

By: Representatives Arnold, Taylor, Karriem, Sykes To: Ways and Means

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 175

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR TAXPAYERS THAT
2 EMPLOY PERSONS WHO HAVE BEEN CONVICTED OF CERTAIN NONVIOLENT
3 CRIMES; TO PROVIDE THE AMOUNT OF THE TAX CREDIT; TO LIMIT THE
4 AMOUNT OF THE TAX CREDIT THAT MAY BE CLAIMED IN A TAXABLE YEAR;
5 AND FOR RELATED PURPOSES.

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

7 SECTION 1. (1) Subject to the provisions of this section, a
8 taxpayer that employs a person who has been convicted of a felony
9 offense for a nonviolent crime shall be allowed an annual credit
10 against the taxes imposed under this chapter. The credit shall be
11 for an annual amount of Two Thousand Five Hundred Dollars
12 (\$2,500.00) for four (4) years for each person so employed.
13 However, the tax credit shall not exceed the amount of tax imposed
14 upon the taxpayer for the taxable year reduced by the sum of all
15 other credits allowable to the taxpayer under this chapter, except
16 credit for tax payments made by or on behalf of the taxpayer. In
17 order to be eligible to claim a tax credit for an employee, the
18 taxpayer must employ the employee for at least ten (10)
19 consecutive months during the year for which the credit is claimed



20 and the employee must work an average of at least forty (40) hours
21 per week for the taxpayer during that time. A taxpayer may not
22 claim a credit for more than ten (10) employees in a taxable year.
23 The maximum aggregate amount of tax credits that may be claimed by
24 all taxpayers claiming a credit under this section in a taxable
25 year shall not exceed One Million Five Hundred Thousand Dollars
26 (\$1,500,000.00). For the purposes of this section, the term
27 "nonviolent crime" means and has the same definition as that term
28 has in Section 47-7-3.

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

31 (3) Any taxpayer who is eligible for the credit authorized
32 in this section before January 1, 2021, shall be eligible for the
33 credit authorized in this section, notwithstanding the repeal of
34 this section.

35 (4) This section shall be repealed from and after January 1,
36 2021.

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

39 **SECTION 3.** This act shall take effect and be in force from
40 and after January 1, 2018.

