

**Tabled
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2521

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

14 **SECTION 1.** Section 57-62-5, Mississippi Code of 1972, is
15 amended as follows:

16 **[For businesses or industries that received or applied for
17 incentive payments prior to July 1, 2005, this section shall read
18 as follows:]**

19 57-62-5. As used in this chapter, the following words and
20 phrases shall have the meanings ascribed in this section unless
21 the context clearly indicates otherwise:

22 (a) "Qualified business or industry" means any
23 corporation, limited liability company, partnership, sole



24 proprietorship, business trust or other legal entity and subunits
25 or affiliates thereof, pursuant to rules and regulations of the
26 MDA, which provides an average annual salary, excluding benefits
27 which are not subject to Mississippi income taxes, of at least one
28 hundred twenty-five percent (125%) of the most recently published
29 state average annual wage or the most recently published average
30 annual wage of the county in which the qualified business or
31 industry is located as determined by the Mississippi Department of
32 Employment Security, whichever is the lesser. An establishment
33 shall not be considered to be a qualified business or industry
34 unless it offers, or will offer within one hundred eighty (180)
35 days of the date it receives the first incentive payment pursuant
36 to the provisions of this chapter, a basic health benefits plan to
37 the individuals it employs in new direct jobs in this state which
38 is approved by the MDA. Qualified business or industry does not
39 include retail business or gaming business;

40 (b) "New direct job" means full-time employment in this
41 state in a qualified business or industry that has qualified to
42 receive an incentive payment pursuant to this chapter, which
43 employment did not exist in this state before the date of approval
44 by the MDA of the application of the qualified business or
45 industry pursuant to the provisions of this chapter. "New direct
46 job" shall include full-time employment in this state of employees
47 who are employed by an entity other than the establishment that
48 has qualified to receive an incentive payment and who are leased



49 to the qualified business or industry, if such employment did not
50 exist in this state before the date of approval by the MDA of the
51 application of the establishment;

52 (c) "Full-time job" means a job of at least thirty-five
53 (35) hours per week;

54 (d) "Estimated direct state benefits" means the tax
55 revenues projected by the MDA to accrue to the state as a result
56 of the qualified business or industry;

57 (e) "Estimated direct state costs" means the costs
58 projected by the MDA to accrue to the state as a result of the
59 qualified business or industry;

60 (f) "Estimated net direct state benefits" means the
61 estimated direct state benefits less the estimated direct state
62 costs;

63 (g) "Net benefit rate" means the estimated net direct
64 state benefits computed as a percentage of gross payroll, provided
65 that:

66 (i) Except as otherwise provided in this paragraph
67 (g), the net benefit rate may be variable and shall not exceed
68 four percent (4%) of the gross payroll; and shall be set in the
69 sole discretion of the MDA;

70 (ii) In no event shall incentive payments,
71 cumulatively, exceed the estimated net direct state benefits;

72 (h) "Gross payroll" means wages for new direct jobs of
73 the qualified business or industry; and



74 (i) "MDA" means the Mississippi Development Authority.

75 **[For businesses or industries that received or applied for**
76 **incentive payments from and after July 1, 2005, but prior to July**
77 **1, 2010, this section shall read as follows:]**

78 57-62-5. As used in this chapter, the following words and
79 phrases shall have the meanings ascribed in this section unless
80 the context clearly indicates otherwise:

81 (a) "Qualified business or industry" means any
82 corporation, limited liability company, partnership, sole
83 proprietorship, business trust or other legal entity and subunits
84 or affiliates thereof, pursuant to rules and regulations of the
85 MDA, which:

86 (i) Is a data/information processing enterprise
87 meeting minimum criteria established by the MDA that provides an
88 average annual salary, excluding benefits which are not subject to
89 Mississippi income taxes, of at least one hundred percent (100%)
90 of the most recently published state average annual wage or the
91 most recently published average annual wage of the county in which
92 the qualified business or industry is located as determined by the
93 Mississippi Department of Employment Security, whichever is the
94 lesser, and creates not less than two hundred (200) new direct
95 jobs if the enterprise is located in a Tier One or Tier Two area
96 (as such areas are designated in accordance with Section
97 57-73-21), or which creates not less than one hundred (100) new



98 jobs if the enterprise is located in a Tier Three area (as such
99 areas are designated in accordance with Section 57-73-21);

100 (ii) Is a manufacturing or distribution enterprise
101 meeting minimum criteria established by the MDA that provides an
102 average annual salary, excluding benefits which are not subject to
103 Mississippi income taxes, of at least one hundred ten percent
104 (110%) of the most recently published state average annual wage or
105 the most recently published average annual wage of the county in
106 which the qualified business or industry is located as determined
107 by the Mississippi Department of Employment Security, whichever is
108 the lesser, invests not less than Twenty Million Dollars
109 (\$20,000,000.00) in land, buildings and equipment, and creates not
110 less than fifty (50) new direct jobs if the enterprise is located
111 in a Tier One or Tier Two area (as such areas are designated in
112 accordance with Section 57-73-21), or which creates not less than
113 twenty (20) new jobs if the enterprise is located in a Tier Three
114 area (as such areas are designated in accordance with Section
115 57-73-21);

