

By: Dearing, Carlton

To: Environment Prot,
Cons and Water Res;
Finance

SENATE BILL NO. 3309

1 AN ACT TO CREATE THE MISSISSIPPI BROWNFIELDS VOLUNTARY
2 CLEANUP AND REDEVELOPMENT INCENTIVES ACT; TO EXPRESS THE FINDINGS
3 OF THE LEGISLATURE; TO CREATE A NEW SECTION TO BE CODIFIED AS
4 SECTION 27-7-22.16, WHICH AUTHORIZES AN INCOME TAX CREDIT FOR
5 REMEDIATION COST INCURRED AT A BROWNFIELD AGREEMENT SITE; TO
6 DEFINE CERTAIN TERMS; TO PRESCRIBE THE AMOUNT OF THE INCOME TAX
7 CREDIT; TO REQUIRE THE COMMISSION ON ENVIRONMENTAL QUALITY TO
8 APPROVED AN AMOUNT OF REMEDIATION COSTS ELIGIBLE FOR THE TAX
9 CREDIT; TO PROVIDE FOR SUBMISSION OF SUPPORTING INFORMATION TO THE
10 STATE TAX COMMISSION; TO AMEND SECTION 57-1-301, MISSISSIPPI CODE
11 OF 1972, TO MODIFY THE DEFINITION OF CAPITAL IMPROVEMENT TO
12 INCLUDE BROWNFIELD SITE REMEDIATION; TO AMEND SECTION 57-1-303,
13 MISSISSIPPI CODE OF 1972, TO CREATE THE LOCAL GOVERNMENTS
14 BROWNFIELDS REDEVELOPMENT GRANT FUND AND PROGRAM; TO AMEND SECTION
15 57-1-307, MISSISSIPPI CODE OF 1972, TO INCREASE THE AMOUNT OF
16 GENERAL OBLIGATION BONDS AUTHORIZED TO BE ISSUED UNDER THE LOCAL
17 GOVERNMENTS AND CAPITAL IMPROVEMENTS REVOLVING LOAN PROGRAM; TO
18 DEDICATE A PORTION OF THE PROCEEDS OF THE ADDITIONAL BONDS FOR
19 LOANS TO LOCAL GOVERNMENTS FOR BROWNFIELDS SITE REMEDIATION; TO
20 REQUIRE THE PLACEMENT OF A PORTION OF THE INTEREST EARNINGS ON THE
21 PROCEEDS OF THE ADDITIONAL BONDS AUTHORIZED IN THIS BILL TO BE
22 PAID INTO THE LOCAL GOVERNMENTS BROWNFIELDS REDEVELOPMENT GRANT
23 FUND; TO AMEND SECTION 57-73-21, MISSISSIPPI CODE OF 1972, TO
24 AUTHORIZE A JOB TAX CREDIT FOR COMMERCIAL AND INDUSTRIAL PROPERTY
25 OWNERS CLEANING UP A BROWNFIELD AGREEMENT SITE UNDER THE
26 MISSISSIPPI BROWNFIELDS VOLUNTARY CLEANUP AND REDEVELOPMENT ACT;
27 TO SPECIFY THE AMOUNT OF THE JOB TAX CREDIT; AND FOR RELATED
28 PURPOSES.

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

30 SECTION 1. This act shall be known and may be cited as the
31 "Mississippi Brownfields Voluntary Cleanup and Redevelopment
32 Incentives Act.:

33 SECTION 2. The Legislature finds:

34 (1) There are properties in Mississippi, often referred to
35 as "brownfields," that were contaminated or were perceived to have
36 been contaminated by past activities, but are attractive locations
37 for redevelopment.

38 (2) The safe development or redevelopment of brownfields
39 would benefit the citizens of Mississippi in many ways, including

40 improving the tax base of local governments and creating job
41 opportunities for citizens in the vicinity of brownfields.

42 (3) Owners and prospective developers and redevelopers of
43 brownfields, local governments in which brownfields are located
44 and federal and state government agencies should be encouraged to
45 provide capital and labor to improve brownfields so that the
46 property can be determine to be safe or made safe for appropriate
47 future use.

48 (4) The reduction of public health and environmental hazards
49 on existing brownfield sites is essential to creating a better
50 quality of life for the citizens of this state.

