To: Ways and Means

MISSISSIPPI LEGISLATURE REGULAR SESSION 2001
By: Representative Cameron

HOUSE BILL NO. 274

AN ACT TO AMEND SECTION 27-7-49, MISSISSIPPI CODE OF 1972, TO REVISE THE CIRCUMSTANCES UNDER WHICH THE STATE TAX COMMISSION MAY EXAMINE INCOME TAX RETURNS FOR A PERIOD OF MORE THAN THREE YEARS FROM THE RETURN DUE DATE OR THE DATE A RETURN WAS FILED; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-7-49, Mississippi Code of 1972, is amended as follows:

27-7-49. (1) Returns shall be examined by the commissioner or his duly authorized agents within three (3) years from the due date or the date the return was filed, whichever is later, and no determination of a tax overpayment or deficiency shall be made by the commissioner, and no suit shall be filed with respect to income within the period covered by such return, after the expiration of said three-year period, except as hereinafter provided.

(2) When an examination of a return made under this article has been commenced, and the taxpayer notified thereof, either by certified mail or personal delivery by an agent of the commissioner, within the three-year examination period provided in subsection (1) of this section, the determination of the correct tax liability may be made by the commissioner after the expiration of said three-year examination period, provided that said determination shall be made with reasonable promptness and diligence.

(3) Where the reported taxable income of a taxpayer has been increased or decreased by the Internal Revenue Service, the three-year examination period provided in subsection (1) of this...
section shall not be applicable, insofar as the Mississippi income
tax liability is affected by the specific changes made by said
Internal Revenue Service. However, no additional assessment or no
refund shall be made under the provisions of this article after
three (3) years from the date the Internal Revenue Service
disposes of the tax liability in question.

[4] A taxpayer may apply to the commissioner for revision of
any return filed under this article at any time within three (3)
years from the due date, or if an extension of time to file was
granted, three (3) years from the date the return was filed. If
the return is not filed by the time authorized by the extension,
then the three (3) years begin to run from the final day of the
extension period.

SECTION 2. Nothing in this act shall affect or defeat any
claim, assessment, appeal, suit, right or cause of action for
taxes due or accrued under the income tax laws before the date on
which this act becomes effective, whether such claims,
assessments, appeals, suits or actions have been begun before the
date on which this act becomes effective or are begun thereafter;
and the provisions of the income tax laws are expressly continued
in full force, effect and operation for the purpose of the
assessment, collection and enrollment of liens for any taxes due
or accrued and the execution of any warrant under such laws before
the date on which this act becomes effective, and for the
imposition of any penalties, forfeitures or claims for failure to
comply with such laws.

SECTION 3. This act shall take effect and be in force from
and after July 1, 2001.