116 (iii) Is a corporation, limited liability company,
117 partnership, sole proprietorship, business trust or other legal
118 entity and subunits or affiliates thereof, pursuant to rules and
119 regulations of the MDA, which provides an average annual salary,
120 excluding benefits which are not subject to Mississippi income
121 taxes, of at least one hundred twenty-five percent (125%) of the
122 most recently published state average annual wage or the most



123 recently published average annual wage of the county in which the
124 qualified business or industry is located as determined by the
125 Mississippi Department of Employment Security, whichever is the
126 lesser, and creates not less than twenty-five (25) new direct jobs
127 if the enterprise is located in a Tier One or Tier Two area (as
128 such areas are designated in accordance with Section 57-73-21), or
129 which creates not less than ten (10) new jobs if the enterprise is
130 located in a Tier Three area (as such areas are designated in
131 accordance with Section 57-73-21). An establishment shall not be
132 considered to be a qualified business or industry unless it
133 offers, or will offer within one hundred eighty (180) days of the
134 date it receives the first incentive payment pursuant to the
135 provisions of this chapter, a basic health benefits plan to the
136 individuals it employs in new direct jobs in this state which is
137 approved by the MDA. Qualified business or industry does not
138 include retail business or gaming business; or

139 (iv) Is a research and development or a technology
140 intensive enterprise meeting minimum criteria established by the
141 MDA that provides an average annual salary, excluding benefits
142 which are not subject to Mississippi income taxes, of at least one
143 hundred fifty percent (150%) of the most recently published state
144 average annual wage or the most recently published average annual
145 wage of the county in which the qualified business or industry is
146 located as determined by the Mississippi Department of Employment



147 Security, whichever is the lesser, and creates not less than ten
148 (10) new direct jobs.

149 An establishment shall not be considered to be a qualified
150 business or industry unless it offers, or will offer within one
151 hundred eighty (180) days of the date it receives the first
152 incentive payment pursuant to the provisions of this chapter, a
153 basic health benefits plan to the individuals it employs in new
154 direct jobs in this state which is approved by the MDA. Qualified
155 business or industry does not include retail business or gaming
156 business.

157 (b) "New direct job" means full-time employment in this
158 state in a qualified business or industry that has qualified to
159 receive an incentive payment pursuant to this chapter, which
160 employment did not exist in this state before the date of approval
161 by the MDA of the application of the qualified business or
162 industry pursuant to the provisions of this chapter. "New direct
163 job" shall include full-time employment in this state of employees
164 who are employed by an entity other than the establishment that
165 has qualified to receive an incentive payment and who are leased
166 to the qualified business or industry, if such employment did not
167 exist in this state before the date of approval by the MDA of the
168 application of the establishment.

169 (c) "Full-time job" or "full-time employment" means a
170 job of at least thirty-five (35) hours per week.



171 (d) "Estimated direct state benefits" means the tax
172 revenues projected by the MDA to accrue to the state as a result
173 of the qualified business or industry.

174 (e) "Estimated direct state costs" means the costs
175 projected by the MDA to accrue to the state as a result of the
176 qualified business or industry.

177 (f) "Estimated net direct state benefits" means the
178 estimated direct state benefits less the estimated direct state
179 costs.

180 (g) "Net benefit rate" means the estimated net direct
181 state benefits computed as a percentage of gross payroll, provided
182 that:

183 (i) Except as otherwise provided in this paragraph
184 (g), the net benefit rate may be variable and shall not exceed
185 four percent (4%) of the gross payroll; and shall be set in the
186 sole discretion of the MDA;

187 (ii) In no event shall incentive payments,
188 cumulatively, exceed the estimated net direct state benefits.

189 (h) "Gross payroll" means wages for new direct jobs of
190 the qualified business or industry.

191 (i) "MDA" means the Mississippi Development Authority.

