

By: Representative Gunn

To: Ways and Means

HOUSE BILL NO. 1446

1 AN ACT TO AMEND SECTION 57-121-7, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT ELIGIBLE EXPENSES FOR WHICH GRANT FUNDS WERE  
3 RECEIVED UNDER THE BACK TO BUSINESS MISSISSIPPI GRANT PROGRAM MAY  
4 BE ITEMIZED AS INCOME TAX DEDUCTIONS; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 57-121-7, Mississippi Code of 1972, is  
7 amended as follows:

8 57-121-7. (1) Any eligible business desiring to participate  
9 in the program shall make application for a grant to the MDA in a  
10 form satisfactory to the MDA. The application shall include  
11 verified documentation, signed under penalty of perjury.

12 (2) The MDA shall use the funds provided by this chapter to  
13 make grants to eligible businesses pursuant to applications  
14 submitted under subsection (1) of this section, to cover their  
15 eligible expenses.

16 (3) The use of grants shall be subject to audit by the  
17 United States Department of the Treasury's Office of Inspector  
18 General and the Mississippi Office of the State Auditor. A  
19 business found to be fully or partially noncompliant with grant



requirements shall return to the state all or a portion of the grant monies received. Applicants shall confirm their understanding of these terms.

(4) The program shall be subject to the following terms and conditions:

(a) The base payment to an eligible business shall be One Thousand Five Hundred Dollars (\$1,500.00). An eligible business may choose to receive additional compensation by either claiming Five Hundred Dollars (\$500.00) per full-time equivalent employee employed by the eligible business as of March 1, 2020, or itemizing eligible expenses on the application form. The total payment shall be reduced by the amount of any Paycheck Protection Program (PPP) funds, Economic Injury Disaster Loan (EIDL) Emergency Advance funds up to a maximum of Ten Thousand Dollars (\$10,000.00), and business interruption insurance proceeds received by the eligible taxpayer; provided, however, that the total payment shall not be reduced by more than half. In no event shall the total payment to an eligible business under this section exceed Twenty-five Thousand Dollars (\$25,000.00).

(b) At least Forty Million Dollars (\$40,000,000.00) in grants, exclusive of administrative expenses retained by the MDA, shall be awarded to minority business enterprises for the first sixty (60) days of the application period.

(c) Grants awarded shall be protected from creditors and shall not be subject to tax \* \* \*. Eligible expenses for



45 which grants are received may \* \* \* be itemized as income tax  
46 deductions.

47       **SECTION 2.** This act shall take effect and be in force from  
48 and after January 1, 2021.

