HOUSE BILL NO. 164

AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR TAXPAYERS WHO INCUR EXPENSES FOR TUTORIAL SERVICES FOR DEPENDENTS ENROLLED AS STUDENTS IN MISSISSIPPI PUBLIC SCHOOLS; TO LIMIT THE AMOUNT OF THE INCOME TAX CREDIT THAT MAY BE CLAIMED BY A TAXPAYER; TO PROVIDE THAT THE STATE TAX COMMISSION SHALL DEVELOP A LIST OF TUTORIAL SERVICE EXPENSES FOR WHICH THE CREDIT MAY BE CLAIMED AND SHALL DEVELOP GUIDELINES FOR ADMINISTERING THE CREDIT AND HOW IT MAY BE OBTAINED; TO PROVIDE THAT A TAXPAYER MUST PROVIDE CERTAIN INFORMATION TO THE STATE TAX COMMISSION IN ORDER TO RECEIVE THE INCOME TAX CREDIT; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) (a) For any taxpayer who incurs expenses for tutorial services for a dependent of the taxpayer enrolled as a student in a Mississippi public school, a credit against the taxes imposed by this chapter shall be allowed in the amount provided in this section. If a taxpayer incurs expenses for tutorial services for more than one (1) dependent enrolled in a Mississippi public school, the taxpayer may claim the credit for the aggregate amount of such expenses. However, the maximum aggregate income tax credit that may be claimed by a taxpayer for a taxable year shall not exceed the lesser of Three Thousand Dollars ($3,000.00) or the amount of income tax imposed upon the taxpayer for the taxable year reduced by the sum of all other credits allowable to such taxpayer under the state income tax laws, except credit for tax payments made by or on behalf of the taxpayer. In the case of married individuals filing separate returns, each person may claim an amount not to exceed one-half (1/2) of the tax credit that would have been allowed for a joint return.

(2) The State Tax Commission shall develop a list of tutorial service expenses for which the credit may be claimed and
shall develop guidelines for administering the credit and how it may be obtained.

(3) To obtain the credit provided for in this section, a taxpayer must provide to the State Tax Commission proof of the expenses incurred for which the credit is claimed and any other information required by the State Tax Commission.

SECTION 2. Section 1 of this act shall be codified as a separate code section in Chapter 7, Title 27, Mississippi Code of 1972.

SECTION 3. Nothing in this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for taxes due or accrued under the income tax laws before the date on which this act becomes effective, whether such claims, assessments, appeals, suits or actions have been begun before the date on which this act becomes effective or are begun thereafter; and the provisions of the income tax laws are expressly continued in full force, effect and operation for the purpose of the assessment, collection and enrollment of liens for any taxes due or accrued and the execution of any warrant under such laws before the date on which this act becomes effective, and for the imposition of any penalties, forfeitures or claims for failure to comply with such laws.

SECTION 4. This act shall take effect and be in force from and after July 1, 2004.