. The aggregate assessment withheld by the
395 approved company in each year.

396 (ii) The income tax credited to the approved
397 company referred to herein shall be credited in the fiscal year of
398 the financing agreement in which the tax return of the approved
399 company is filed. The approved company shall not be required to
400 pay estimated tax payments under Section 27-7-319, Mississippi
401 Code of 1972.

402 (e) (i) The financing agreement shall provide that the
403 assessments, when added to the credit for the state corporate
404 income tax herein granted, shall not exceed the total financing
405 agreement annual payment by the approved company in any year;
406 however, to the extent that financing agreement annual payments
407 exceed credits received and assessments collected in any year, the
408 excess payment may be recouped from excess credits or assessment
409 collections in succeeding years.

410 (ii) If during any fiscal year of the financing
411 agreement the total of the income tax credit granted to the
412 approved company plus the assessment collected from the wages of
413 the employees equals the annual payment pursuant to the financing
414 agreement, and if all excess payments pursuant to the financing
415 agreement accumulated in prior years have been recouped, the
416 assessment collected from the wages of the employees shall cease
417 for the remainder of the fiscal year of the financing agreement.

418 (f) The financing agreement shall provide that:

419 (i) It may be assigned by the approved company
420 only upon the prior written consent of the corporation following
421 the adoption of a resolution by the corporation to such effect;
422 and

423 (ii) Upon the default by the approved company in
424 the obligation to render its annual payment, the corporation shall
425 have the right, at its option, to declare the financing agreement
426 in default and to accelerate the total of all annual payments that
427 are to be made or to terminate the financing agreement and cause
428 to be sold the economic development project at public or private

429 sale, or to pursue any other remedies available under the Uniform
430 Commercial Code, as from time to time amended, or otherwise
431 available in law or equity.

432 **[In cases involving an economic development project for which**
433 **the Mississippi Business Finance Corporation has not issued bonds**
434 **for the purpose of financing the approved costs of such project**
435 **prior to July 1, 1994, but has issued bonds for such project prior**
436 **to July 1, 1997, or in cases involving an economic development**
437 **project which has been induced by a resolution of the Board of**
438 **Directors of the Mississippi Business Finance Corporation that has**
439 **been filed with the State Tax Commission prior to July 1, 1997,**
440 **this section shall read as follows:]**

441 57-10-409. The corporation may enter into, with any approved
442 company, a financing agreement with respect to its economic
443 development project. The terms and provisions of each financing
444 agreement shall be determined by negotiations between the
445 corporation and the approved company, except that each financing
446 agreement shall include the following provisions:

447 (a) If the corporation issues any bonds in connection
448 with an economic development project, the term of the financing
449 agreement shall not be less than the last maturity of the bonds
450 issued with respect to the economic development project, except
451 that the financing agreement may terminate upon the earlier
452 redemption of all of the bonds issued with respect to the economic
453 development project and may grant to the approved company an
454 option to purchase the economic development project from the
455 corporation upon the termination of the financing agreement for
456 such consideration and under such terms and conditions the
457 corporation may approve. Nothing in this paragraph shall limit
458 the extension of the term of a financing agreement if there is a
459 refunding of the correlative bonds or otherwise.

460 (b) If the corporation issues any bonds in connection
461 with an economic development project, the financing agreement

462 shall specify that the annual obligations of the approved company
463 under Sections 57-10-401 through 57-10-445 shall equal in each
464 year at least the annual debt service for that year on the bonds
465 issued with respect to the economic development project; and the
466 approved company shall pay such obligation of the financing
467 agreement to the trustee for bonds issued for the benefit of the
468 approved company, at such time and in such amounts sufficient to
469 amortize such bonds.

470 (c) If the corporation loans funds to an approved
471 company that is a private company under the Mississippi Small
472 Enterprise Development Finance Act, the financing agreement shall
473 include the terms and conditions of the loan required by Section
474 57-71-1 et seq.

475 (d) (i) In consideration for financing agreement
476 payment, the approved company may be permitted the following
477 during the period of time in which the financing agreement is in
478 effect, not to exceed twenty-five (25) years:

479 1. A tax credit on the amount provided for in
480 Section 27-7-22.3(2), Mississippi Code of 1972; plus

481 2. The aggregate assessment withheld by the
482 approved company in each year.

