

By: Representative Cameron

To: Ways and Means

HOUSE BILL NO. 274

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

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

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

9 27-7-49. (1) Returns shall be examined by the commissioner  
10 or his duly authorized agents within three (3) years from the due  
11 date or the date the return was filed, whichever is later, and no  
12 determination of a tax overpayment or deficiency shall be made by  
13 the commissioner, and no suit shall be filed with respect to  
14 income within the period covered by such return, after the  
15 expiration of said three-year period, except as hereinafter  
16 provided.

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

26 (3) Where the reported taxable income of a taxpayer has been  
27 increased or decreased by the Internal Revenue Service, the  
28 three-year examination period provided in subsection (1) of this



29 section shall not be applicable, insofar as the Mississippi income  
30 tax liability is affected by the specific changes made by said  
31 Internal Revenue Service. However, no additional assessment or no  
32 refund shall be made under the provisions of this article after  
33 three (3) years from the date the Internal Revenue Service  
34 disposes of the tax liability in question.

35 \* \* \*

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

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

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

