

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**House Bill No. 1604**

**BY: Committee**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

24        SECTION 1. (1) As used in this section:

25               (a) "Certified historic structure" means a property  
26 located in Mississippi and listed individually on the National  
27 Register of Historic Places.

28               (b) "Eligible property" means property located in  
29 Mississippi and offered or used for residential or business  
30 purposes.

31               (c) "Structure in a certified historic district" means  
32 a structure (and its structural components) located in Mississippi  
33 which is:

34                       (i) Is listed in the National Register of Historic  
35 Places, or

36                       (ii) Is located in a registered historic district  
37 and is certified by the Secretary of the United States Department  
38 of the Interior as being of historic significance to the district;  
39 or

40                       (iii) Certified by the Mississippi Department of  
41 Archives and History as contributing to the historic significance  
42 of a certified historic district listed on the National Register

43 of Historic Places or a local district that has been certified by  
44 the United States Department of the Interior.

45 (2) Any taxpayer incurring costs and expenses for the  
46 rehabilitation of eligible property, which is a certified historic  
47 structure or a structure in a certified historic district, shall  
48 be entitled to a credit against the taxes imposed pursuant to this  
49 chapter in an amount equal to twenty-five percent (25%) of the  
50 total costs and expenses of rehabilitation incurred after January  
51 1, 2005, which shall include, but not be limited to, qualified  
52 rehabilitation expenditures as defined under Section 47(c)(2)(A)  
53 of the Internal Revenue Code of 1986, as amended, and the related  
54 regulations thereunder, if the costs and expenses associated with  
55 rehabilitation exceed fifty percent (50%) of the total basis in  
56 the property and the rehabilitation is consistent with the  
57 standards of the Secretary of the United States Department of the  
58 Interior as determined by the Department of Archives and History.  
59 The Board of Trustees of the Department of Archives and History is  
60 authorized to charge a reasonable nonrefundable fee for  
61 administration of this act, said fee not to exceed the actual cost  
62 of providing such services. Any taxpayer desiring to participate  
63 in the tax credits authorized by this section shall pay this fee  
64 to the Department of Archives and History, which shall be used  
65 without appropriation from the Legislature, by the department to  
66 offset said administrative costs.

67 (3) (a) If the amount of the tax credit established by this  
68 section exceeds the total state income tax liability for the year  
69 in which the rehabilitated property is placed in service, the  
70 amount that exceeds the total state income tax liability may be  
71 carried forward for the ten (10) succeeding tax years.

72 (b) Not-for-profit entities, including, but not limited  
73 to, nonprofit corporations organized under Section 79-11-101  
74 et seq. shall be ineligible for the credit authorized by this

75 section. Credits granted to a partnership, a limited liability  
76 company taxed as a partnership or multiple owners of property  
77 shall be passed through to the partners, members or owners on a  
78 pro rata basis or pursuant to an executed agreement among the  
79 partners, members or owners documenting an alternative  
80 distribution method.

81 (4) To claim the credit authorized pursuant to this section,  
82 the taxpayer shall apply to the Mississippi Development Authority  
83 which shall determine the amount of eligible rehabilitation costs  
84 and expenses and whether the rehabilitation is consistent with the  
85 standards of the Secretary of the United States Department of the  
86 Interior. If the Mississippi Development Authority makes a  
87 determination that the expenditure of eligible rehabilitation  
88 costs has a positive economic, fiscal or tax impact, either direct  
89 or indirect, on the state or on local governments, the Mississippi  
90 Development Authority shall issue a certificate evidencing the  
91 eligible credit if the taxpayer is found to be eligible for the  
92 tax credit. The taxpayer shall attach the certificate to all  
93 income tax returns on which the credit is claimed.

94 (5) This section shall stand repealed on December 31, 2010.

95 **SECTION 2.** This act shall take effect and be in force from  
96 and after July 1, 2005, and shall stand repealed from and after  
97 June 30, 2005.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR TAXPAYERS WHO  
2 INCUR COSTS AND EXPENSES FOR THE REHABILITATION OF ELIGIBLE  
3 PROPERTY WHICH IS A CERTIFIED HISTORIC STRUCTURE OR A STRUCTURE IN  
4 A CERTIFIED HISTORIC DISTRICT IN AN AMOUNT EQUAL TO 25% OF THE  
5 TOTAL COSTS AND EXPENSES OF REHABILITATION INCURRED, IF THE COSTS  
6 AND EXPENSES ASSOCIATED WITH REHABILITATION EXCEED 50% OF THE  
7 TOTAL BASIS IN THE PROPERTY AND THE REHABILITATION IS CONSISTENT  
8 WITH THE STANDARDS OF THE SECRETARY OF THE UNITED STATES  
9 DEPARTMENT OF THE INTERIOR AS DETERMINED BY THE MISSISSIPPI  
10 DEPARTMENT OF ARCHIVES AND HISTORY; TO PROVIDE THAT IF THE AMOUNT  
11 OF THE TAX CREDIT EXCEEDS THE TOTAL STATE INCOME TAX LIABILITY FOR  
12 THE YEAR IN WHICH THE REHABILITATED PROPERTY IS PLACED IN SERVICE,  
13 THE AMOUNT THAT EXCEEDS THE TOTAL STATE INCOME TAX LIABILITY MAY

14 BE CARRIED FORWARD FOR THE 10 SUCCEEDING TAX YEARS; TO PROVIDE THE  
15 MANNER IN WHICH SUCH CREDIT MAY BE CLAIMED; TO PROVIDE FOR THE  
16 MISSISSIPPI DEVELOPMENT AUTHORITY TO DETERMINE THE AMOUNT OF THE  
17 ELIGIBLE TAX CREDIT, CONSISTENT WITH THE STANDARDS OF THE  
18 SECRETARY OF THE UNITED STATES DEPARTMENT OF THE INTERIOR; TO  
19 REQUIRE THAT THE EXPENDITURES HAVE A POSITIVE ECONOMIC, FISCAL OR  
20 TAX IMPACT ON THE STATE OR LOCAL GOVERNMENTS; TO PROVIDE FOR A  
21 DECEMBER 31, 2010, REPEAL DATE ON THE INCOME TAX CREDIT AUTHORIZED  
22 UNDER THIS ACT; AND FOR RELATED PURPOSES.