483 (ii) The income tax credited to the approved
484 company referred to herein shall be credited in the fiscal year of
485 the financing agreement in which the tax return of the approved
486 company is filed. The approved company shall not be required to
487 pay estimated tax payments under Section 27-7-319, Mississippi
488 Code of 1972.

489 (e) (i) The financing agreement shall provide that the
490 assessments, when added to the credit for the state corporate
491 income tax herein granted, shall not exceed the total financing
492 agreement annual payment by the approved company in any year;
493 however, to the extent that financing agreement annual payments
494 exceed credits received and assessments collected in any year, the

495 excess payment may be recouped from excess credits or assessment
496 collections in succeeding years not to exceed three (3) years
497 following the termination of the period of time during which the
498 financing agreement is in effect.

499 (ii) If during any fiscal year of the financing
500 agreement the total of the income tax credit granted to the
501 approved company plus the assessment collected from the wages of
502 the employees equals the annual payment pursuant to the financing
503 agreement, and if all excess payments pursuant to the financing
504 agreement accumulated in prior years have been recouped, the
505 assessment collected from the wages of the employees shall cease
506 for the remainder of the fiscal year of the financing agreement.

507 (f) The financing agreement shall provide that:

508 (i) It may be assigned by the approved company
509 only upon the prior written consent of the corporation following
510 the adoption of a resolution by the corporation to such effect;
511 and

512 (ii) Upon the default by the approved company in
513 the obligation to render its annual payment, the corporation shall
514 have the right, at its option, to declare the financing agreement
515 in default and to accelerate the total of all annual payments that
516 are to be made or to terminate the financing agreement and cause
517 to be sold the economic development project at public or private
518 sale, or to pursue any other remedies available under the Uniform
519 Commercial Code, as from time to time amended, or otherwise
520 available in law or equity.

521 **[In cases involving an economic development project for which**
522 **the Mississippi Business Finance Corporation has not issued bonds**
523 **for the purpose of financing the approved costs of such project**
524 **prior to July 1, 1997, or in cases involving an economic**
525 **development project which has not been induced by a resolution of**
526 **the Board of Directors of the Mississippi Business Finance**
527 **Corporation that has been filed with the State Tax Commission**

528 **prior to July 1, 1997, this section shall read as follows:]**

529 57-10-409. The corporation may enter into, with any approved
530 company, a financing agreement with respect to its economic
531 development project. The terms and provisions of each financing
532 agreement shall be determined by negotiations between the
533 corporation and the approved company, except that each financing
534 agreement shall include the following provisions:

535 (a) If the corporation issues any bonds in connection
536 with an economic development project, the term of the financing
537 agreement shall not be less than the last maturity of the bonds
538 issued with respect to the economic development project, except
539 that the financing agreement may terminate upon the earlier
540 redemption of all of the bonds issued with respect to the economic
541 development project and may grant to the approved company an
542 option to purchase the economic development project from the
543 corporation upon the termination of the financing agreement for
544 such consideration and under such terms and conditions the
545 corporation may approve. Nothing in this paragraph shall limit
546 the extension of the term of a financing agreement if there is a
547 refunding of the correlative bonds or otherwise.

548 (b) If the corporation issues any bonds in connection
549 with an economic development project, the financing agreement
550 shall specify that the annual obligations of the approved company
551 under Sections 57-10-401 through 57-10-445 shall equal in each
552 year at least the annual debt service for that year on the bonds
553 issued with respect to the economic development project; and the
554 approved company shall pay such obligation of the financing
555 agreement to the trustee for bonds issued for the benefit of the
556 approved company, at such time and in such amounts sufficient to
557 amortize such bonds.

558 (c) If the corporation loans funds to an approved
559 company that is a private company under the Mississippi Small
560 Enterprise Development Finance Act, the financing agreement shall

561 include the terms and conditions of the loan required by Section
562 57-71-1 et seq.

563 (d) (i) In consideration for financing agreement
564 payment, the approved company may be permitted a tax credit on the
565 amount provided for in Section 27-7-22.3(2), Mississippi Code of
566 1972, during the period of time in which the financing agreement
567 is in effect, not to exceed twenty-five (25) years.

568 (ii) The income tax credited to the approved
569 company referred to herein shall be credited in the fiscal year of
570 the financing agreement in which the tax return of the approved
571 company is filed. The approved company shall not be required to
572 pay estimated tax payments under Section 27-7-319, Mississippi
573 Code of 1972.

