

By: Representative Moore (60th)

To: Ways and Means

HOUSE BILL NO. 1514

1 AN ACT TO AMEND SECTION 27-7-18, MISSISSIPPI CODE OF 1972, TO
2 PROVIDE THAT PREMIUMS PAID BY AN INDIVIDUAL FOR DISABILITY INCOME
3 INSURANCE COVERING THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE, OR BOTH,
4 SHALL BE ALLOWED AS AN ADJUSTMENT TO GROSS INCOME FOR STATE INCOME
5 TAX PURPOSES; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 27-7-18, Mississippi Code of 1972, is
8 amended as follows:

9 27-7-18. (1) Alimony payments. In the case of a person
10 described in Section 27-7-15(2)(e), there shall be allowed as a
11 deduction from gross income amounts paid as periodic payments to
12 the extent of such amounts as are includible in the gross income
13 of the spouse as provided in Section 27-7-15(2)(e), payment of
14 which is made within the person's taxable year.

15 (2) Unreimbursed moving expenses incurred after December 31,
16 1994, are deductible as an adjustment to gross income in
17 accordance with provisions of the United States Internal Revenue
18 Code, and rules, regulations and revenue procedures thereunder
19 relating to moving expenses, not in direct conflict with the
20 provisions of the Mississippi Income Tax Law.

21 (3) Amounts paid after December 31, 1998, by a self-employed
22 individual for insurance which constitute medical care for the
23 taxpayer, his spouse and dependents, are deductible as an
24 adjustment to gross income in accordance with provisions of the
25 United States Internal Revenue Code, and rules, regulations and
26 revenue procedures thereunder relating to such payments, not in
27 direct conflict with the provisions of the Mississippi Income Tax
28 Law.



29 (4) Contributions or payments to a Mississippi Affordable
30 College Savings (MACS) Program account are deductible from gross
31 income as provided in Section 37-155-113. Payments made under a
32 prepaid tuition contract entered into under the Mississippi
33 Prepaid Affordable College Tuition Program are deductible as
34 provided in Section 37-155-17.

35 (5) Amounts paid after December 31, 2001, by an individual
36 as premiums for disability income insurance covering the
37 individual or the individual's spouse, or both, are deductible as
38 an adjustment to gross income if those amounts are not already
39 excluded from gross income because they are covered under a
40 cafeteria plan as defined in the United States Internal Revenue
41 Code and rules, regulations and procedures thereunder. For the
42 purposes of this subsection (5) "disability income insurance"
43 means a policy contract that pays a benefit for disability, as
44 defined in the policy contract, due to accident or sickness, or
45 both.

46 **SECTION 2.** Nothing in this act shall affect or defeat any
47 claim, assessment, appeal, suit, right or cause of action for
48 taxes due or accrued under the income tax laws before the date on
49 which this act becomes effective, whether such claims,
50 assessments, appeals, suits or actions have been begun before the
51 date on which this act becomes effective or are begun thereafter;
52 and the provisions of the income tax laws are expressly continued
53 in full force, effect and operation for the purpose of the
54 assessment, collection and enrollment of liens for any taxes due
55 or accrued and the execution of any warrant under such laws before
56 the date on which this act becomes effective, and for the
57 imposition of any penalties, forfeitures or claims for failure to
58 comply with such laws.

59 **SECTION 3.** This act shall take effect and be in force from
60 and after January 1, 2002.

