

**Tabled
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2967

BY: Committee

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

44 **SECTION 1.** Section 57-73-23, Mississippi Code of 1972, is
45 amended as follows:
46 57-73-23. A * * * seventy-five percent (75%) income tax
47 credit shall be granted to any employer providing dependent care
48 for employees during the employee's work hours. Credit is applied
49 to the net cost of any contract executed by the employer for
50 another entity to provide dependent care; or, if the employer
51 elects to provide dependent care itself, to expenses of dependent
52 care staff, learning and recreational materials and equipment, and
53 the construction and maintenance of a facility. Additional



54 eligible expenses include net costs assumed by the employer which
55 increase the quality, availability and affordability of dependent
56 care in the community used by employees during the employee's work
57 hours. This cost is net of any reimbursement. A deduction shall
58 not be allowed for any expenses which serve as the basis for an
59 income tax credit. The credits allowed under this section shall
60 not be used by any business enterprise or corporation other than
61 the business enterprise actually qualifying for the credits.

62 Credit may be carried forward for the five (5) successive
63 years if the amount allowable as credit exceeds income tax
64 liability in a tax year; however, thereafter, if the amount
65 allowable as a credit exceeds the tax liability, the amount of
66 excess shall not be refundable or carried forward to any other
67 taxable year.

68 The facility must have an average daily enrollment for the
69 taxable year of no less than six (6) children who are twelve (12)
70 years of age or less and be licensed according to the regulations
71 governing licensure of child care facilities in Mississippi; or
72 must serve five (5) or fewer children and/or elderly adults in a
73 family child care/elder care home approved by the Department of
74 Health for participation in the United States Department of
75 Agriculture child and adult nutrition program; or must serve
76 children over twelve (12) years of age but less than eighteen (18)
77 years of age in either a community-based facility or a facility at
78 the employment site; or must serve adult relatives of employees in



79 either a community-based elder care facility or a facility at the
80 employment site; or must serve children or adult dependents having
81 physical, emotional or mental disabilities in either a
82 community-based facility or a facility at the employment site.

83 Employers will be certified as eligible for the tax credit by
84 the * * * State Department of Health for programs serving children
85 twelve (12) years of age or younger and for programs serving
86 elderly adults and by the * * * Department of Revenue for programs
87 serving other dependents older than twelve (12) years of age.

88 **SECTION 2.** Section 27-7-22.3, Mississippi Code of 1972, is
89 amended as follows:

90 **[In cases involving an economic development project for which**
91 **the Mississippi Business Finance Corporation has issued bonds for**
92 **the purpose of financing the approved costs of such project prior**
93 **to July 1, 1994, this section shall read as follows:]**

94 27-7-22.3. (1) For taxpayers who are required to pay a job
95 assessment fee as provided in Section 57-10-413, there shall be
96 allowed as a credit against the taxes imposed by this chapter, an
97 amount equal to the amount of the job assessment fee imposed upon
98 such taxpayer pursuant to Section 57-10-413. If the amount
99 allowable as a credit exceeds the tax imposed by this article and
100 Section 27-7-22.3, the amount of such excess shall not be
101 refundable or carried forward to any other taxable year.

102 (2) For any approved company as defined in Section
103 57-10-401, there shall be allowed against the taxes imposed by



104 this chapter on the income of the approved company generated by or
105 arising out of the economic development project (as defined in
106 Section 57-10-401), a credit in an amount not to exceed the total
107 debt service paid under a financing agreement entered into under
108 Section 57-10-409. The tax credit allowed in this subsection
109 shall not exceed the amount of taxes due the State of Mississippi.

110 **[In cases involving an economic development project for which**
111 **the Mississippi Business Finance Corporation has not issued bonds**
112 **for the purpose of financing the approved costs of such project**
113 **prior to July 1, 1994, but has issued bonds for such project prior**
114 **to July 1, 1997, or in cases involving an economic development**
115 **project which has been induced by a resolution of the Board of**
116 **Directors of the Mississippi Business Finance Corporation that has**
117 **been filed with the State Tax Commission prior to July 1, 1997,**
118 **this section shall read as follows:]**

119 27-7-22.3. (1) For taxpayers who are required to pay a job
120 assessment fee as provided in Section 57-10-413, there shall be
121 allowed as a credit against the taxes imposed by this chapter, an
122 amount equal to the amount of the job assessment fee imposed upon
123 such taxpayer pursuant to Section 57-10-413. If the amount
124 allowable as a credit exceeds the tax imposed by this article and
125 Section 27-7-22.3, the amount of such excess shall not be
126 refundable or carried forward to any other taxable year.