574 (e) The financing agreement shall provide that:

575 (i) It may be assigned by the approved company
576 only upon the prior written consent of the corporation following
577 the adoption of a resolution by the corporation to such effect;
578 and

579 (ii) Upon the default by the approved company in
580 the obligation to render its annual payment, the corporation shall
581 have the right, at its option, to declare the financing agreement
582 in default and to accelerate the total of all annual payments that
583 are to be made or to terminate the financing agreement and cause
584 to be sold the economic development project at public or private
585 sale, or to pursue any other remedies available under the Uniform
586 Commercial Code, as from time to time amended, or otherwise
587 available in law or equity.

588 SECTION 6. Section 57-10-411, Mississippi Code of 1972, is
589 reenacted as follows:

590 57-10-411. Ninety (90) days after the filing of the tax
591 return of the approved company, the State Tax Commission shall
592 certify to the corporation the state income tax liability for the
593 preceding year of each approved company with respect to an

594 economic development project financed under Sections 57-10-401
595 through 57-10-445, and the amounts of any tax credits taken under
596 Sections 57-10-401 through 57-10-445.

597 SECTION 7. Section 57-10-413, Mississippi Code of 1972, is
598 reenacted as follows:

599 **[In cases involving an economic development project for which**
600 **the Mississippi Business Finance Corporation has issued bonds for**
601 **the purpose of financing the approved costs of such project prior**
602 **to July 1, 1994, this section shall read as follows:]**

603 57-10-413. (1) The approved company may require that each
604 employee whose gross wages are equivalent to Five Dollars (\$5.00)
605 or more per hour, as a condition of employment, agrees to pay a
606 job development assessment fee not to exceed a certain percentage
607 of the gross wages of each such employee whose job was created as
608 a result of the economic development project, for the purpose of
609 retiring the bonds which fund the economic development project or
610 other indebtedness. The job development assessment fee shall not
611 exceed the following percentages of the gross wages of the
612 employee:

613 (a) Two percent (2%), if the gross wages of the
614 employee are equivalent to Five Dollars (\$5.00) or more per hour
615 but less than Seven Dollars (\$7.00) per hour;

616 (b) Four percent (4%), if the gross wages of the
617 employee are equivalent to Seven Dollars (\$7.00) or more per hour
618 but less than Nine Dollars (\$9.00) per hour; and

619 (c) Six percent (6%), if the gross wages of the
620 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

621 (2) Each employee so assessed shall be entitled to credits
622 against Mississippi income taxes as provided in Section 27-7-22.3.

623 (3) If an approved company shall elect to impose the
624 assessment as a condition of employment, it shall deduct the
625 assessment from each paycheck of each employee.

626 (4) Any approved company collecting an assessment as

627 provided in subsection (1) of this section shall make its payroll
628 books and records available to the corporation at such reasonable
629 times as the corporation shall request and shall file with the
630 corporation documentation respecting the assessment as the
631 corporation may require.

632 (5) Any assessment of the wages of employees of an approved
633 company in connection with their employment at an economic
634 development project under subsection (1) of this section shall
635 lapse on the date the bonds are retired.

636 **[In cases involving an economic development project for which**
637 **the Mississippi Business Finance Corporation has not issued bonds**
638 **for the purpose of financing the approved costs of such project**
639 **prior to July 1, 1994, but has issued bonds for such project prior**
640 **to July 1, 1997, or in cases involving an economic development**
641 **project which has been induced by a resolution of the Board of**
642 **Directors of the Mississippi Business Finance Corporation that has**
643 **been filed with the State Tax Commission prior to July 1, 1997,**
644 **this section shall read as follows:]**

645 57-10-413. (1) Except as otherwise provided for in
646 subsection (6) of this section, the approved company may require
647 that each employee whose gross wages are equivalent to Five
648 Dollars (\$5.00) or more per hour, as a condition of employment,
649 agrees to pay a job development assessment fee not to exceed a
650 certain percentage of the gross wages of each such employee whose
651 job was created as a result of the economic development project,
652 for the purpose of retiring the bonds which fund the economic
653 development project or other indebtedness. The job development
654 assessment fee shall not exceed the following percentages of the
655 gross wages of the employee:

656 (a) Two percent (2%), if the gross wages of the
657 employee are equivalent to Five Dollars (\$5.00) or more per hour
658 but less than Seven Dollars (\$7.00) per hour;

659 (b) Four percent (4%), if the gross wages of the

660 employee are equivalent to Seven Dollars (\$7.00) or more per hour
661 but less than Nine Dollars (\$9.00) per hour; and

662 (c) Six percent (6%), if the gross wages of the
663 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

664 (2) Each employee so assessed shall be entitled to credits
665 against Mississippi income taxes as provided in Section 27-7-22.3.

