

By: Representative Warren

To: Ways and Means

HOUSE BILL NO. 547

1 AN ACT TO REENACT SECTIONS 27-7-22.25 AND 27-7-22.26,
2 MISSISSIPPI CODE OF 1972, WHICH PROVIDE AN INCOME TAX CREDIT FOR
3 CERTAIN TAXPAYERS THAT UTILIZE THE AIRPORT FACILITIES AT PUBLIC
4 AIRPORTS EQUAL TO CERTAIN CHARGES PAID BY THE TAXPAYER ON THE
5 EXPORT OR IMPORT OF CARGO AND REQUIRE THE MISSISSIPPI DEVELOPMENT
6 AUTHORITY TO REPORT ANNUALLY REGARDING THE IMPACT OF SUCH CREDIT;
7 TO AMEND SECTION 3, CHAPTER 442, LAWS OF 2005, TO EXTEND THE
8 REPEALER ON SECTIONS 27-7-22.25 AND 27-7-22.26, MISSISSIPPI CODE
9 OF 1972; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 27-7-22.25, Mississippi Code of 1972, is
12 reenacted as follows:

13 27-7-22.25. (1) As used in this section, the term "airport"
14 means an airport established pursuant to Chapters 3 and 5, Title
15 61, Mississippi Code of 1972.

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

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

34 (a) Receiving into the airport;

35 (b) Aircraft marshalling or handling fees; and

36 (c) Aircraft landing fees.

37 (4) The credit provided for in this section shall not exceed
38 fifty percent (50%) of the amount of tax imposed upon the taxpayer
39 for the taxable year reduced by the sum of all other credits
40 allowable to such taxpayer under this chapter, except credit for
41 tax payments made by or on behalf of the taxpayer. Any unused
42 portion of the credit may be carried forward for the succeeding
43 five (5) years. The maximum cumulative credit that may be claimed
44 by a taxpayer under this section is limited to One Million Dollars
45 (\$1,000,000.00) if the taxpayer employs at least five (5), but not
46 more than twenty-five (25) permanent full-time employees at its
47 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)
48 if the taxpayer employs more than twenty-five (25), but not more
49 than one hundred (100) permanent full-time employees at its
50 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)
51 if the taxpayer employs more than one hundred (100), but not more
52 than two hundred (200) permanent full-time employees at its
53 headquarters in Mississippi; and Four Million Dollars
54 (\$4,000,000.00) if the taxpayer employs more than two hundred
55 (200) permanent full-time employees at its headquarters in
56 Mississippi.

57 (5) To obtain the credit provided for in this section, a
58 taxpayer must provide to the State Tax Commission a statement from
59 the governing authority of the airport certifying the amount of
60 charges paid by the taxpayer for which a credit is claimed and any
61 other information required by the State Tax Commission.

62 (6) Any taxpayer who is eligible, before July 1, 2007, for
63 the credit provided for in this section, shall remain eligible for
64 such credit after July 1, 2007, notwithstanding the repeal of this
65 section.

66 **SECTION 2.** Section 27-7-22.26, Mississippi Code of 1972, is
67 reenacted as follows:

68 27-7-22.26. The Mississippi Development Authority shall
69 report annually to the Legislature regarding the impact of the
70 credit granted in Section 27-7-22.25 on shipping and economic
71 growth. Each report shall show the overall annual increase in
72 shipping at each airport for the most recent year for which data
73 is available and for each of the previous five (5) years. Each
74 report shall estimate the number of jobs created or retained at
75 each airport and in businesses related to airport activity at each
76 airport since January 1, 2006, as compared to the number of
77 similar jobs created during the ten (10) years preceding January
78 1, 2006. Each report shall state the net economic impact on the
79 state as a result of the tax credit provided for in Section
80 27-7-22.25. The Mississippi Development Authority shall file a
81 copy of the report with the Governor, the Secretary of the Senate,
82 the Clerk of the House of Representatives and the Chairmen of the
83 House Ways and Means Committee and the Senate Finance Committee of
84 the Legislature on May 1 of each year. The State Tax Commission
85 and all state, regional, county and municipal airports shall
86 cooperate with the Mississippi Development Authority in providing
87 the information required in the annual reports.

88 **SECTION 3.** Section 3, Chapter 442, Laws of 2005, is amended
89 as follows:

90 Section 3. Sections 1 and 2 of this act shall stand repealed
91 from and after July 1, 2009.

92 **SECTION 4.** This act shall take effect and be in force from
93 and after July 1, 2007.