127 (2) For any approved company as defined in Section
128 57-10-401, there shall be allowed against the taxes imposed by



129 this chapter on the income of the approved company generated by or
130 arising out of the economic development project (as defined in
131 Section 57-10-401), a credit in an amount not to exceed the total
132 debt service paid under a financing agreement entered into under
133 Section 57-10-409. The tax credit allowed in this subsection
134 shall not exceed the amount of taxes due the State of Mississippi.
135 The amount of income of the approved company generated by or
136 arising out of the economic development project shall be
137 determined by a formula adopted by the Mississippi Business
138 Finance Corporation.

139 **[In cases involving an economic development project for which**
140 **the Mississippi Business Finance Corporation has not issued bonds**
141 **for the purpose of financing the approved costs of such project**
142 **prior to July 1, 1997, or in cases involving an economic**
143 **development project which has not been induced by a resolution of**
144 **the Board of Directors of the Mississippi Business Finance**
145 **Corporation that has been filed with the State Tax Commission**
146 **prior to July 1, 1997, this section shall read as follows:]**

147 27-7-22.3. For any approved company as defined in Section
148 57-10-401, there shall be allowed against the taxes imposed by
149 this chapter on the income of the approved company generated by or
150 arising out of the economic development project (as defined in
151 Section 57-10-401), a credit in an amount not to exceed the total
152 debt service paid under a financing agreement entered into under
153 Section 57-10-409; provided, however, that the tax credit allowed



154 in this * * * section shall not exceed eighty percent (80%) of the
155 amount of taxes due the State of Mississippi prior to the
156 application of the credit. To the extent that financing agreement
157 annual payments exceed the amount of the credit authorized
158 pursuant to this section in any taxable year, such excess payment
159 may be recouped from excess credits in succeeding years not to
160 exceed three (3) years following the date upon which the credit
161 was earned. The amount of income of the approved company
162 generated by or arising out of the economic development project
163 shall be determined by a formula adopted by the Mississippi
164 Business Finance Corporation.

165 **[In cases involving an economic development project for which**
166 **the Mississippi Business Finance Corporation has not issued bonds**
167 **for the purpose of financing the approved costs of such project**
168 **prior to July 1, 2021, or in cases involving an economic**
169 **development project which has not been induced by a resolution of**
170 **the Board of Directors of the Mississippi Business Finance**
171 **Corporation that has been filed with the Department of Revenue**
172 **prior to July 1, 2021, this section shall read as follows:]**

173 27-7-22.3. For any approved company as defined in Section
174 57-10-401, there shall be allowed against the taxes imposed by
175 this chapter on the income of the approved company generated by or
176 arising out of the economic development project (as defined in
177 Section 57-10-401), a credit in an amount not to exceed the
178 interest expense paid under a financing agreement entered into



179 under Section 57-10-409; provided, however, that the tax credit
180 allowed in this section shall not exceed eighty percent (80%) of
181 the amount of taxes due the State of Mississippi prior to the
182 application of the credit. To the extent that interest expense
183 annual payments exceed the amount of the credit authorized
184 pursuant to this section in any taxable year, such excess payment
185 may be recouped from excess credits in succeeding years not to
186 exceed three (3) years following the date upon which the credit
187 was earned. The amount of income of the approved company
188 generated by or arising out of the economic development project
189 shall be determined by a formula adopted by the Mississippi
190 Business Finance Corporation.