51 (5) Section 49-35-27, Mississippi Code of 1972, requires the
52 Department of Environmental Quality to conduct a survey of
53 incentive programs in other states for cleanup of contaminated
54 sites by January 1, 1999. The department has conducted its survey
55 and filed its report showing incentives provided in other states.

56 SECTION 3. The following shall be codified as Section
57 27-7-22.16, Mississippi Code of 1972:

58 27-7-22.16. (1) (a) Except as otherwise provided under
59 this subsection, the words and phrases used in this section shall
60 have the meanings ascribed to them in Section 49-35-5, Mississippi
61 Code of 1972.

62 (b) "Remediation costs" means reasonable costs paid for
63 the assessment, investigation, remediation, monitoring and related
64 activities at a brownfield agreement site which are consistent
65 with the remedy selected for the site. Remediation costs shall
66 not include (i) costs incurred before January 1, 2000; (ii) costs
67 incurred after the issuance of a No Further Action letter under
68 Section 49-35-15, Mississippi Code of 1972; (iii) costs incurred
69 before the acceptance of a brownfield agreement site into the
70 Mississippi Brownfields Voluntary Cleanup and Redevelopment
71 program; (iv) costs incurred for any legal services or litigation
72 costs; and (v) any funds provided by any federal, state or local
73 governmental agency or political subdivision.

74 (2) Subject to the limitations provided in subsection (4) of
75 this section, upon submission to the State Tax Commission of
76 information provided for in subsection (5) of this section and any

77 other documentation as the State Tax Commission may require, any
78 brownfield party who (a) has conducted remediation at a brownfield
79 agreement site in accordance with Sections 49-35-1 through
80 49-35-25 and (b) has incurred remediation costs for activities
81 under Section 49-35-1 through 49-35-25, as approved by the
82 Commission on Environmental Quality, shall be allowed a credit in
83 an amount equal to twenty-five percent (25%) of the remediation
84 costs at the brownfield agreement site as approved by the
85 commission, against the taxes imposed under this chapter for the
86 tax year in which the costs are incurred.

87 (3) (a) Before applying for the tax credit authorized in
88 this section, a brownfield party shall submit an application for
89 review of remediation costs to the Department of Environmental
90 Quality. The application shall be on forms prescribed by the
91 Commission on Environmental Quality and provided by the
92 department. The application shall include the following:

93 (i) A section identifying the brownfield party,
94 the brownfield agreement site, the date the brownfield agreement
95 was executed and the tax year for which the credit is sought;

96 (ii) An itemization and documentation of the
97 remediation costs incurred;

98 (iii) A demonstration that the costs incurred are
99 remediation costs;

100 (iv) A demonstration that the remediation costs
101 submitted for review were incurred by the brownfield party; and

102 (v) Any other information which the Commission on
103 Environmental Quality or the State Tax Commission deems
104 appropriate.

105 (b) The department shall review to determine whether
106 the costs submitted are remediation costs and whether the costs
107 incurred are reasonable.

108 (c) Within sixty (60) days after receipt of a completed
109 application by the department, the commission shall approve,

110 disapprove or approve with modification the remediation costs
111 submitted in the application. The commission shall notify the
112 brownfield party in writing of its decision. If the commission
113 approves the remediation costs submitted in the application, the
114 commission shall state the amount of remediation costs to be
115 applied toward the tax credit under this section for the given tax
116 year. If the commission approves with modification or disapproves
117 the remediation costs contained in the application, the commission
118 shall state the reasons for disapproval or approval with
119 modification and shall state the amount of remediation costs, if
120 any, to be applied toward the tax credit under this section for
121 the given tax year.

122 (d) An appeal of the commission's decision to approve
123 with modification or disapprove the remediation costs contained in
124 the application may be taken as provided under Section 49-17-41.

125 (e) The department's review of the application for
126 review of remediation costs under this section shall be considered
127 a part of the administration of the brownfield agreement.

128 (4) (a) The annual credit provided for in this section
129 shall not exceed the lesser of Forty Thousand Dollars (\$40,000.00)
130 or the amount of the income tax imposed upon the brownfield party
131 at the brownfield agreement site for the taxable year as reduced
132 by the sum of all other credits allowable to the brownfield party
133 under this chapter, except for credit for tax payments made by or
134 on behalf of the brownfield party. Any unused portion of the
135 credit may be carried forward for succeeding tax years.

