

By: Representative Guice

To: Ways and Means

HOUSE BILL NO. 1656

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

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

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

12 27-21-9. (1) The privilege tax \* \* \* levied under this  
13 chapter is in lieu of all other privilege taxes upon such  
14 business, and shall be paid to the commissioner, as provided by  
15 law, previous to enjoyment of the privilege for the period covered  
16 by the payment. Except as otherwise provided in subsection (2) of  
17 this section, the amounts paid by the taxpayer in any given  
18 calendar year shall be credited upon such income tax as may be due  
19 by the taxpayer for such calendar year, or for the next fiscal  
20 year ending after the close of such calendar year on the income  
21 derived exclusively from the business which measures the annual  
22 statewide privilege tax levied by Section 27-21-3. The credit so  
23 allowed shall, in no event, be in a greater amount than the total  
24 amount of income tax due by the taxpayer for such calendar or  
25 fiscal year; it being the purpose and effect of this section that  
26 whichever of the above taxes is greater in amount shall be paid by  
27 the taxpayer.

28 (2) If the privilege tax levied under this chapter is  
29 assessed for a tax year before the calendar year in which the

30 privilege tax will be paid, the taxpayer may credit against the  
31 amount of the privilege tax otherwise due, the amount of income  
32 tax paid by the taxpayer under Section 27-7-1 et seq. for the same  
33 tax year for which the privilege tax was assessed. However, the  
34 credit allowed under this subsection shall not exceed the total  
35 amount of the privilege tax otherwise due for the tax year for  
36 which the privilege tax was assessed.

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