191 **SECTION 3.** Section 27-65-101, Mississippi Code of 1972, is
192 amended as follows:

193 27-65-101. (1) The exemptions from the provisions of this
194 chapter which are of an industrial nature or which are more
195 properly classified as industrial exemptions than any other
196 exemption classification of this chapter shall be confined to
197 those persons or property exempted by this section or by the
198 provisions of the Constitution of the United States or the State
199 of Mississippi. No industrial exemption as now provided by any
200 other section except Section 57-3-33 shall be valid as against the
201 tax herein levied. Any subsequent industrial exemption from the
202 tax levied hereunder shall be provided by amendment to this



203 section. No exemption provided in this section shall apply to
204 taxes levied by Section 27-65-15 or 27-65-21.

205 The tax levied by this chapter shall not apply to the
206 following:

207 (a) Sales of boxes, crates, cartons, cans, bottles and
208 other packaging materials to manufacturers and wholesalers for use
209 as containers or shipping materials to accompany goods sold by
210 said manufacturers or wholesalers where possession thereof will
211 pass to the customer at the time of sale of the goods contained
212 therein and sales to anyone of containers or shipping materials
213 for use in ships engaged in international commerce.

214 (b) Sales of raw materials, catalysts, processing
215 chemicals, welding gases or other industrial processing gases
216 (except natural gas) to a manufacturer for use directly in
217 manufacturing or processing a product for sale or rental or
218 repairing or reconditioning vessels or barges of fifty (50) tons
219 load displacement and over. For the purposes of this exemption,
220 electricity used directly in the electrolysis process in the
221 production of sodium chlorate shall be considered a raw material.
222 This exemption shall not apply to any property used as fuel except
223 to the extent that such fuel comprises by-products which have no
224 market value.

225 (c) The gross proceeds of sales of dry docks, offshore
226 drilling equipment for use in oil or natural gas exploration or
227 production, vessels or barges of fifty (50) tons load displacement



228 and over, when the vessels or barges are sold by the manufacturer
229 or builder thereof. In addition to other types of equipment,
230 offshore drilling equipment for use in oil or natural gas
231 exploration or production shall include aircraft used
232 predominately to transport passengers or property to or from
233 offshore oil or natural gas exploration or production platforms or
234 vessels, and engines, accessories and spare parts for such
235 aircraft.

236 (d) Sales to commercial fishermen of commercial fishing
237 boats of over five (5) tons load displacement and not more than
238 fifty (50) tons load displacement as registered with the United
239 States Coast Guard and licensed by the Mississippi Commission on
240 Marine Resources.

241 (e) The gross income from repairs to vessels and barges
242 engaged in foreign trade or interstate transportation.

243 (f) Sales of petroleum products to vessels or barges
244 for consumption in marine international commerce or interstate
245 transportation businesses.

246 (g) Sales and rentals of rail rolling stock (and
247 component parts thereof) for ultimate use in interstate commerce
248 and gross income from services with respect to manufacturing,
249 repairing, cleaning, altering, reconditioning or improving such
250 rail rolling stock (and component parts thereof).

251 (h) Sales of raw materials, catalysts, processing
252 chemicals, welding gases or other industrial processing gases



253 (except natural gas) used or consumed directly in manufacturing,
254 repairing, cleaning, altering, reconditioning or improving such
255 rail rolling stock (and component parts thereof). This exemption
256 shall not apply to any property used as fuel.

257 (i) Sales of machinery or tools or repair parts
258 therefor or replacements thereof, fuel or supplies used directly
259 in manufacturing, converting or repairing ships, vessels or barges
260 of three thousand (3,000) tons load displacement and over, but not
261 to include office and plant supplies or other equipment not
262 directly used on the ship, vessel or barge being built, converted
263 or repaired. For purposes of this exemption, "ships, vessels or
264 barges" shall not include floating structures described in Section
265 27-65-18.

266 (j) Sales of tangible personal property to persons
267 operating ships in international commerce for use or consumption
268 on board such ships. This exemption shall be limited to cases in
269 which procedures satisfactory to the commissioner, ensuring
270 against use in this state other than on such ships, are
271 established.

272 (k) Sales of materials used in the construction of a
273 building, or any addition or improvement thereon, and sales of any
274 machinery and equipment not later than three (3) months after the
275 completion of construction of the building, or any addition
276 thereon, to be used therein, to qualified businesses, as defined
277 in Section 57-51-5, which are located in a county or portion



278 thereof designated as an enterprise zone pursuant to Sections
279 57-51-1 through 57-51-15.

