

By: Representatives Gunn, Rushing, Miles,
Steverson, DeBar, Nelson, Horan, Reynolds,
Dixon

To: Ways and Means

HOUSE BILL NO. 33
(As Sent to Governor)

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR TAXPAYERS THAT
2 EMPLOY PERSONS WHO ARE HONORABLY DISCHARGED VETERANS WHO SERVED ON
3 ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES ON OR AFTER
4 SEPTEMBER 11, 2001, AND WHO HAVE BEEN UNEMPLOYED FOR SIX
5 CONSECUTIVE MONTHS IMMEDIATELY PRIOR TO BEING EMPLOYED BY SUCH
6 TAXPAYERS; TO PROVIDE THE AMOUNT OF THE TAX CREDIT; TO LIMIT THE
7 AMOUNT OF THE TAX CREDIT THAT MAY BE CLAIMED IN A TAXABLE YEAR; TO
8 AUTHORIZE ANY TAX CREDIT CLAIMED BUT NOT USED IN ANY TAXABLE YEAR
9 TO BE CARRIED FORWARD FOR FIVE CONSECUTIVE YEARS; TO PROVIDE THAT
10 THE AGGREGATE AMOUNT OF TAX CREDITS THAT MAY BE AWARDED UNDER THIS
11 ACT SHALL NOT EXCEED \$1,000,000.00; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** (1) Subject to the provisions of this section, a
14 taxpayer that employs a person who is a new hire employed after
15 January 1, 2015, who is an honorably discharged veteran, as
16 defined in Title 38 of the United States Code, who served on
17 active duty in the Armed Forces of the United States on or after
18 September 11, 2001, and who has been unemployed for six (6)
19 consecutive months immediately prior to being employed by the
20 taxpayer, shall be allowed an annual credit against the taxes
21 imposed under this chapter. The credit shall be for an annual
22 amount equal to ten percent (10%) of the annual wages (as defined



23 in Section 27-7-303) paid to each person so employed or Two
24 Thousand Dollars (\$2,000.00), whichever is the lesser, for each
25 person so employed, for five (5) years. The credit may be claimed
26 by the taxpayer once for each person hired. The tax credit may
27 not be claimed for hiring a person whose employment was previously
28 utilized to claim the tax credit. The tax credit shall not exceed
29 the amount of tax imposed upon the taxpayer for the taxable year
30 reduced by the sum of all other credits allowable to the taxpayer
31 under this chapter, except credit for tax payments made by or on
32 behalf of the taxpayer. Any tax credit claimed under this section
33 but not used in any taxable year may be carried forward for five
34 (5) consecutive years from the close of the tax year in which the
35 credits were earned. In order to be eligible to claim a tax
36 credit for an employee, the taxpayer must employ the employee for
37 at least six (6) consecutive months during the year for which the
38 credit is claimed and the employee must work an average of at
39 least thirty (30) hours per week for the taxpayer during that
40 time.

41 (2) The tax credits provided for in this section shall be in
42 addition to any other credit authorized under law.

43 (3) The aggregate amount of tax credits that may be awarded
44 under this section shall not exceed One Million Dollars
45 (\$1,000,000.00).

46 (4) Any taxpayer who is eligible for the credit authorized
47 in this section before January 1, 2018, shall be eligible for the



48 credit authorized in this section, notwithstanding the repeal of
49 this section, and shall be allowed to carry forward the credit
50 after January 1, 2018, as provided for in subsection (1) of this
51 section.

52 (5) This section shall be repealed from and after January 1,
53 2018.

54 **SECTION 2.** Section 1 of this act shall be codified as a
55 separate section in Chapter 7, Title 27, Mississippi Code of 1972.

56 **SECTION 3.** This act shall take effect and be in force from
57 and after January 1, 2016.

