HOUSE BILL NO. 1656

AN ACT TO AMEND SECTION 27-21-9, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR A CREDIT AGAINST THE FINANCE COMPANY PRIVILEGE TAX IN CASES WHERE THE TAX IS ASSESSED FOR A TAX YEAR BEFORE THE CALENDAR YEAR IN WHICH THE PRIVILEGE TAX WILL BE PAID; TO PROVIDE THAT THE CREDIT WILL BE THE AMOUNT OF INCOME TAX PAID BY THE TAXPAYER FOR THE SAME TAX YEAR FOR WHICH THE PRIVILEGE TAX WAS ASSESSED, NOT TO EXCEED THE TOTAL AMOUNT OF THE PRIVILEGE TAX OTHERWISE DUE FOR THAT TAX YEAR; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-21-9, Mississippi Code of 1972, is amended as follows:

27-21-9. (1) The privilege tax * * * levied under this chapter is in lieu of all other privilege taxes upon such business, and shall be paid to the commissioner, as provided by law, previous to enjoyment of the privilege for the period covered by the payment. Except as otherwise provided in subsection (2) of this section, the amounts paid by the taxpayer in any given calendar year shall be credited upon such income tax as may be due by the taxpayer for such calendar year, or for the next fiscal year ending after the close of such calendar year on the income derived exclusively from the business which measures the annual statewide privilege tax levied by Section 27-21-3. The credit so allowed shall, in no event, be in a greater amount than the total amount of income tax due by the taxpayer for such calendar or fiscal year; it being the purpose and effect of this section that whichever of the above taxes is greater in amount shall be paid by the taxpayer.

(2) If the privilege tax levied under this chapter is assessed for a tax year before the calendar year in which the
privilege tax will be paid, the taxpayer may credit against the
amount of the privilege tax otherwise due, the amount of income
tax paid by the taxpayer under Section 27-7-1 et seq. for the same
tax year for which the privilege tax was assessed. However, the
credit allowed under this subsection shall not exceed the total
amount of the privilege tax otherwise due for the tax year for
which the privilege tax was assessed.

SECTION 2. This act shall take effect and be in force from
and after July 1, 2001.