280 (l) Sales of materials used in the construction of a
281 building, or any addition or improvement thereon, and sales of any
282 machinery and equipment not later than three (3) months after the
283 completion of construction of the building, or any addition
284 thereon, to be used therein, to qualified businesses, as defined
285 in Section 57-54-5.

286 (m) Income from storage and handling of perishable
287 goods by a public storage warehouse.

288 (n) The value of natural gas lawfully injected into the
289 earth for cycling, repressuring or lifting of oil, or lawfully
290 vented or flared in connection with the production of oil;
291 however, if any gas so injected into the earth is sold for such
292 purposes, then the gas so sold shall not be exempt.

293 (o) The gross collections from self-service commercial
294 laundering, drying, cleaning and pressing equipment.

295 (p) Sales of materials used in the construction of a
296 building, or any addition or improvement thereon, and sales of any
297 machinery and equipment not later than three (3) months after the
298 completion of construction of the building, or any addition
299 thereon, to be used therein, to qualified companies, certified as
300 such by the Mississippi Development Authority under Section
301 57-53-1.



302 (q) Sales of component materials used in the
303 construction of a building, or any addition or improvement
304 thereon, sales of machinery and equipment to be used therein, and
305 sales of manufacturing or processing machinery and equipment which
306 is permanently attached to the ground or to a permanent foundation
307 and which is not by its nature intended to be housed within a
308 building structure, not later than three (3) months after the
309 initial start-up date, to permanent business enterprises engaging
310 in manufacturing or processing in Tier Three areas (as such term
311 is defined in Section 57-73-21), which businesses are certified by
312 the Department of Revenue as being eligible for the exemption
313 granted in this paragraph (q).

314 (r) (i) Sales of component materials used in the
315 construction of a building, or any addition or improvement
316 thereon, and sales of any machinery and equipment not later than
317 three (3) months after the completion of the building, addition or
318 improvement thereon, to be used therein, for any company
319 establishing or transferring its national or regional headquarters
320 from within or outside the State of Mississippi and creating a
321 minimum of twenty (20) jobs at the new headquarters in this state.
322 The Department of Revenue shall establish criteria and prescribe
323 procedures to determine if a company qualifies as a national or
324 regional headquarters for the purpose of receiving the exemption
325 provided in this subparagraph (i).



326 (ii) Sales of component materials used in the
327 construction of a building, or any addition or improvement
328 thereon, and sales of any machinery and equipment not later than
329 three (3) months after the completion of the building, addition or
330 improvement thereon, to be used therein, for any company expanding
331 or making additions after January 1, 2013, to its national or
332 regional headquarters within the State of Mississippi and creating
333 a minimum of twenty (20) new jobs at the headquarters as a result
334 of the expansion or additions. The Department of Revenue shall
335 establish criteria and prescribe procedures to determine if a
336 company qualifies as a national or regional headquarters for the
337 purpose of receiving the exemption provided in this subparagraph
338 (ii).

339 (s) The gross proceeds from the sale of semitrailers,
340 trailers, boats, travel trailers, motorcycles, all-terrain cycles
341 and rotary-wing aircraft if exported from this state within
342 forty-eight (48) hours and registered and first used in another
343 state.

344 (t) Gross income from the storage and handling of
345 natural gas in underground salt domes and in other underground
346 reservoirs, caverns, structures and formations suitable for such
347 storage.

348 (u) Sales of machinery and equipment to nonprofit
349 organizations if the organization:



350 (i) Is tax exempt pursuant to Section 501(c)(4) of
351 the Internal Revenue Code of 1986, as amended;

352 (ii) Assists in the implementation of the
353 contingency plan or area contingency plan, and which is created in
354 response to the requirements of Title IV, Subtitle B of the Oil
355 Pollution Act of 1990, Public Law 101-380; and

356 (iii) Engages primarily in programs to contain,
357 clean up and otherwise mitigate spills of oil or other substances
358 occurring in the United States coastal and tidal waters.