192 **[For businesses or industries that apply for incentive**
193 **payments from and after July 1, 2010, this section shall read as**
194 **follows:]**



195 57-62-5. As used in this chapter, the following words and
196 phrases shall have the meanings ascribed in this section unless
197 the context clearly indicates otherwise:

198 (a) "Qualified business or industry" means any
199 corporation, limited liability company, partnership, sole
200 proprietorship, business trust or other legal entity and subunits
201 or affiliates thereof, pursuant to rules and regulations of the
202 MDA, which:

203 (i) Is a data/information processing enterprise
204 meeting minimum criteria established by the MDA that provides an
205 average annual salary, excluding benefits which are not subject to
206 Mississippi income taxes, of at least one hundred percent (100%)
207 of the most recently published state average annual wage or the
208 most recently published average annual wage of the county in which
209 the qualified business or industry is located as determined by the
210 Mississippi Department of Employment Security, whichever is the
211 lesser, and creates not less than two hundred (200) new direct
212 jobs;

213 (ii) Is a corporation, limited liability company,
214 partnership, sole proprietorship, business trust or other legal
215 entity and subunits or affiliates thereof, pursuant to rules and
216 regulations of the MDA, which provides an average annual salary,
217 excluding benefits which are not subject to Mississippi income
218 taxes, of at least one hundred ten percent (110%) of the most
219 recently published state average annual wage or the most recently



220 published average annual wage of the county in which the qualified
221 business or industry is located as determined by the Mississippi
222 Department of Employment Security, whichever is the lesser, and
223 creates not less than twenty-five (25) new direct jobs; or

224 (iii) Is a corporation, limited liability company,
225 partnership, sole proprietorship, business trust or other legal
226 entity and subunits or affiliates thereof, pursuant to rules and
227 regulations of the MDA, which is a manufacturer that:

228 1. Provides an average annual salary,
229 excluding benefits which are not subject to Mississippi income
230 taxes, of at least one hundred ten percent (110%) of the most
231 recently published state average annual wage or the most recently
232 published average annual wage of the county in which the qualified
233 business or industry is located as determined by the Mississippi
234 Department of Employment Security, whichever is the lesser;

235 2. Has a minimum of five thousand (5,000)
236 existing employees as of the last day of the previous calendar
237 year; and

238 3. MDA determines will create not less than
239 three thousand (3,000) new direct jobs within forty-eight (48)
240 months of the date the MDA determines that the applicant is
241 qualified to receive incentive payments.

242 An establishment shall not be considered to be a qualified
243 business or industry unless it offers, or will offer within one
244 hundred eighty (180) days of the date it receives the first



245 incentive payment pursuant to the provisions of this chapter, a
246 basic health benefits plan to the individuals it employs in new
247 direct jobs in this state which is approved by the MDA. Qualified
248 business or industry does not include retail business or gaming
249 business.

250 (b) "New direct job" means full-time employment in this
251 state in a qualified business or industry that has qualified to
252 receive an incentive payment pursuant to this chapter, which
253 employment did not exist in this state:

254 (i) Before the date of approval by the MDA of the
255 application of the qualified business or industry pursuant to the
256 provisions of this chapter * * *; or

257 (ii) Solely with respect to any farm equipment
258 manufacturer that locates its North American headquarters to
259 Mississippi between January 1, 2018, and December 31, 2020, before
260 a specific date determined by the MDA that falls on or after the
261 date that the MDA first issues to such farm equipment manufacturer
262 one or more written commitments or offers of any incentives in
263 connection with the new headquarters project and related
264 facilities expected to result in the creation of such new job.

265 "New direct job" shall include full-time employment in this
266 state of employees who are employed by an entity other than the
267 establishment that has qualified to receive an incentive payment
268 and who are leased to the qualified business or industry, if such



269 employment did not exist in this state before the date of approval
270 by the MDA of the application of the establishment.

271 (c) "Full-time job" or "full-time employment" means a
272 job of at least thirty-five (35) hours per week.

273 (d) "Gross payroll" means wages for new direct jobs of
274 the qualified business or industry.

275 (e) "MDA" means the Mississippi Development Authority.

276 **SECTION 2.** This act shall take effect and be in force from
277 and after its passage, and shall stand repealed one day before
278 passage.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 57-62-5, MISSISSIPPI CODE OF 1972, AS
2 APPLYING TO INCENTIVE APPLICANTS FROM AND AFTER JULY 1, 2010, TO
3 REVISE THE DEFINITION OF "NEW DIRECT JOB" SOLELY WITH RESPECT TO A
4 FARM EQUIPMENT MANUFACTURER THAT LOCATES ITS NORTH AMERICAN
5 HEADQUARTERS TO MISSISSIPPI BETWEEN JANUARY 1, 2018, AND DECEMBER
6 31, 2020, TO ALLOW A POSITION TO QUALIFY IF CREATED BEFORE A
7 SPECIFIC DATE DETERMINED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY,
8 THAT FALLS ON OR AFTER THE DATE THAT THE MDA FIRST ISSUES TO SUCH
9 FARM EQUIPMENT MANUFACTURER ONE OR MORE WRITTEN COMMITMENTS OR
10 OFFERS OF ANY INCENTIVES IN CONNECTION WITH THE NEW HEADQUARTERS
11 PROJECT AND RELATED FACILITIES EXPECTED TO RESULT IN THE CREATION
12 OF SUCH NEW JOB; AND FOR RELATED PURPOSES.