666 (3) If an approved company shall elect to impose the
667 assessment as a condition of employment, it shall deduct the
668 assessment from each paycheck of each employee.

669 (4) Any approved company collecting an assessment as
670 provided in subsection (1) of this section shall make its payroll
671 books and records available to the corporation at such reasonable
672 times as the corporation shall request and shall file with the
673 corporation documentation respecting the assessment as the
674 corporation may require.

675 (5) Any assessment of the wages of employees of an approved
676 company in connection with their employment at an economic
677 development project under subsection (1) of this section shall
678 lapse on the date the bonds are retired.

679 (6) If an eligible company closes a facility in this state
680 and becomes an approved company under the provisions of Sections
681 57-10-401 through 57-10-449, only those jobs created in excess of
682 those that existed at the closed facility at the time of the
683 closure shall be eligible for the imposition of the job
684 development assessment fee. The Mississippi Business Finance
685 Corporation shall promulgate rules and regulations to govern the
686 determination of the number of jobs upon which the job development
687 assessment fee may be imposed.

688 SECTION 8. Section 57-10-415, Mississippi Code of 1972, is
689 reenacted as follows:

690 57-10-415. Every issue of bonds under Sections 57-10-401
691 through 57-10-445 shall be payable solely out of any revenues of
692 the corporation as provided in Sections 57-10-401 through

693 57-10-445. The bonds additionally may be secured by a pledge of
694 any grant, contribution or guarantee from the federal government
695 or any person or a pledge by the corporation of any revenues from
696 any source.

697 SECTION 9. Section 57-10-417, Mississippi Code of 1972, is
698 reenacted as follows:

699 57-10-417. The bonds issued by the corporation under
700 Sections 57-10-401 through 57-10-445 shall be limited obligations
701 of the corporation and shall not constitute a debt, liability or
702 general obligation of the state or any political subdivision
703 thereof (other than the corporation), or a pledge of the faith and
704 credit of the state or any political subdivision thereof (other
705 than the corporation), but shall be payable solely as provided by
706 the corporation under Sections 57-10-401 through 57-10-445. No
707 member or officer of the board of directors of the corporation nor
708 any person executing the bonds shall be liable personally on the
709 bonds by reason of the issuance thereof. Each bond issued under
710 Sections 57-10-401 through 57-10-445 shall contain on the face
711 thereof a statement that neither the state, nor any other
712 political subdivision thereof, shall be obligated to pay the same
713 or the interest thereon or other costs incident thereto except
714 from the revenue or money pledged by the corporation and that
715 neither the faith and credit nor the taxing power of the state or
716 any political subdivision thereof is pledged to the payment of the
717 principal of, or the interest on, such bond.

718 SECTION 10. Section 57-10-419, Mississippi Code of 1972, is
719 reenacted as follows:

720 57-10-419. (1) The corporation may issue in its own name,
721 from time to time, for the purpose of financing the approved costs
722 of an economic development project, its bonds and may pledge for
723 the payment thereof funds derived in respect of any financing
724 agreement or other arrangement entered into by the corporation and
725 an approved company under Sections 57-10-401 through 57-10-445.

726 (2) In anticipation of the issuance of bonds, the
727 corporation may provide for the issuance, at one (1) time or from
728 time to time, of bond anticipation notes. The principal of and
729 the interest on the notes shall be payable solely from the funds
730 herein provided for the payment. Any notes may be made payable
731 from the proceeds of bonds or renewal notes; or, if bond or
732 renewal note proceeds are not available, the notes may be paid
733 from any available revenues or assets of the corporation.