136 (b) The maximum total credit under this section for a
137 brownfield agreement site is One Hundred Fifty Thousand Dollars
138 (\$150,000.00).

139 (5) To be eligible for the tax credit, the brownfield party
140 must submit a copy of the letter from the commission stating the
141 amount of remediation costs approved by the commission for the
142 given tax year.

143 SECTION 4. Section 57-1-301, Mississippi Code of 1972, is
144 amended as follows:[CRG1]

145 57-1-301. (1) There is established a local governments
146 capital improvements revolving loan program to be administered by
147 the Department of Economic and Community Development for the
148 purpose of assisting counties and municipalities in making capital
149 improvements.

150 (2) For purposes of Sections 57-1-301 and 57-1-335, "capital
151 improvements" include any combination of the following:

152 (a) Construction or repair of water and sewer
153 facilities;

154 (b) Construction or repair of drainage systems for
155 industrial development;

156 (c) Improvements in fire protection;

157 (d) Construction of new buildings for economic
158 development purposes;

159 (e) Renovation or repair of existing buildings for
160 economic development purposes;

161 (f) Construction or repair of access roads for
162 industrial development;

163 (g) Purchase of buildings for economic development
164 purposes;

165 (h) Construction or repair of railroad spurs for
166 industrial development;

167 (i) Construction of any county or municipally owned
168 health care facilities, excluding any county health departments;

169 (j) Construction, purchase, renovation or repair of any
170 building to be utilized as an auditorium or convention center;

171 (k) Construction of multipurpose facilities for tourism
172 development; * * *

173 (l) Loans to a county to aid in retiring
174 interest-bearing loans utilized for the purchase of a motion
175 picture sound stage; or

176 (m) Remediation of brownfield agreement sites in
177 accordance with Sections 49-35-1 through 49-35-25.

178 SECTION 5. Section 57-1-303, Mississippi Code of 1972, is
179 amended as follows:[CRG2]

180 57-1-303. (1) (a) There is created a special fund in the
181 State Treasury to be designated as the "Local Governments Capital
182 Improvements Revolving Loan Fund," which fund shall consist of
183 such monies as provided in Sections 57-1-307 through 57-1-335.
184 The fund shall be maintained in perpetuity for the purposes
185 established in Sections 57-1-301 through 57-1-335. Unexpended
186 amounts remaining in the fund at the end of a fiscal year shall
187 not lapse into the State General Fund, and any interest earned on
188 amounts in the fund shall be deposited to the credit of the fund.
189 Monies in the fund may not be used or expended for any purpose
190 except as authorized under Sections 57-1-301 through 57-1-335.

191 (b) The Local Governments Capital Improvements
192 Revolving Loan Fund shall be divided into the Taxable Local
193 Governments Capital Improvements Revolving Loan Subaccount and the
194 Nontaxable Local Governments Capital Improvements Revolving Loan
195 Subaccount. Funds allocated to the Nontaxable Local Governments
196 Capital Improvements Revolving Loan Subaccount shall be utilized
197 to provide loans for capital improvements that would qualify for
198 the issuance of bonds whose interest is exempt from income
199 taxation under the provisions of the Internal Revenue Code. Funds
200 allocated to the Taxable Local Governments Capital Improvements
201 Revolving Loan Subaccount shall be utilized to provide loans for
202 any eligible capital improvements, including, but not limited to,
203 capital improvements that would qualify for the issuance of bonds
204 whose interest is exempt from income taxation under the provisions
205 of the Internal Revenue Code.

206 (c) Of the funds deposited into the Local Governments
207 Capital Improvements Revolving Loan Fund, not less than
208 Twenty-five Million Dollars (\$25,000,000.00) shall be allocated to

209 the Nontaxable Local Governments Capital Improvements Revolving
210 Loan Subaccount, and the remainder of such funds shall be
211 allocated to the Taxable Local Governments Capital Improvements
212 Revolving Loan Subaccount.

213 (2) A county or an incorporated municipality may apply to
214 the Department of Economic and Community Development for a loan
215 under the local governments capital improvements revolving loan
216 program established under Sections 57-1-301 through 57-1-335.

