

By: Senator(s) Michel

To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2830

1 AN ACT TO AMEND SECTION 27-35-35, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT ANY UNUSED PORTION OF THE CREDIT AGAINST FRANCHISE  
3 TAXES FOR THE TAX ASSESSED AND PAID BY A BANK ON THE ASSESSED  
4 VALUE OF ITS INTANGIBLES MAY BE CARRIED FORWARD FOR THE SUCCEEDING  
5 TEN YEARS; AND FOR RELATED PURPOSES.

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

7 SECTION 1. Section 27-35-35, Mississippi Code of 1972, is  
8 amended as follows:

9 27-35-35. (1) The president, cashier or other officer of  
10 each bank or banking association in this state, whether organized  
11 under the laws of this state or the United States, shall make out  
12 and deliver to the county tax assessor, under oath, on or before  
13 April 1 of each year, a statement, on the form prescribed and  
14 furnished by the state tax commission, of its assets and  
15 liabilities, and of the number and par value of all the shares of  
16 its capital stock paid in (preferred or common) and the amount of  
17 debentures, if any, and of all surplus, undivided profits,  
18 reserves or accumulations of any sort; and then the amount of all  
19 due and unpaid taxes, declared and unpaid dividends, interest,  
20 actual depreciation of personal property not entered on the books,  
21 or other similar items, constituting a debt against the reserves  
22 of the bank, which when deducted from the sum of the capital and  
23 reserves, as above enumerated, shall show correctly the actual net  
24 worth of the bank. From the net worth of the bank thus  
25 determined, there shall be deducted the amount of capital invested  
26 in real estate owned by the bank, as shown by its books, the par  
27 value of preferred stock and debentures owned by the  
28 reconstruction finance corporation or other similar government

29 agencies, and "earned surplus" to the extent authorized by section  
30 81-3-11, Mississippi Code of 1972, and the remainder shall be the  
31 basis of the assessment of the intangibles of the bank or of the  
32 capital to the owner thereof in case the bank be not a corporation  
33 or joint stock company. The taxes levied on any bank or banking  
34 association shall be a first lien on its assets. A bank not a  
35 corporation or stock company shall make a similar return of its  
36 capital and be assessed and pay taxes to the same extent as a bank  
37 or banking association.

38       (2) The tax provided for in Sections 27-35-35 through  
39 27-35-39 shall be in addition to the tax on real property of banks  
40 as provided in Section 27-35-11 and the ad valorem tax on the  
41 personal property of banks as provided in section 27-35-12.

42       (3) All ad valorem taxes on personal property paid by a bank  
43 to any county, district or municipality pursuant to Section  
44 27-35-12, shall be credited against and reduce the tax provided  
45 for in Sections 27-35-35 through 27-35-39.

46       (4) Any tax assessed and paid by a bank to any county,  
47 district or municipality on the assessed value of its intangibles  
48 pursuant to Sections 27-35-35 through 27-35-39 shall be a credit  
49 against the corporation franchise tax of that bank due pursuant to  
50 Chapter 13, Title 27, Mississippi Code of 1972, in lieu of a  
51 deduction thereof from the income of such bank for purposes of  
52 Chapter 7, Title 27, Mississippi Code of 1972. Any unused portion  
53 of the credit may be carried forward for the succeeding ten (10)  
54 years.

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