

By: Senator(s) Hewes

To: Finance

SENATE BILL NO. 3038

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR TAXPAYERS WHO PAY
2 TUITION TO A NONPUBLIC SCHOOL; AND FOR RELATED PURPOSES.

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

4 **SECTION 1.** (1) For any taxpayer who pays tuition to a
5 nonpublic school, a credit against the taxes imposed by this
6 chapter shall be allowed in the amount provided in subsection (2)
7 of this section. For the purposes of this section:

8 (a) "Tuition" means the monthly, semester, annual or
9 other term charge and all required fees imposed as a condition of
10 enrollment in a primary or secondary nonpublic school; and

11 (b) "Nonpublic school" means an institution for the
12 teaching of children in the primary or secondary, or both, grades,
13 consisting of a physical plant (whether owned or leased),
14 instructional staff and students, and which is in session each
15 school year and maintains educational standards equivalent to the
16 standards established by the State Department of Education for the
17 state schools as outlined in the Approval Requirements of the
18 State Board of Education for Nonpublic Schools. The term
19 "nonpublic school" includes, but is not necessarily limited to,
20 private, church and parochial schools.

21 (2) The income tax credit provided in subsection (1) of this
22 section shall be equal to one-third (1/3) of the amount of the
23 tuition paid to a nonpublic school during the taxable year, not to
24 exceed the amount of income tax due the State of Mississippi from
25 the taxpayer for the taxable year reduced by the sum of all other
26 credits allowable to such taxpayer under the state income tax
27 laws, except credit for tax payments made by or on behalf of the

28 taxpayer. In the case of married individuals filing separate
29 returns, each person may claim an amount not to exceed one-half
30 (1/2) of the tax credit which would have been allowed for a joint
31 return. Any unused portion of the credit may be carried forward
32 for the next five (5) succeeding tax years.

33 (3) Any amount of tuition payments made by a taxpayer which
34 is applied toward the credit provided in this section may not be
35 used as a deduction by the taxpayer for state income tax purposes.

36 **SECTION 2.** Sections 1 of this act shall be codified as a
37 separate section in Chapter 7, Title 27, Mississippi Code of 1972.

38 **SECTION 3.** This act shall take effect and be in force from
39 and after July 1, 2005.