359 For purposes of this exemption, "machinery and equipment"
360 means any ocean-going vessels, barges, booms, skimmers and other
361 capital equipment used primarily in the operations of nonprofit
362 organizations referred to herein.

363 (v) Sales or leases of materials and equipment to
364 approved business enterprises as provided under the Growth and
365 Prosperity Act.

366 (w) From and after July 1, 2001, sales of pollution
367 control equipment to manufacturers or custom processors for
368 industrial use. For the purposes of this exemption, "pollution
369 control equipment" means equipment, devices, machinery or systems
370 used or acquired to prevent, control, monitor or reduce air, water
371 or groundwater pollution, or solid or hazardous waste as required
372 by federal or state law or regulation.

373 (x) Sales or leases to a manufacturer of motor vehicles
374 or powertrain components operating a project that has been



375 certified by the Mississippi Major Economic Impact Authority as a
376 project as defined in Section 57-75-5(f)(iv)1, Section
377 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and
378 equipment; special tooling such as dies, molds, jigs and similar
379 items treated as special tooling for federal income tax purposes;
380 or repair parts therefor or replacements thereof; repair services
381 thereon; fuel, supplies, electricity, coal and natural gas used
382 directly in the manufacture of motor vehicles or motor vehicle
383 parts or used to provide climate control for manufacturing areas.

384 (y) Sales or leases of component materials, machinery
385 and equipment used in the construction of a building, or any
386 addition or improvement thereon to an enterprise operating a
387 project that has been certified by the Mississippi Major Economic
388 Impact Authority as a project as defined in Section
389 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)
390 or Section 57-75-5(f)(xxviii) and any other sales or leases
391 required to establish or operate such project.

392 (z) Sales of component materials and equipment to a
393 business enterprise as provided under Section 57-64-33.

394 (aa) The gross income from the stripping and painting
395 of commercial aircraft engaged in foreign or interstate
396 transportation business.

397 (bb) [Repealed]

398 (cc) Sales or leases to an enterprise owning or
399 operating a project that has been designated by the Mississippi



400 Major Economic Impact Authority as a project as defined in Section
401 57-75-5(f) (xviii) of machinery and equipment; special tooling such
402 as dies, molds, jigs and similar items treated as special tooling
403 for federal income tax purposes; or repair parts therefor or
404 replacements thereof; repair services thereon; fuel, supplies,
405 electricity, coal and natural gas used directly in the
406 manufacturing/production operations of the project or used to
407 provide climate control for manufacturing/production areas.

408 (dd) Sales or leases of component materials, machinery
409 and equipment used in the construction of a building, or any
410 addition or improvement thereon to an enterprise owning or
411 operating a project that has been designated by the Mississippi
412 Major Economic Impact Authority as a project as defined in Section
413 57-75-5(f) (xviii) and any other sales or leases required to
414 establish or operate such project.

415 (ee) Sales of parts used in the repair and servicing of
416 aircraft not registered in Mississippi engaged exclusively in the
417 business of foreign or interstate transportation to businesses
418 engaged in aircraft repair and maintenance.

419 (ff) Sales of component materials used in the
420 construction of a facility, or any addition or improvement
421 thereon, and sales or leases of machinery and equipment not later
422 than three (3) months after the completion of construction of the
423 facility, or any addition or improvement thereto, to be used in
424 the building or any addition or improvement thereto, to a



425 permanent business enterprise operating a data/information
426 enterprise in Tier Three areas (as such areas are designated in
427 accordance with Section 57-73-21), meeting minimum criteria
428 established by the Mississippi Development Authority.

429 (gg) Sales of component materials used in the
430 construction of a facility, or any addition or improvement
431 thereto, and sales of machinery and equipment not later than three
432 (3) months after the completion of construction of the facility,
433 or any addition or improvement thereto, to be used in the facility
434 or any addition or improvement thereto, to technology intensive
435 enterprises for industrial purposes in Tier Three areas (as such
436 areas are designated in accordance with Section 57-73-21), as
437 certified by the Department of Revenue. For purposes of this
438 paragraph, an enterprise must meet the criteria provided for in
439 Section 27-65-17(1)(f) in order to be considered a technology
440 intensive enterprise.

