By: Senator(s) Hewes, Butler, Horhn, Jackson   To: Finance
(11th), Jackson (32nd), Jordan, Morgan,
Simmons, Walls

SENATE BILL NO. 2652

1   AN ACT TO AMEND SECTION 27-7-22.25, MISSISSIPPI CODE OF 1972,
2 TO DECREASE FROM $5,000,000.00 TO $2,000,000.00 THE AMOUNT OF THE
3 INVESTMENT IN REAL OR PERSONAL PROPERTY IN MISSISSIPPI THAT A
4 TAXPAYER MUST MAKE TO BE ELIGIBLE FOR THE INCOME TAX CREDIT FOR
5 CERTAIN CHARGES IMPOSED ON THE EXPORT OR IMPORT OF CARGO AT AN
6 AIRPORT; AND FOR RELATED PURPOSES.

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

8   **SECTION 1.** Section 27-7-22.25, Mississippi Code of 1972, is

9 amended as follows:

10   27-7-22.25. (1) As used in this section, the term "airport"

11 means an airport established pursuant to Chapters 3 and 5, Title

12 61, Mississippi Code of 1972.

13   (2) Subject to the provisions of this section, for any

14 income taxpayer utilizing the facilities at any airport for the

15 export or import of cargo that is unloaded from a carrier at any

16 such airport, a credit against the taxes imposed pursuant to this

17 chapter shall be allowed in the amounts provided in this section.

18 In order to be eligible for the credit authorized under this

19 section, a taxpayer must locate its United States headquarters in

20 Mississippi on or after July 1, 2005, employ at least five (5) new

21 permanent full-time employees who actually work at such

22 headquarters and, after July 1, 2005, invest a minimum of Two

23 Million Dollars ($2,000,000.00), in the aggregate, in real

24 property and/or personal property in Mississippi. For the

25 purposes of this section, "full-time employee" shall mean an

26 employee who works at least thirty-five (35) hours per week.

27   (3) Except as otherwise provided by subsection (4) of this

28 section, the amount of the credit allowed pursuant to this section

29 shall be the total of the following charges on import or export of

30 cargo paid by the corporation:

31   (a) Receiving into the airport;

32   (b) Aircraft marshalling or handling fees; and

33   (c) Aircraft landing fees.

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

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

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

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

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

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

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

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

42 ($1,000,000.00) if the taxpayer employs at least five (5), but not

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

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

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

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

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

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

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

50 headquarters in Mississippi; and Four Million Dollars

51 ($4,000,000.00) if the taxpayer employs more than two hundred

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

53 Mississippi.

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

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

56 the governing authority of the airport certifying the amount of

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

58 other information required by the State Tax Commission.

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

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

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

62 section.

63   **SECTION 2.** This act shall take effect and be in force from

64 and after July 1, 2006.

S. B. No. 2652   *SS36/R1074*
06/SS36/R1074   ST: Airport import tax incentive; reduce 5
PAGE 3   million to 2 million.