

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 2523

1 AN ACT TO AMEND SECTION 27-7-22.19, MISSISSIPPI CODE OF 1972,  
 2 TO AUTHORIZE THE CHAIRMAN OF THE STATE TAX COMMISSION TO WAIVE THE  
 3 PERIOD OF TIME WITHIN WHICH THE JOBS TAX CREDIT FOR INTEGRATED  
 4 SUPPLIERS MAY BE UTILIZED BY INTEGRATED SUPPLIERS THAT ARE UNABLE  
 5 TO MAINTAIN THE REQUIRED NUMBER OF JOBS AS A RESULT OF CERTAIN  
 6 DISASTERS; TO AUTHORIZE THE CHAIRMAN OF THE STATE TAX COMMISSION  
 7 TO WAIVE THE REQUIREMENT THAT A CERTAIN NUMBER OF JOBS BE  
 8 MAINTAINED BY SUCH SUPPLIERS AND EXTEND THE CARRY FORWARD PERIOD  
 9 OF THE CREDIT; TO PROVIDE THAT THE PERIOD OF TIME FOR WHICH THE  
 10 REQUIREMENT MAY BE WAIVED SHALL NOT EXCEED THREE YEARS; AND FOR  
 11 RELATED PURPOSES.

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

13 **SECTION 1.** Section 27-7-22.19, Mississippi Code of 1972, is  
 14 amended as follows:

15 27-7-22.19. (1) Integrated suppliers are allowed a job tax  
 16 credit for taxes imposed by Section 27-7-5 equal to One Thousand  
 17 Dollars (\$1,000.00) annually for each net new full-time employee  
 18 for five (5) years from the date the credit commences; however, if  
 19 the integrated supplier is located in an area that has been  
 20 declared by the Governor to be a disaster area and as a result of  
 21 the disaster the integrated supplier is unable to maintain the  
 22 required number of employees, the commissioner may extend this  
 23 time period for not more three (3) years. The credit shall  
 24 commence on the date selected by the integrated supplier;  
 25 provided, however, that the commencement date shall not be more  
 26 than five (5) years from the date the integrated supplier  
 27 commences commercial production. For the year in which the  
 28 commencement date occurs, the number of new full-time jobs shall  
 29 be determined by using the monthly average number of full-time  
 30 employees subject to Mississippi income tax withholding.  
 31 Thereafter, the number of new full-time jobs shall be determined

32 by comparing the monthly average number of full-time employees  
33 subject to Mississippi income tax withholding for the taxable year  
34 with the corresponding period of the prior taxable year. Only  
35 those integrated suppliers that increase employment by twenty (20)  
36 or more are eligible for the credit. The credit is not allowed  
37 during any of the five (5) years if the net employment increase  
38 falls below twenty (20); however, if the integrated supplier is  
39 located in an area that has been declared by the Governor to be a  
40 disaster area and as a result of the disaster the integrated  
41 supplier is unable to maintain the required number of employees,  
42 the commissioner may waive the employment requirement for a period  
43 of time not to exceed three (3) years. The State Tax Commission  
44 shall adjust the credit allowed each year for the net new  
45 employment fluctuations above the minimum level of twenty (20).

46 (2) Any tax credit claimed under this section but not used  
47 in any taxable year may be carried forward for five (5)  
48 consecutive years from the close of the tax year in which the  
49 credits were earned; however, if the integrated supplier is  
50 located in an area that has been declared by the Governor to be a  
51 disaster area and as a result of the disaster the integrated  
52 supplier is unable to use the existing carryforward, the  
53 commissioner may extend the period that the credit may be carried  
54 forward for a period of time not to exceed three (3) years. The  
55 credit that may be utilized each year shall be limited to an  
56 amount not greater than fifty percent (50%) of the taxpayer's  
57 state income tax liability which is attributable to income derived  
58 from operation in the state for that year.

59 (3) The tax credits provided for in this section shall be in  
60 lieu of the tax credits provided for in Section 57-73-21, and any  
61 integrated supplier utilizing the tax credit authorized in this  
62 section shall not utilize the tax credit authorized in Section  
63 57-73-21.

64           (4) As used in this section the term "integrated supplier"  
65 means a supplier located on the project site which provides goods  
66 or services on the project site solely for a project as defined in  
67 Section 57-75-5(f)(iv)1.

68           **SECTION 2.** This act shall take effect and be in force from  
69 and after July 1, 2007.