734 (3) The bonds issued under Sections 57-10-401 through
735 57-10-445 shall be authorized by a resolution of the corporation,
736 shall bear such date or dates, and shall mature at such time or
737 times as such resolution may provide, except that no bond shall
738 mature more than twenty-five (25) years from the date of issue.
739 Bonds which are not subject to taxation shall bear interest at
740 such rate or rates, be in such denominations, be in such form,
741 carry such registration privileges, be executed in such manner, be
742 payable in such medium of payment, at such place or places, and be
743 subject to such terms of redemption, including redemption before
744 maturity, as such resolution may provide. Except as expressly
745 provided otherwise in Sections 57-10-401 through 57-10-445, the
746 provisions of other laws of the state relating to the issuance of
747 revenue bonds shall not apply to bonds issued by the corporation.

748 As to bonds issued hereunder and designated as taxable bonds by
749 the corporation, any immunity to taxation by the United States
750 Government of interest on such bonds or notes is hereby waived.
751 Bonds of the corporation may be sold by the corporation at public
752 or private sale, from time to time, and at such price or prices as
753 the corporation shall determine.

754 (4) The proceeds of any bonds shall be used solely for the
755 purposes for which issued and shall be disbursed in the manner and
756 under the restrictions, if any, that the corporation may provide
757 in the resolution authorizing the issuance of the bonds or in a
758 trust indenture securing the same.

759 (5) The principal and interest on the bonds issued by the
760 corporation shall be payable solely and only from proceeds derived
761 under a financing agreement and shall be secured solely by the
762 economic development project, the proceeds of the financing
763 agreement, and such other assets as may be available, but not
764 including revenues of the state.

765 (6) Before the preparation of definitive certificates
766 evidencing the bonds, the corporation may issue, under like
767 restrictions, interim receipts or temporary certificates, with or
768 without coupons, exchangeable for definitive certificates when the
769 certificates have been executed and are available for delivery.
770 The corporation may also provide for the replacement of any
771 certificates which become mutilated or are destroyed or lost.

772 SECTION 11. Section 57-10-421, Mississippi Code of 1972, is
773 reenacted as follows:

774 57-10-421. In addition to the requirements provided for in
775 Section 57-10-419, any resolution authorizing the issuance of
776 bonds under Sections 57-10-401 through 57-10-445 may contain
777 provisions as to:

778 (a) The setting aside of reserves or sinking funds and
779 the regulations and disposition thereof;

780 (b) Limitations on the issuance of additional bonds,
781 the terms upon which additional bonds may be issued and secured,
782 and the refunding of outstanding or other bonds;

783 (c) The procedure, if any, by which the terms of any of
784 the proceedings under which the bonds are being issued may be
785 amended or abrogated, the number or percentage of bondholders who
786 or which must consent thereto, and the manner in which the consent
787 may be given;

788 (d) The vesting in a trustee or trustees of such
789 property, rights, powers and duties in trust as the company may
790 determine, and limiting or abrogating the right of bondholders to
791 appoint a trustee or limiting the rights, powers and duties of the

792 trustee;

793 (e) Defining the act or omissions to act which shall
794 constitute a default and the obligations or duties of the
795 corporation to the holders of the bonds, and providing for the
796 rights and remedies of the holders of the bonds in the event of
797 default, which rights and remedies may include the general laws of
798 the state and other provisions of Sections 57-10-401 through
799 57-10-445; or

800 (f) Any other matter, of like or different character,
801 which in any way affects the security or protection of the holders
802 of the bonds.

803 SECTION 12. Section 57-10-423, Mississippi Code of 1972, is
804 reenacted as follows:

805 57-10-423. Any pledge made by the corporation shall be valid
806 and binding from the time when the pledge was made. The revenues
807 or properties so pledged and thereafter received by the
808 corporation shall immediately be subject to the lien of such
809 pledge without any physical delivery thereof or further act, and
810 the lien of any such pledge shall be valid and binding as against
811 all parties having claims of any kind in tort, contract or
812 otherwise against the corporation, irrespective of whether the
813 parties have notice thereof. Neither the resolution nor any other
814 instrument by which a pledge is created need be recorded.

815 SECTION 13. Section 57-10-425, Mississippi Code of 1972, is
816 reenacted as follows:

817 57-10-425. The corporation, subject to the provisions in
818 proceedings relating to outstanding bonds as may then exist, may
819 purchase bonds out of any funds available therefor, which shall
820 thereupon be canceled, at any reasonable price which, if the bonds
821 are then redeemable, shall not exceed the redemption price (and
822 premium, if any) then applicable plus accrued interest to the
823 redemption date thereof.

