

By: Representatives Morris, Smith (39th),
McCoy

To: Ways and Means

HOUSE BILL NO. 1074
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-7-22.19, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT THE JOBS TAX CREDIT AUTHORIZED FOR INTEGRATED
3 SUPPLIERS OF CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI
4 MAJOR ECONOMIC IMPACT ACT MAY NOT EXCEED FIFTY PERCENT OF THE
5 TAXPAYER'S STATE INCOME TAX LIABILITY THAT IS ATTRIBUTABLE TO
6 INCOME DERIVED FROM OPERATION IN THE STATE FOR A TAX YEAR; AND FOR
7 RELATED PURPOSES.

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

9 **SECTION 1.** Section 27-7-22.19, Mississippi Code of 1972, is
10 amended as follows:

11 27-7-22.19. (1) Integrated suppliers are allowed a job tax
12 credit for taxes imposed by Section 27-7-5 equal to One Thousand
13 Dollars (\$1,000.00) annually for each net new full-time employee
14 for five (5) years from the date the credit commences. The credit
15 shall commence on the date selected by the integrated supplier;
16 provided, however, that the commencement date shall not be more
17 than five (5) years from the date the integrated supplier
18 commences commercial production. For the year in which the
19 commencement date occurs, the number of new full-time jobs shall
20 be determined by using the monthly average number of full-time
21 employees subject to Mississippi income tax withholding.
22 Thereafter, the number of new full-time jobs shall be determined
23 by comparing the monthly average number of full-time employees
24 subject to Mississippi income tax withholding for the taxable year
25 with the corresponding period of the prior taxable year. Only
26 those integrated suppliers that increase employment by twenty (20)
27 or more are eligible for the credit. The credit is not allowed
28 during any of the five (5) years if the net employment increase
29 falls below twenty (20). The State Tax Commission shall adjust



30 the credit allowed each year for the net new employment
31 fluctuations above the minimum level of twenty (20).

32 (2) Any tax credit claimed under this section but not used
33 in any taxable year may be carried forward for five (5)
34 consecutive years from the close of the tax year in which the
35 credits were earned. The credit that may be utilized each year
36 shall be limited to an amount not greater than fifty percent (50%)
37 of the taxpayer's state income tax liability which is attributable
38 to income derived from operation in the state for that year.

39 (3) The tax credits provided for in this section shall be in
40 lieu of the tax credits provided for in Section 57-73-21, and any
41 integrated supplier utilizing the tax credit authorized in this
42 section shall not utilize the tax credit authorized in Section
43 57-73-21.

44 (4) As used in this section the term "integrated supplier"
45 means a supplier located on the project site which provides goods
46 or services on the project site solely for a project as defined in
47 Section 57-75-5(f)(iv)1.

48 **SECTION 2.** This act shall take effect and be in force from
49 and after its passage.

