

By: Representative White

To: Ways and Means

HOUSE BILL NO. 885

1 AN ACT TO REENACT SECTION 27-7-22.38, MISSISSIPPI CODE OF
2 1972, WHICH ESTABLISHES AN INCOME TAX CREDIT FOR TAXPAYERS
3 EMPLOYING CERTAIN HONORABLY DISCHARGED VETERANS; TO AMEND
4 REENACTED SECTION 27-7-22.38, MISSISSIPPI CODE OF 1972, TO EXTEND
5 THE DATE OF THE REPEALER ON THAT SECTION; AND FOR RELATED
6 PURPOSES.

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

8 **SECTION 1.** Section 27-7-22.38, Mississippi Code of 1972, is
9 reenacted and amended as follows:

10 27-7-22.38. (1) Subject to the provisions of this section,
11 a taxpayer that employs a person who is a new hire employed after
12 January 1, 2015, who is an honorably discharged veteran, as
13 defined in Title 38 of the United States Code, who served on
14 active duty in the Armed Forces of the United States on or after
15 September 11, 2001, and who has been unemployed for six (6)
16 consecutive months immediately prior to being employed by the
17 taxpayer, shall be allowed an annual credit against the taxes
18 imposed under this chapter. The credit shall be for an annual
19 amount equal to ten percent (10%) of the annual wages (as defined
20 in Section 27-7-303) paid to each person so employed or Two



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

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

40 (3) The aggregate amount of tax credits that may be awarded
41 under this section shall not exceed One Million Dollars
42 (\$1,000,000.00).

43 (4) Any taxpayer who is eligible for the credit authorized
44 in this section before January 1, 2018, shall be eligible for the
45 credit authorized in this section, notwithstanding the repeal of



46 this section, and shall be allowed to carry forward the credit
47 after January 1, 2018, as provided for in subsection (1) of this
48 section.

49 (5) This section shall be repealed from and after January
50 1, * * * 2021.

51 **SECTION 2.** This act shall take effect and be in force from
52 and after January 1, 2018.