217 (3) (a) The Department of Economic and Community
218 Development shall establish a loan program by which loans, at the
219 rate of interest provided for in paragraph (b) of this subsection,
220 may be made available to counties and incorporated municipalities
221 to assist counties and incorporated municipalities in making
222 capital improvements. Loans from the revolving fund may be made
223 to counties and municipalities as set forth in a loan agreement in
224 amounts not to exceed one hundred percent (100%) of eligible
225 project costs as established by the Department of Economic and
226 Community Development. The Department of Economic and Community
227 Development may require county or municipal participation or
228 funding from other sources, or otherwise limit the percentage of
229 costs covered by loans from the revolving fund. The Department of
230 Economic and Community Development may establish a maximum amount
231 for any loan in order to provide for broad and equitable
232 participation in the program.

233 (b) The rate of interest on loans made from the Local
234 Governments Capital Improvements Revolving Loan Fund for capital
235 improvements that would qualify for the issuance of bonds whose
236 interest is exempt from income taxation under the provisions of
237 the Internal Revenue Code shall be at the rate of three percent
238 (3%) per annum, calculated according to the actuarial method. The
239 rate of interest on loans for all other capital improvements shall
240 be at the true interest cost on the most recent issue of
241 twenty-year state general obligation bonds occurring prior to the

242 date such loan is made. Notwithstanding the provisions of this
243 paragraph to the contrary, loans made for the purposes of the
244 capital project described in Section 57-1-301(2)(1) shall bear no
245 interest.

246 (4) A county that receives a loan from the revolving fund
247 shall pledge for repayment of the loan any part of the homestead
248 exemption annual tax loss reimbursement to which it may be
249 entitled under Section 27-33-77. An incorporated municipality
250 that receives a loan from the revolving fund shall pledge for
251 repayment of the loan any part of the sales tax revenue
252 distribution to which it may be entitled under Section 27-65-75.
253 Each loan agreement shall provide for (i) monthly payments, (ii)
254 semiannual payments, or (iii) other periodic payments, the annual
255 total of which shall not exceed the annual total for any other
256 year of the loan by more than fifteen percent (15%). The loan
257 agreement shall provide for the repayment of all funds received
258 within not more than twenty (20) years from the date of project
259 completion.

260 (5) The State Auditor, upon request of the Department of
261 Economic and Community Development, shall audit the receipts and
262 expenditures of a county or an incorporated municipality whose
263 loan payments appear to be in arrears, and if he finds that the
264 county or municipality is in arrears in such payments, he shall
265 immediately notify the Executive Director of the Department of
266 Finance and Administration who shall withhold all future payments
267 to the county of homestead exemption reimbursements under Section
268 27-33-77 and all sums allocated to the county or the municipality
269 under Section 27-65-75 until such time as the county or the
270 municipality is again current in its loan payments as certified by
271 the Department of Economic and Community Development.

272 (6) Evidences of indebtedness which are issued pursuant to
273 this chapter shall not be deemed indebtedness within the meaning
274 specified in Section 21-33-303 with regard to cities or

275 incorporated towns, and in Section 19-9-5 with regard to counties.

276 (7) There is created a special fund in the State Treasury to
277 be designated as the "Local Governments Brownfields Redevelopment
278 Grant Fund." The fund shall consist of those monies as provided
279 in Section 57-1-307. The fund shall be maintained in perpetuity
280 for the purposes established in this section. Unexpended amounts
281 remaining in the fund at the end of the fiscal year shall not
282 lapse into the State General Fund, and any interest earned on
283 amounts in the fund shall be deposited to the credit of the fund.
284 Monies in the fund may not be used or expended for any purpose
285 except as authorized in this section.

286 (8) (a) The Department of Economic and Community
287 Development shall establish a local governments brownfields
288 redevelopment grant program to provide funds to counties and
289 incorporated municipalities for coordination of activities related
290 to brownfields redevelopment. Activities eligible for funding
291 under this program include identification of brownfield sites,
292 site assessment and investigation, and development of remedial
293 action plans. The implementation of remedial action plans or site
294 remediation and post-remediation monitoring shall not be
295 considered eligible activities. The department shall provide
296 grants to counties or incorporated municipalities, if the county
297 or incorporated municipality demonstrates and the department
298 determines that following remediation the site will be directly
299 associated with the creation or retention of jobs.

300 (b) Grants shall be awarded on a competitive basis,
301 subject to the availability of funding. Grants shall be limited
302 to a maximum of One Hundred Thousand Dollars (\$100,000.00).

