MISSISSIPPI LEGISLATURE

By: Representatives Steverson, Anthony, Paden, Mickens, Foster

REGULAR SESSION 2020

To: Banking and Financial Services

HOUSE BILL NO. 597

AN ACT TO AMEND SECTION 27-7-39, MISSISSIPPI CODE OF 1972, TO REQUIRE THE DEPARTMENT OF REVENUE TO REVISE THE INDIVIDUAL INCOME TAX FORMS USED FOR RETURNS TO ALLOW AN INDIVIDUAL TAXPAYER TO DESIGNATE UP TO TWO BANK ACCOUNTS FOR DIRECT DEPOSIT OF THE TAXPAYER'S REFUND AND THE ALLOCATION OF THE TAXPAYER'S REFUND AMOUNT BETWEEN THE DESIGNATED BANK ACCOUNTS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-7-39, Mississippi Code of 1972, is amended as follows:

27-7-39. (1) Every individual, partnership, corporation, joint-stock company or association or insurance company, being a resident or having a place of business in this state, members of partnerships or employees in whatever capacity acting, including lessees and mortgagors of real and personal property, fiduciaries, employers and all officers and employees of the state, or any political subdivision of the state, having the control, receipt, custody, disposal or payment of salaries, wages or commissions in excess of the exemption of the recipient, and of interest, rent, premiums, annuities, compensations, remunerations, emoluments or
other fixed or determinable annual or periodical gains, profits and income, paid or payable during any year to any taxpayer, shall make complete returns thereof under oath to the commissioner, under such regulations and conditions, in such form and manner and to such extent as may be prescribed by the commissioner, with the approval of the Governor; and, unless such payments are so reported, the commissioner may disallow such payments as deductions for credits in computing the tax of the payer. An exempt organization not subject to tax under the provisions of this article which fails to file the returns required by this section shall be notified of its delinquency and if such returns are not filed and the delinquency persists, the exemption from taxation enjoyed by the organization shall be forfeited.

(2) The commissioner may require material advisors and taxpayers required to notify the Internal Revenue Service of reportable transactions to notify the State Tax Commission of such transactions. The commissioner may require material advisors required to keep lists of reportable transactions for Internal Revenue Service purposes to do likewise for State Tax Commission purposes. The commissioner may specify the manner and method by which such transactions and lists must be reported as well as the scope of the information maintained and reported.

(3) (a) The Department of Revenue shall revise the individual income tax forms used for returns to include one or
more additional lines to allow an individual taxpayer to designate:

(i) Up to two (2) bank accounts for direct deposit of the taxpayer’s refund; and

(ii) The allocation of the taxpayer’s refund amount between the designated bank accounts.

(b) The provisions of this subsection (3) shall be applicable to all income tax forms used for tax years beginning on or after January 1, 2021.

SECTION 2. This act shall take effect and be in force from and after July 1, 2020.