824 SECTION 14. Section 57-10-427, Mississippi Code of 1972, is

825 reenacted as follows:

826 57-10-427. The bonds may be secured by an indenture by and
827 between the corporation and a corporate trustee which may be any
828 bank or other corporation having the power of a trust company or
829 any trust company within or without this state. Such indenture
830 may contain such provisions for protecting and enforcing the
831 rights and remedies of the bondholders as may be reasonable and
832 proper and not in violation of law, including covenants setting
833 forth the duties of the corporation in relation to the exercise of
834 its powers and the custody, safekeeping and application of all
835 money. The corporation may provide by the indenture for the
836 payment of the proceeds of the bonds and revenues to the trustee
837 under the indenture or other depository, and for the method of
838 disbursement thereof, with such safeguards and restrictions as the
839 corporation may determine. If the bonds shall be secured by an
840 indenture, the bondholders shall have no authority to appoint a
841 separate trustee to represent them.

842 SECTION 15. Section 57-10-429, Mississippi Code of 1972, is
843 reenacted as follows:

844 57-10-429. In the event that any of the members or officers
845 of the board of directors of the corporation shall cease to be
846 members or officers of the board prior to the delivery of any
847 bonds signed by them, their signatures or facsimiles thereof shall
848 nevertheless be valid and sufficient for all purposes, the same as
849 if such members or officers had remained in office until such
850 delivery.

851 SECTION 16. Section 57-10-431, Mississippi Code of 1972, is
852 reenacted as follows:

853 57-10-431. The corporation may create and establish such
854 funds and accounts as may be necessary or desirable for its
855 purposes under Sections 57-10-401 through 57-10-445.

856 SECTION 17. Section 57-10-433, Mississippi Code of 1972, is
857 reenacted as follows:

858 57-10-433. The corporation shall have the power to contract
859 with the holders of any of its bonds issued under Sections
860 57-10-401 through 57-10-445 as to the custody, collection,
861 securing, investment and payment of any money of the corporation,
862 and of any money held in trust or otherwise for the payment of
863 bonds, and to carry out such contract. Money held in trust or
864 otherwise for the payment of bonds or in any way to secure bonds
865 and deposits of money may be secured in the same manner as money
866 of the corporation, and all banks and trust companies are
867 authorized to give security for the deposits.

868 SECTION 18. Section 57-10-435, Mississippi Code of 1972, is
869 reenacted as follows:

870 57-10-435. Amendments to Sections 57-10-401 through
871 57-10-445, enacted after July 1, 1993, shall not limit the rights
872 vested in the corporation with respect to any agreements made
873 with, or remedies available to, the holders of bonds issued under
874 this article or Section 27-7-22.3 prior to the enactment of the
875 amendments until the bonds, together with all interest thereon,
876 and all costs and expenses in connection with any proceeding by or
877 on behalf of the holders, are fully met and discharged.

878 SECTION 19. Section 57-10-437, Mississippi Code of 1972, is
879 reenacted as follows:

880 57-10-437. All expenses incurred by the corporation in
881 carrying out the provisions of Sections 57-10-401 through
882 57-10-445 shall be payable solely from funds provided under
883 Sections 57-10-401 through 57-10-445, or other funds of the
884 corporation. Nothing in Sections 57-10-401 through 57-10-445 shall
885 be construed to authorize the corporation to incur indebtedness or
886 liability on behalf of or payable by the state or any other
887 political subdivision thereof.

888 SECTION 20. Section 57-10-439, Mississippi Code of 1972, is
889 reenacted as follows:

890 57-10-439. (1) The corporation is hereby declared to be

891 performing a public function and to be a public body corporate and
892 a political subdivision of the state. Accordingly, the income,
893 including any profit made on the sale thereof from all bonds
894 issued by the corporation, shall at all times be exempt from all
895 taxation by the state or any political subdivision thereof. If,
896 after all indebtedness and other obligations of the corporation
897 are discharged, the corporation is dissolved, its remaining assets
898 shall inure to the benefit of the state.