303 (c) Grant amounts shall not exceed seventy-five percent
304 (75%) of the total project amount. The remaining twenty-five
305 percent (25%) shall be provided by the county or incorporated
306 municipality as local matching funds.

307 SECTION 6. Section 57-1-307, Mississippi Code of 1972, is

308 amended as follows:[CRG3]

309 57-1-307. (1) The State Bond Commission, at one time, or
310 from time to time, may declare by resolution the necessity for
311 issuance of general obligation bonds of the State of Mississippi
312 to provide funds for all costs incurred or to be incurred for the
313 purposes described in Section 57-1-303. Upon the adoption of a
314 resolution by the Department of Economic and Community
315 Development, declaring the necessity for the issuance of any part
316 or all of the general obligation bonds authorized by this section,
317 the Department of Economic and Community Development shall deliver
318 a certified copy of its resolution or resolutions to the State
319 Bond Commission. Upon receipt of such resolution, the State Bond
320 Commission, in its discretion, may act as the issuing agent,
321 prescribe the form of the bonds, advertise for and accept bids,
322 issue and sell the bonds so authorized to be sold and do any and
323 all other things necessary and advisable in connection with the
324 issuance and sale of such bonds. The total amount of bonds issued
325 under Sections 57-1-307 through 57-1-335 shall not exceed One
326 Hundred Five Million Dollars (\$105,000,000.00); provided, however,
327 that an additional amount of bonds may be issued under Sections
328 57-1-307 and 57-1-335 in an amount not to exceed Five Million
329 Dollars (\$5,000,000.00), and the proceeds of any such additional
330 amount of bonds so issued shall be utilized solely to provide
331 loans for capital improvements that would qualify for the issuance
332 of bonds whose interest is exempt from income taxation under the
333 provisions of the Internal Revenue Code. Of the additional bonds
334 authorized under Senate Bill No. 3309, 2000 Regular Session, Two
335 Million Five Hundred Thousand Dollars (\$2,500,000.00) shall be
336 used only to provide loans to counties and incorporated
337 municipalities for remediation of a brownfield agreement site
338 under Sections 49-35-1 through 49-35-25.

339 (2) Proceeds from the sale of bonds shall be deposited in
340 the special fund created in Section 57-1-303. Except as otherwise

341 provided in this section, any investment earnings on amounts
342 deposited into the special fund created in Section 57-1-303 shall
343 be used to pay debt service on bonds issued under Sections
344 57-1-307 through 57-1-335, in accordance with the proceedings
345 authorizing issuance of such bonds. The investment earnings on
346 the additional bonds authorized to be issued under Senate Bill No.
347 3309, 2000 Regular Session, fifty percent (50%) shall be deposited
348 into the Local Governments Brownfield Site Remediation Grant Fund
349 created under Section 57-1-303. The remaining fifty percent (50%)
350 of the interest earnings shall be used as otherwise provided in
351 this subsection.

352 SECTION 7. Section 57-73-21, Mississippi Code of 1972, is
353 amended as follows:[CRG4]

354 57-73-21. (1) Annually by December 31, using the most
355 current data available from the University Research Center,
356 Mississippi State Employment Security Commission and the United
357 States Department of Commerce, the State Tax Commission shall rank
358 and designate the state's counties as provided in this section.
359 The twenty-eight (28) counties in this state having a combination
360 of the highest unemployment rate and lowest per capita income for
361 the most recent thirty-six (36) month period, with equal weight
362 being given to each category, are designated less developed areas.

363 The twenty-seven (27) counties in the state with a combination of
364 the next highest unemployment rate and next lowest per capita
365 income for the most recent thirty-six (36) month period, with
366 equal weight being given to each category, are designated
367 moderately developed areas. The twenty-seven (27) counties in the
368 state with a combination of the lowest unemployment rate and the
369 highest per capita income for the most recent thirty-six (36)
370 month period, with equal weight being given to each category, are
371 designated developed areas. Counties designated by the Tax
372 Commission qualify for the appropriate tax credit for jobs as
373 provided in subsections (2), (3) and (4) of this section. The

374 designation by the Tax Commission is effective for the tax years
375 of permanent business enterprises which begin after the date of
376 designation. For companies which plan an expansion in their labor
377 forces, the Tax Commission shall prescribe certification
378 procedures to ensure that the companies can claim credits in
379 future years without regard to whether or not a particular county
380 is removed from the list of less developed or moderately developed
381 areas.

