

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 879

BY: Committee

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

14 **SECTION 1.** (1) Pollution control equipment installed after
15 July 1, 2007, by manufacturers or custom processors for industrial
16 use shall be exempt from ad valorem taxation, except ad valorem
17 taxes for school district purposes, for a period of ten (10) years
18 from the date of installation of the equipment.

19 (2) As used in this section, "pollution control equipment"
20 means equipment, devices, machinery or systems that are used
21 exclusively and directly to prevent, control, monitor or reduce
22 air, water or groundwater pollution, or solid or hazardous waste
23 as required by federal or state law or regulation.

24 **SECTION 2.** (1) For the purposes of this section, the term
25 "hybrid electric vehicle" means a private carrier of passengers or
26 light carrier of property, as defined in Section 27-51-101, that:

27 (a) Meets all applicable federal and state regulatory
28 requirements;

29 (b) Meets the current vehicle exhaust standard set
30 under the National Low-Emission Vehicle Program for gasoline
31 powered passenger cars; and

32 (c) Draws propulsion energy from the following sources:

33 (i) An internal combustion engine or heat engine
34 using any combustible fuel; and

35 (ii) An onboard rechargeable energy storage
36 system.

37 (2) Subject to the provisions of this section, any taxpayer
38 who purchases a new hybrid electric vehicle without the intent to
39 resell the vehicle and who does not resell the vehicle within five
40 (5) years from the date of purchase shall be entitled to a credit
41 against the taxes imposed by this chapter in an amount equal to
42 the amount established by federal law or the amount of income tax
43 imposed upon the taxpayer for the taxable year reduced by the sum
44 of all other credits allowable to the taxpayer under the state
45 income tax laws, except credit for tax payments made by or on
46 behalf of the taxpayer. In the case of married individuals filing
47 separate returns, each person may claim an amount not to exceed
48 one-half (1/2) of the tax credit that would have been allowed for
49 a joint return. The tax credit is available only for the taxable
50 year during which the hybrid electric vehicle was purchased, and a
51 hybrid electric vehicle may qualify for the credit only one (1)
52 time. To the extent that the allowable tax credit exceeds the
53 amount of the taxpayer's liability for the taxable year, the
54 unused portion of the tax credit may be carried forward for the
55 next five (5) succeeding tax years until the full amount of the
56 tax credit has been used.

57 (3) No person who receives a credit under the provisions of
58 this section shall alter the vehicle for which a credit is
59 received in any manner that changes the vehicle to such a
60 condition that the vehicle is no longer a hybrid-electric vehicle.

61 **SECTION 3.** Section 2 of this act shall be codified as a
62 separate section in Chapter 7, Title 27, Mississippi Code of 1972.

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

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

1 AN ACT TO PROVIDE THAT CERTAIN POLLUTION CONTROL EQUIPMENT
2 MANDATED BY FEDERAL OR STATE LAW OR REGULATION SHALL BE EXEMPT
3 FROM AD VALOREM TAXATION EXCEPT AD VALOREM TAXATION FOR SCHOOL
4 DISTRICT PURPOSES, FOR A PERIOD OF TEN YEARS FROM THE DATE OF
5 INSTALLATION OF THE EQUIPMENT; TO PROVIDE AN INCOME TAX CREDIT FOR
6 CERTAIN TAXPAYERS WHO PURCHASE NEW HYBRID ELECTRIC VEHICLES; TO
7 LIMIT THE AMOUNT OF THE TAX CREDIT TO FEDERAL LIMITS OR THE AMOUNT
8 OF INCOME TAX IMPOSED UPON THE TAXPAYER FOR THE TAXABLE YEAR
9 REDUCED BY THE SUM OF ALL OTHER CREDITS ALLOWABLE TO THE TAXPAYER
10 UNDER THE STATE INCOME TAX LAWS; TO PROVIDE THAT ANY UNUSED
11 PORTION OF THE TAX CREDIT MAY BE CARRIED FORWARD FOR THE NEXT FIVE
12 SUCCEEDING TAX YEARS; AND FOR RELATED PURPOSES.