899 (2) With the approval of the appropriate local taxing
900 authority, all mortgages or deeds of trust executed as security
901 therefor, all lease or purchase agreements made pursuant to the
902 provisions hereof, and all purchases required to establish the
903 industrial enterprise and financed by proceeds from bonds issued
904 under Sections 57-10-401 through 57-10-445, shall likewise be
905 exempt from all taxation in the State of Mississippi except the
906 contractors' tax imposed by Section 27-65-21, and except ad
907 valorem taxes levied for school district purposes. All projects
908 and the revenue derived therefrom from any lease thereof shall be
909 exempt from all taxation in the State of Mississippi, except the
910 tax levied by Section 27-65-21, except the tax levied under
911 Chapter 7, Title 27, Mississippi Code of 1972, and except ad
912 valorem taxes levied for school district purposes.

913 SECTION 21. Section 57-10-441, Mississippi Code of 1972, is
914 reenacted as follows:

915 57-10-441. The bonds issued by and under the authority of
916 Sections 57-10-401 through 57-10-445 by the corporation are
917 declared to be legal investments in which all public officers or
918 public bodies of the state, its political subdivisions, all
919 municipalities and municipal subdivisions, all insurance companies
920 and associations, and other persons carrying on insurance
921 business, all banks, bankers, banking associations, trust
922 companies, savings associations, including savings and loan
923 associations, building and loan associations, investment

924 companies, and other persons carrying on a banking business, all
925 administrators, guardians, executors, trustees and other
926 fiduciaries, and all other persons who are now or may later be
927 authorized to invest in bonds or in other obligations of the
928 state, may invest funds, including capital, in their control or
929 belonging to them. Such bonds are also hereby made securities
930 which may be deposited with and received by all public officers
931 and bodies of the state or any agency or political subdivision of
932 the state and all municipalities and public corporations for any
933 purpose for which the deposit of bonds or other obligations of the
934 state is now or may be later authorized by law.

935 SECTION 22. Section 57-10-443, Mississippi Code of 1972, is
936 reenacted as follows:

937 57-10-443. The corporation, within one hundred twenty (120)
938 days of the close of each fiscal year, shall submit an annual
939 report of its activities in regard to Sections 57-10-401 through
940 57-10-445 for the preceding year to the Governor. The Clerk of
941 the House of Representatives and the Secretary of the Senate each
942 shall receive a copy of the report by making a request for it to
943 the corporation. Each report shall set forth a complete operating
944 and financial statement in regard to Sections 57-10-401 through
945 57-10-445 for the corporation during the fiscal year it covers.

946 SECTION 23. Section 57-10-445, Mississippi Code of 1972, is
947 reenacted as follows:

948 57-10-445. Nothing contained in Sections 57-10-401 through
949 57-10-445 is to be construed as a restriction or limitation upon
950 any powers which the corporation might otherwise have under any
951 other law of the state. Insofar as the provisions of Sections
952 57-10-401 through 57-10-445 are inconsistent with the provisions
953 of any other law, the provisions of Sections 57-10-401 through
954 57-10-445 shall be controlling, and the powers conferred by
955 Sections 57-10-401 through 57-10-445 shall be regarded as
956 supplemental and additional to powers conferred by any other laws.

957 No proceedings, notice or approval shall be required for the
958 issuance of any bonds or any instrument or the security therefor,
959 except as provided in Sections 57-10-401 through 57-10-445.

960 The provisions of Sections 57-10-401 through 57-10-445 shall
961 be liberally construed to accomplish the purposes of Sections
962 57-10-401 through 57-10-445.

963 The powers granted and the duties imposed in Sections
964 57-10-401 through 57-10-445 shall be construed to be independent
965 and severable. If any one or more sections, subsections,
966 sentences or parts of any of Sections 57-10-401 through 57-10-445
967 shall be adjudged unconstitutional or invalid, such adjudication
968 shall not affect, impair or invalidate the remaining provisions
969 thereof, but shall be confined in its operation to the specific
970 provisions so held unconstitutional or invalid.