382 (2) Permanent business enterprises primarily engaged in
383 manufacturing, processing, warehousing, distribution, wholesaling
384 and research and development, or permanent business enterprises
385 designated by rule and regulation of the Department of Economic
386 and Community Development as air transportation and maintenance
387 facilities, final destination or resort hotels having a minimum of
388 one hundred fifty (150) guest rooms, recreational facilities that
389 impact tourism, movie industry studios, or telecommunications
390 enterprises, in counties designated by the Tax Commission as less
391 developed areas are allowed a job tax credit for taxes imposed by
392 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually
393 for each net new full-time employee job for five (5) years
394 beginning with years two (2) through six (6) after the creation of
395 the job. The number of new full-time jobs must be determined by
396 comparing the monthly average number of full-time employees
397 subject to the Mississippi income tax withholding for the taxable
398 year with the corresponding period of the prior taxable year.

399 Only those permanent businesses that increase employment by ten
400 (10) or more in a less developed area are eligible for the credit.

401 Credit is not allowed during any of the five (5) years if the net
402 employment increase falls below ten (10). The Tax Commission
403 shall adjust the credit allowed each year for the net new
404 employment fluctuations above the minimum level of ten (10).

405 (3) Permanent business enterprises primarily engaged in
406 manufacturing, processing, warehousing, distribution, wholesaling

407 and research and development, or permanent business enterprises
408 designated by rule and regulation of the Department of Economic
409 and Community Development as air transportation and maintenance
410 facilities, final destination or resort hotels having a minimum of
411 one hundred fifty (150) guest rooms, recreational facilities that
412 impact tourism, movie industry studios, or telecommunications
413 enterprises, in counties that have been designated by the Tax
414 Commission as moderately developed areas are allowed a job tax
415 credit for taxes imposed by Section 27-7-5 equal to One Thousand
416 Dollars (\$1,000.00) annually for each net new full-time employee
417 job for five (5) years beginning with years two (2) through six
418 (6) after the creation of the job. The number of new full-time
419 jobs must be determined by comparing the monthly average number of
420 full-time employees subject to Mississippi income tax withholding
421 for the taxable year with the corresponding period of the prior
422 taxable year. Only those permanent businesses that increase
423 employment by fifteen (15) or more in areas that have not been
424 designated less developed areas are eligible for the credit. The
425 credit is not allowed during any of the five (5) years if the net
426 employment increase falls below fifteen (15). The Tax Commission
427 shall adjust the credit allowed each year for the net new
428 employment fluctuations above the minimum level of fifteen (15).

429 (4) Permanent business enterprises primarily engaged in
430 manufacturing, processing, warehousing, distribution, wholesaling
431 and research and development, or permanent business enterprises
432 designated by rule and regulation of the Department of Economic
433 and Community Development as air transportation and maintenance
434 facilities, final destination or resort hotels having a minimum of
435 one hundred fifty (150) guest rooms, recreational facilities that
436 impact tourism, movie industry studios, or telecommunications
437 enterprises, in counties designated by the Tax Commission as
438 developed areas are allowed a job tax credit for taxes imposed by
439 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually

440 for each net new full-time employee job for five (5) years
441 beginning with years two (2) through six (6) after the creation of
442 the job. The number of new full-time jobs must be determined by
443 comparing the monthly average number of full-time employees
444 subject to Mississippi income tax withholding for the taxable year
445 with the corresponding period of the prior taxable year. Only
446 those permanent businesses that increase employment by twenty (20)
447 or more in developed areas are eligible for the credit. The
448 credit is not allowed during any of the five (5) years if the net
449 employment increase falls below twenty (20). The Tax Commission
450 shall adjust the credit allowed each year for the net new
451 employment fluctuations above the minimum level of twenty (20).

452 (5) In addition to the credits authorized in subsections
453 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)
454 credit for each net new full-time employee shall be allowed for
455 any company establishing or transferring its national or regional
456 headquarters from within or outside the State of Mississippi. A
457 minimum of thirty-five (35) jobs must be created to qualify for
458 the additional credit. The State Tax Commission shall establish
459 criteria and prescribe procedures to determine if a company
460 qualifies as a national or regional headquarters for purposes of
461 receiving the credit awarded in this subsection.

