

By: Representative Ford

To: Ways and Means

HOUSE BILL NO. 589  
(As Sent to Governor)

1 AN ACT TO REENACT SECTIONS 27-7-22.7 AND 27-7-22.9,  
2 MISSISSIPPI CODE OF 1972, WHICH PROVIDE AN INCOME TAX CREDIT FOR  
3 INCOME TAXPAYERS THAT UTILIZE PORT FACILITIES AT STATE, COUNTY AND  
4 MUNICIPAL PORTS FOR THE EXPORT OF CARGO AND REQUIRE THE  
5 MISSISSIPPI DEVELOPMENT AUTHORITY TO REPORT ANNUALLY TO THE  
6 LEGISLATURE REGARDING THE IMPACT OF SUCH TAX CREDIT; TO AMEND  
7 REENACTED SECTION 27-7-22.7, MISSISSIPPI CODE OF 1972, TO REVISE  
8 THE PERIOD OF TIME WITHIN WHICH THE INCOME TAX CREDIT MAY BE  
9 CLAIMED; TO AMEND REENACTED SECTION 27-7-22.9, MISSISSIPPI CODE OF  
10 1972, TO REFLECT THE CHANGE OF THE NAME OF THE DEPARTMENT OF  
11 ECONOMIC AND COMMUNITY DEVELOPMENT TO THE MISSISSIPPI DEVELOPMENT  
12 AUTHORITY; TO AMEND SECTION 4, CHAPTER 492, LAWS OF 1994, AS  
13 AMENDED BY SECTION 3, CHAPTER 548, LAWS OF 1998, TO EXTEND THE  
14 DATE OF REPEAL ON SECTIONS 27-7-22.7 AND 27-7-22.9, MISSISSIPPI  
15 CODE OF 1972, WHICH PROVIDE AN INCOME TAX CREDIT FOR INCOME  
16 TAXPAYERS THAT UTILIZE PORT FACILITIES AT STATE, COUNTY AND  
17 MUNICIPAL PORTS FOR THE EXPORT OF CARGO AND REQUIRE THE  
18 MISSISSIPPI DEVELOPMENT AUTHORITY TO REPORT ANNUALLY TO THE  
19 LEGISLATURE REGARDING THE IMPACT OF SUCH TAX CREDIT; AND FOR  
20 RELATED PURPOSES.

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

22 **SECTION 1.** Section 27-7-22.7, Mississippi Code of 1972, is  
23 reenacted and amended as follows:

24 27-7-22.7. (1) As used in this section, the term "port"  
25 means a state, county or municipal port or harbor established  
26 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
27 through 59-7-519, 59-9-1 through 59-9-85 or Sections 59-11-1  
28 through 59-11-11.

29 (2) For any income taxpayer utilizing the port facilities at  
30 any port for the export of cargo that is loaded on a carrier  
31 calling at any such port, a credit against the taxes imposed  
32 pursuant to this chapter shall be allowed in the amounts provided  
33 in this section.

34 (3) Except as otherwise provided by subsection (5) of this  
35 section, the amount of the credit allowed pursuant to this section



36 shall be the total of the following charges on export cargo paid  
37 by the corporation:

- 38 (a) Receiving into the port;
- 39 (b) Handling to a vessel; and
- 40 (c) Wharfage.

41 (4) The credit provided for in this section shall not exceed  
42 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
43 for the taxable year reduced by the sum of all other credits  
44 allowable to such taxpayer under this chapter, except credit for  
45 tax payments made by or on behalf of the taxpayer. Any unused  
46 portion of the credit may be carried forward for the succeeding  
47 five (5) years. The maximum cumulative credit that may be claimed  
48 by a taxpayer pursuant to this section and for the period of time  
49 beginning on January 1, 1994, and ending on December 31, 2005, is  
50 limited to One Million Two Hundred Thousand Dollars  
51 (\$1,200,000.00).

52 (5) To obtain the credit provided for in this section, a  
53 taxpayer must provide to the State Tax Commission a statement from  
54 the governing authority of the port certifying the amount of  
55 charges paid by the taxpayer for which a credit is claimed and any  
56 other information required by the State Tax Commission.

57 (6) The purpose of the tax credit provided for in this  
58 section is to promote the increased use of ports and related  
59 facilities in this state, particularly by those taxpayers which  
60 would not otherwise use such ports and related facilities without  
61 the benefit of such tax credit, and increase the number of port  
62 related jobs and other economic development benefits associated  
63 with the increased use of such ports and related facilities. It  
64 is the intent of the Legislature that in determining whether or  
65 not such tax credit will be continued in future years, the  
66 attainment of the purposes set forth in this subsection must be  
67 demonstrated by the material contained in the reports prepared by  
68 the Mississippi Development Authority under Section 27-7-22.9.



69           **SECTION 2.** Section 27-7-22.9, Mississippi Code of 1972, is  
70 reenacted and amended as follows:

71           27-7-22.9. The Mississippi Development Authority shall  
72 report annually to the Legislature regarding the impact of the  
73 credit granted in Section 27-7-22.7 on shipping and economic  
74 growth. Each report shall show the overall annual increase on  
75 shipping at each port for the most recent year for which data is  
76 available and for each of the previous five (5) years. Each  
77 report shall estimate the number of jobs created or retained at  
78 each port and in businesses related to port activity at each port  
79 since January 1, 1994, as compared to the number of similar jobs  
80 created during the ten (10) years preceding January 1, 1994. Each  
81 report shall state the net economic impact on the state as a  
82 result of the tax credit provided for in Section 27-7-22.7. The  
83 Mississippi Development Authority shall file a copy of the report  
84 with the Governor, the Secretary of the Senate, the Clerk of the  
85 House of Representatives and the Chairmen of the House Ways and  
86 Means Committee and the Senate Finance Committee of the  
87 Legislature on May 1, of each year. The State Tax Commission and  
88 all state, county and municipal ports shall cooperate with the  
89 Mississippi Development Authority in providing the information  
90 required in the annual reports.

91           **SECTION 3.** Section 4, Chapter 492, Laws of 1994, as amended  
92 by Section 3, Chapter 548, Laws of 1998, is amended as follows:

93           Section 4. This act shall take effect and be in force from  
94 and after January 1, 1994, and shall stand repealed from and after  
95 December 31, 2005.

96           **SECTION 4.** This act shall take effect and be in force from  
97 and after July 1, 2002.