971 SECTION 24. Section 27-7-22.3, Mississippi Code of 1972, is
972 reenacted as follows:

973 **[In cases involving an economic development project for which**
974 **the Mississippi Business Finance Corporation has issued bonds for**
975 **the purpose of financing the approved costs of such project prior**
976 **to July 1, 1994, this section shall read as follows:]**

977 27-7-22.3. (1) For taxpayers who are required to pay a job
978 assessment fee as provided in Section 57-10-413, there shall be
979 allowed as a credit against the taxes imposed by this chapter, an
980 amount equal to the amount of the job assessment fee imposed upon
981 such taxpayer pursuant to Section 57-10-413. If the amount
982 allowable as a credit exceeds the tax imposed by this article and
983 Section 27-7-22.3, the amount of such excess shall not be
984 refundable or carried forward to any other taxable year.

985 (2) For any approved company as defined in Section
986 57-10-401, there shall be allowed against the taxes imposed by
987 this chapter on the income of the approved company generated by or
988 arising out of the economic development project (as defined in
989 Section 57-10-401), a credit in an amount not to exceed the total

990 debt service paid under a financing agreement entered into under
991 Section 57-10-409. The tax credit allowed in this subsection
992 shall not exceed the amount of taxes due the State of Mississippi.

993 **[In cases involving an economic development project for which**
994 **the Mississippi Business Finance Corporation has not issued bonds**
995 **for the purpose of financing the approved costs of such project**
996 **prior to July 1, 1994, but has issued bonds for such project prior**
997 **to July 1, 1997, or in cases involving an economic development**
998 **project which has been induced by a resolution of the Board of**
999 **Directors of the Mississippi Business Finance Corporation that has**
1000 **been filed with the State Tax Commission prior to July 1, 1997,**
1001 **this section shall read as follows:]**

1002 27-7-22.3. (1) For taxpayers who are required to pay a job
1003 assessment fee as provided in Section 57-10-413, there shall be
1004 allowed as a credit against the taxes imposed by this chapter, an
1005 amount equal to the amount of the job assessment fee imposed upon
1006 such taxpayer pursuant to Section 57-10-413. If the amount
1007 allowable as a credit exceeds the tax imposed by this article and
1008 Section 27-7-22.3, the amount of such excess shall not be
1009 refundable or carried forward to any other taxable year.

1010 (2) For any approved company as defined in Section
1011 57-10-401, there shall be allowed against the taxes imposed by
1012 this chapter on the income of the approved company generated by or
1013 arising out of the economic development project (as defined in
1014 Section 57-10-401), a credit in an amount not to exceed the total
1015 debt service paid under a financing agreement entered into under
1016 Section 57-10-409. The tax credit allowed in this subsection
1017 shall not exceed the amount of taxes due the State of Mississippi.
1018 The amount of income of the approved company generated by or
1019 arising out of the economic development project shall be
1020 determined by a formula adopted by the Mississippi Business
1021 Finance Corporation.

1022 **[In cases involving an economic development project for which**

1023 the Mississippi Business Finance Corporation has not issued bonds
1024 for the purpose of financing the approved costs of such project
1025 prior to July 1, 1997, or in cases involving an economic
1026 development project which has not been induced by a resolution of
1027 the Board of Directors of the Mississippi Business Finance
1028 Corporation that has been filed with the State Tax Commission
1029 prior to July 1, 1997, this section shall read as follows:]

1030 27-7-22.3. For any approved company as defined in Section
1031 57-10-401, there shall be allowed against the taxes imposed by
1032 this chapter on the income of the approved company generated by or
1033 arising out of the economic development project (as defined in
1034 Section 57-10-401), a credit in an amount not to exceed the total
1035 debt service paid under a financing agreement entered into under
1036 Section 57-10-409; provided, however, that the tax credit allowed
1037 in this subsection shall not exceed eighty percent (80%) of the
1038 amount of taxes due the State of Mississippi prior to the
1039 application of the credit. To the extent that financing agreement
1040 annual payments exceed the amount of the credit authorized
1041 pursuant to this section in any taxable year, such excess payment
1042 may be recouped from excess credits in succeeding years not to
1043 exceed three (3) years following the date upon which the credit
1044 was earned. The amount of income of the approved company
1045 generated by or arising out of the economic development project
1046 shall be determined by a formula adopted by the Mississippi
1047 Business Finance Corporation.

1048 SECTION 25. Section 57-10-449, Mississippi Code of 1972,
1049 which repeals Sections 57-1-404 through 57-10-445, Mississippi Code
1050 of 1972, on October 1, 2000, is repealed.

1051 SECTION 26. This act shall take effect and be in force from
1052 and after July 1, 2000.