462 (6) In addition to the credits authorized in subsections
463 (2), (3), (4) and (5), any job requiring research and development
464 skills (chemist, engineer, etc.) shall qualify for an additional
465 Five Hundred Dollars (\$500.00) credit for each net new full-time
466 employee.

467 (7) In lieu of the tax credits provided in subsections (2)
468 through (6), any commercial or industrial property owner which
469 remediates contaminated property in accordance with Sections
470 49-35-1 through 49-35-25, is allowed a job tax credit for taxes
471 imposed by Section 27-7-5 equal to the amounts provided in
472 subsections (2), (3) or (4) for each net new full-time employee

473 job for five (5) years beginning with years two (2) through six
474 (6) after the creation of the job. The number of new full-time
475 jobs must be determined by comparing the monthly average number of
476 full-time employees subject to Mississippi income tax withholding
477 for the taxable year with the corresponding period of the prior
478 taxable year. This subsection shall be administered in the same
479 manner as subsections (2), (3) and (4), except the landowner shall
480 not be required to increase employment by the levels provided in
481 subsections (2), (3) and (4) to be eligible for the tax credit.

482 (8) Tax credits for five (5) years for the taxes imposed by
483 Section 27-7-5 shall be awarded for additional net new full-time
484 jobs created by business enterprises qualified under subsections
485 (2), (3), (4), (5), (6), and (7) of this section. Except as
486 otherwise provided, the Tax Commission shall adjust the credit
487 allowed in the event of employment fluctuations during the
488 additional five (5) years of credit.

489 (9) The sale, merger, acquisition, reorganization,
490 bankruptcy or relocation from one county to another county within
491 the state of any business enterprise may not create new
492 eligibility in any succeeding business entity, but any unused job
493 tax credit may be transferred and continued by any transferee of
494 the business enterprise. The Tax Commission shall determine
495 whether or not qualifying net increases or decreases have occurred
496 or proper transfers of credit have been made and may require
497 reports, promulgate regulations, and hold hearings as needed for
498 substantiation and qualification.

499 (10) Any tax credit claimed under this section but not used
500 in any taxable year may be carried forward for five (5) years from
501 the close of the tax year in which the qualified jobs were
502 established but the credit established by this section taken in
503 any one (1) tax year must be limited to an amount not greater than
504 fifty percent (50%) of the taxpayer's state income tax liability
505 which is attributable to income derived from operations in the

506 state for that year.

507 (11) No business enterprise for the transportation,
508 handling, storage, processing or disposal of hazardous waste is
509 eligible to receive the tax credits provided in this section.

510 (12) The credits allowed under this section shall not be
511 used by any business enterprise or corporation other than the
512 business enterprise actually qualifying for the credits.

513 (13) The tax credits provided for in this section shall be
514 in addition to any tax credits described in Sections 57-51-13(b),
515 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official
516 action by the Department of Economic Development prior to July 1,
517 1989, to any business enterprise determined prior to July 1, 1989,
518 by the Department of Economic Development to be a qualified
519 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or
520 a qualified company as described in Section 57-53-1, as the case
521 may be; however, from and after July 1, 1989, tax credits shall be
522 allowed only under either this section or Sections 57-51-13(b),
523 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time
524 employee.

525 (14) As used in this section, the term "telecommunications
526 enterprises" means entities engaged in the creation, display,
527 management, storage, processing, transmission or distribution for
528 compensation of images, text, voice, video or data by wire or by
529 wireless means, or entities engaged in the construction, design,
530 development, manufacture, maintenance or distribution for
531 compensation of devices, products, software or structures used in
532 the above activities. Companies organized to do business as
533 commercial broadcast radio stations, television stations or news
534 organizations primarily serving in-state markets shall not be
535 included within the definition of the term "telecommunications
536 enterprises."

537 SECTION 8. Nothing in this act shall affect or defeat any
538 claim, assessment, appeal, suit, right or cause of action for

539 taxes due or accrued under the income tax laws before the date on
540 which this act becomes effective or are begun thereafter. The
541 provisions of the income tax laws are expressly continued in full
542 force, effect and operation for the purpose of the assessment,
543 collection and enrollment of liens for any taxes due or accrued
544 and the execution of any warrant under such laws before the date
545 on which this act becomes effective, and for the imposition of any
546 penalties, forfeitures or claims for failure to comply with such
547 laws.

548 SECTION 9. This act shall take effect and be in force from
549 and after January 1, 2001.