

By: Representative Brown

To: Labor

HOUSE BILL NO. 724

1 AN ACT TO AMEND SECTION 71-5-351, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE PERIOD IN WHICH EMPLOYERS MAY REQUEST AN ADJUSTMENT
3 TO WAGES OR CONTRIBUTIONS REPORTED UNDER THE UNEMPLOYMENT
4 COMPENSATION LAW; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 71-5-351, Mississippi Code of 1972, is
7 amended as follows:

8 71-5-351. Contributions shall accrue and become payable by
9 each employer for each calendar year in which he is subject to
10 this chapter. Such contributions shall become due and be paid by
11 each employer to the commission for the fund each calendar quarter
12 on or before the last day of the month next succeeding each
13 calendar quarter in which the contributions accrue. The
14 commission may extend the due date of such contributions if the
15 due date falls on a Saturday, Sunday or state or federal holiday.
16 Such contributions shall not be deducted, in whole or in part,
17 from the wages of individuals in such employer's employ.

18 For purposes of payment of contributions on remuneration paid
19 to individuals, if two (2) or more related corporations
20 concurrently employ the same individual and compensate such
21 individual through a common paymaster which is one of such
22 corporations, each such corporation shall be considered to have
23 paid as remuneration to such individual only the amounts actually
24 disbursed by it to such individual and shall not be considered to
25 have paid as remuneration to such individual such amounts actually
26 disbursed to such individual by another of such corporations.

27 In the payment of any contributions, a fractional part of a
28 cent shall be disregarded unless it amounts to One-half Cent

29 (1/2¢) or more, in which case it shall be increased to One Cent
30 (1¢).

31 For the purposes of this section and Section 71-5-353,
32 taxable wages shall not include that part of remuneration which,
33 after remuneration equal to Seven Thousand Dollars (\$7,000.00) has
34 been paid in a calendar year to an individual by an employer or
35 his predecessor with respect to employment during any calendar
36 year, is paid to such individual by such employer during such
37 calendar year unless that part of the remuneration is subject to a
38 tax under a federal law imposing a tax against which credit may be
39 taken for contributions required to be paid into a state
40 employment fund. For the purposes of this subsection, the term
41 "employment" shall include service constituting employment under
42 any unemployment compensation law of another state.

43 Any employer requesting an adjustment to wages or
44 contributions reported shall make such request within three (3)
45 completed calendar years from the period for which the adjustment
46 is requested. If changes are the result of an audit by the
47 commission or the Internal Revenue Service, the employer may
48 request changes for an additional two-year period. Under no
49 circumstances shall an adjustment to wages or contributions
50 reported be made for any period exceeding five (5) completed
51 calendar years from the period for which the adjustment is
52 requested.

53 Provided, however, that, absent evidence of willful or
54 fraudulent attempt to avoid taxation, the effective date of
55 liability of an employer or assessment of liability for covered
56 employment against an employer shall not occur for any period
57 preceding the three (3) calendar years before the date of
58 registration or assessment, unless said three-year limitations
59 period is waived by the employer.

60 **SECTION 2.** This act shall take effect and be in force
61 from and after July 1, 2004.