

By: Representative Broomfield

To: Ways and Means

HOUSE BILL NO. 1599

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS  
 2 THAT UTILIZE THE AIRPORT FACILITIES AT PUBLIC AIRPORTS EQUAL TO  
 3 CERTAIN CHARGES PAID BY THE TAXPAYER ON THE EXPORT OR IMPORT OF  
 4 CARGO; TO LIMIT THE CHARGES THAT MAY BE USED FOR THE CREDIT; TO  
 5 LIMIT THE MAXIMUM AMOUNT OF SUCH CREDIT; TO PROVIDE THAT A  
 6 TAXPAYER MUST PROVIDE CERTAIN INFORMATION TO THE STATE TAX  
 7 COMMISSION TO RECEIVE SUCH CREDIT; TO REQUIRE THE MISSISSIPPI  
 8 DEVELOPMENT AUTHORITY TO REPORT ANNUALLY REGARDING THE IMPACT OF  
 9 SUCH CREDIT; TO PROVIDE FOR THE JULY 1, 2007, REPEAL OF THIS ACT;  
 10 AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** (1) As used in this section, the term "airport"  
 13 means an airport established pursuant to Chapters 3 and 5, Title  
 14 61, Mississippi Code of 1972.

15 (2) Subject to the provisions of this section, for any  
 16 income taxpayer utilizing the facilities at any airport for the  
 17 export or import of cargo that is unloaded from a carrier at any  
 18 such airport, a credit against the taxes imposed pursuant to this  
 19 chapter shall be allowed in the amounts provided in this section.  
 20 In order to be eligible for the credit authorized under this  
 21 section, a taxpayer must locate its United States headquarters in  
 22 Mississippi on or after July 1, 2005, employ at least five (5)  
 23 permanent full-time employees who actually work at such  
 24 headquarters and have a minimum capital investment of Five Million  
 25 Dollars (\$5,000,000.00) in Mississippi. For the purposes of this  
 26 section, "full-time employee" shall mean an employee who works at  
 27 least thirty-five (35) hours per week.

28 (3) Except as otherwise provided by subsection (4) of this  
 29 section, the amount of the credit allowed pursuant to this section  
 30 shall be the total of the following charges on import or export of  
 31 cargo paid by the corporation:

- 32           (a) Receiving into the airport;
- 33           (b) Aircraft marshalling or handling fees; and
- 34           (c) Aircraft landing fees.

35           (4) The credit provided for in this section shall not exceed

36 fifty percent (50%) of the amount of tax imposed upon the taxpayer

37 for the taxable year reduced by the sum of all other credits

38 allowable to such taxpayer under this chapter, except credit for

39 tax payments made by or on behalf of the taxpayer. Any unused

40 portion of the credit may be carried forward for the succeeding

41 five (5) years. The maximum cumulative credit that may be claimed

42 by a taxpayer under this section is limited to One Million Dollars

43 (\$1,000,000.00) if the taxpayer employs at least five (5), but not

44 more than twenty-five (25) permanent full-time employees at its

45 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)

46 if the taxpayer employs more than twenty-five (25), but not more

47 than one hundred (100) permanent full-time employees at its

48 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)

49 if the taxpayer employs more than one hundred (100), but not more

50 than two hundred (200) permanent full-time employees at its

51 headquarters in Mississippi; and Four Million Dollars

52 (\$4,000,000.00) if the taxpayer employs more than two hundred

53 (200) permanent full-time employees at its headquarters in

54 Mississippi.

55           (5) To obtain the credit provided for in this section, a

56 taxpayer must provide to the State Tax Commission a statement from

57 the governing authority of the airport certifying the amount of

58 charges paid by the taxpayer for which a credit is claimed and any

59 other information required by the State Tax Commission.

60           (6) Any taxpayer who is eligible, before July 1, 2007, for

61 the credit provided for in this section, shall remain eligible for

62 such credit after July 1, 2007, notwithstanding the repeal of this

63 section.

64           **SECTION 2.** The Mississippi Development Authority shall  
65 report annually to the Legislature regarding the impact of the  
66 credit granted in Section 1 of this act on shipping and economic  
67 growth. Each report shall show the overall annual increase in  
68 shipping at each airport for the most recent year for which data  
69 is available and for each of the previous five (5) years. Each  
70 report shall estimate the number of jobs created or retained at  
71 each airport and in businesses related to airport activity at each  
72 airport since January 1, 2006, as compared to the number of  
73 similar jobs created during the ten (10) years preceding January  
74 1, 2006. Each report shall state the net economic impact on the  
75 state as a result of the tax credit provided for in Section 1 of  
76 this act. The Mississippi Development Authority shall file a copy  
77 of the report with the Governor, the Secretary of the Senate, the  
78 Clerk of the House of Representatives and the Chairmen of the  
79 House Ways and Means Committee and the Senate Finance Committee of  
80 the Legislature on May 1 of each year. The State Tax Commission  
81 and all state, regional, county and municipal airports shall  
82 cooperate with the Mississippi Development Authority in providing  
83 the information required in the annual reports.

84           **SECTION 3.** Sections 1 and 2 of this act shall stand repealed  
85 from and after July 1, 2007.

86           **SECTION 4.** The provisions of this act shall be codified in  
87 Chapter 7, Title 27, Mississippi Code of 1972.

88           **SECTION 5.** Nothing in this act shall affect or defeat any  
89 claim, assessment, appeal, suit, right or cause of action for  
90 taxes due or accrued under the income tax laws before the date on  
91 which this act becomes effective, whether such claims,  
92 assessments, appeals, suits or actions have been begun before the  
93 date on which this act becomes effective or are begun thereafter;  
94 and the provisions of the income tax laws are expressly continued  
95 in full force, effect and operation for the purpose of the  
96 assessment, collection and enrollment of liens for any taxes due

97 or accrued and the execution of any warrant under such laws before  
98 the date on which this act becomes effective, and for the  
99 imposition of any penalties, forfeitures or claims for failure to  
100 comply with such laws.

101         **SECTION 6.** This act shall take effect and be in force from  
102 and after January 1, 2005.