

By: Senator(s) Caughman

To: Finance

## SENATE BILL NO. 2181

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR COSTS INCURRED  
2 IN THE BUILDING OF STORM SHELTERS OR SAFE ROOMS FOR MULTIFAMILY  
3 RESIDENTIAL CONSTRUCTION; TO SET INDIVIDUAL AND AGGREGATE LIMITS  
4 FOR THE CREDIT; TO ALLOW THE AMOUNT OF THE CREDIT IN EXCESS OF THE  
5 TAXPAYER'S TAX LIABILITY IN A TAX YEAR TO BE CARRIED FORWARD FOR  
6 FIVE TAX YEARS, OR ALTERNATIVELY, TO ALLOW THE TAXPAYER TO CLAIM A  
7 REFUND IN THE AMOUNT OF 75% OF THE EXCESS CREDIT; AND FOR RELATED  
8 PURPOSES.

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

10 **SECTION 1.** (1) As used in this section:

11 (a) "Storm shelter" or "safe room" means a hard  
12 structure that:

13 (i) Is designed to provide critical protection to  
14 residents of qualified property during extreme wind events,  
15 regardless of whether the structure is attached to or detached  
16 from the building on the qualified property housing the residents;  
17 and

18 (ii) Has been certified by an inspector employed  
19 or licensed by the state, or by a political subdivision thereof in  
20 which the qualified property is located, as having been  
21 constructed in compliance with International Code Council (ICC)



500 and National Storm Shelter Association (NSSA) standards and any applicable building code requirements.

(b) "Qualified property" means property that is:

(i) Owned by the taxpayer and located in the State of Mississippi;

(ii) Designated as R-2 Occupancy multifamily residential use; and

(iii) A site for which a certificate of occupancy has been issued within twelve (12) months of application for the tax credit.

(2) A landowner or land developer that is a taxpayer shall be allowed a credit against the tax imposed by this chapter to compensate for costs incurred for the construction of a storm shelter or safe room that such taxpayer owns and maintains on qualified property.

(3) (a) The credit authorized by this section shall not exceed the lesser of:

(i) Fifty percent (50%) of the costs incurred from the building of a storm shelter or safe room placed in service during the taxable year by a single taxpayer in a tax year beginning 2022; or

(ii) Twenty Thousand Dollars (\$20,000.00) per storm shelter or safe room placed in service during the taxable year by a single taxpayer in a tax year beginning 2022.



(b) The aggregate amount of tax credits awarded under this section shall not exceed Five Million Dollars (\$5,000,000.00) in any one (1) state fiscal year.

(4) (a) If the amount of the tax credit established by this section exceeds the total state income tax liability for the year in which the storm shelter or safe room is placed in service, the amount that exceeds the total state income tax liability may be carried forward for the five (5) succeeding tax years.

(b) The taxpayer may elect to claim a refund in the amount of seventy-five percent (75%) of the excess credit in lieu of the ten-year carryforward. The election must be made in the year in which the storm shelter or safe room is placed in service. Refunds will be paid in equal installments over a two-year period and shall be made from current collections. Refund requests shall be submitted to the department on forms prescribed by the department. Refunds shall be made from current tax collections.

**SECTION 2.** Section 1 of this act shall be codified in Title 27, Chapter 7, Mississippi Code of 1972.

**SECTION 3.** This act shall take effect and be in force from and after July 1, 2021.