441 (hh) Sales of component materials used in the
442 replacement, reconstruction or repair of a building or facility
443 that has been destroyed or sustained extensive damage as a result
444 of a disaster declared by the Governor, sales of machinery and
445 equipment to be used therein to replace machinery or equipment
446 damaged or destroyed as a result of such disaster, including, but
447 not limited to, manufacturing or processing machinery and
448 equipment which is permanently attached to the ground or to a
449 permanent foundation and which is not by its nature intended to be



450 housed within a building structure, to enterprises or companies
451 that were eligible for the exemptions authorized in paragraph (q),
452 (r), (ff) or (gg) of this subsection during initial construction
453 of the building that was destroyed or damaged, which enterprises
454 or companies are certified by the Department of Revenue as being
455 eligible for the exemption granted in this paragraph.

456 (ii) Sales of software or software services transmitted
457 by the internet to a destination outside the State of Mississippi
458 where the first use of such software or software services by the
459 purchaser occurs outside the State of Mississippi.

460 (jj) Gross income of public storage warehouses derived
461 from the temporary storage of raw materials that are to be used
462 in * * * a new facility that creates at least twenty (20)
463 full-time jobs with a minimum capital investment from private
464 sources of Fifty Million Dollars (\$50,000,000.00), that:

465 (i) Consists of all components necessary for the
466 production of electric energy from the direct firing or co-firing
467 of biomass or waste heat recovery, and if applicable, other energy
468 sources;

469 (ii) Produces both electric energy and useful
470 thermal energy, such as heat or steam, through the sequential use
471 of energy (cogeneration); and

472 (iii) Consists of all components necessary for the
473 production of synfuel.



474 (kk) Sales of component building materials and
475 equipment for initial construction of facilities or expansion of
476 facilities as authorized under * * * Sections 57-113-21 through
477 57-113-27.

478 (ll) Sales and leases of machinery and equipment
479 acquired in the initial construction to establish facilities as
480 authorized in Sections 57-113-1 through 57-113-7. This paragraph
481 shall stand repealed from and after July 1, 2021.

482 (mm) Sales and leases of replacement hardware, software
483 or other necessary technology to operate a data center as
484 authorized under Sections 57-113-21 through 57-113-27.

485 (nn) Sales of component materials used in the
486 construction of a building, or any addition or improvement
487 thereon, and sales or leases of machinery and equipment not later
488 than three (3) months after the completion of the construction of
489 the facility, to be used in the facility, to permanent business
490 enterprises operating a facility producing renewable crude oil
491 from biomass harvested or produced, in whole or in part, in
492 Mississippi, which businesses meet minimum criteria established by
493 the Mississippi Development Authority. As used in this paragraph,
494 the term "biomass" shall have the meaning ascribed to such term in
495 Section 57-113-1. This paragraph shall stand repealed from and
496 after July 1, 2021.

497 (oo) Sales of supplies, equipment and other personal
498 property to an organization that is exempt from taxation under



499 Section 501(c)(3) of the Internal Revenue Code and is the host
500 organization coordinating a professional golf tournament played or
501 to be played in this state and the supplies, equipment or other
502 personal property will be used for purposes related to the golf
503 tournament and related activities.

504 (pp) Sales of materials used in the construction of a
505 health care industry facility, as defined in Section 57-117-3, or
506 any addition or improvement thereon, and sales of any machinery
507 and equipment not later than three (3) months after the completion
508 of construction of the facility, or any addition thereon, to be
509 used therein, to qualified businesses, as defined in Section
510 57-117-3. This paragraph shall be repealed from and after July 1,
511 2022.

512 (qq) Sales or leases to a manufacturer of automotive
513 parts operating a project that has been certified by the
514 Mississippi Major Economic Impact Authority as a project as
515 defined in Section 57-75-5(f)(xxviii) of machinery and equipment;
516 or repair parts therefor or replacements thereof; repair services
517 thereon; fuel, supplies, electricity, coal, nitrogen and natural
518 gas used directly in the manufacture of automotive parts or used
519 to provide climate control for manufacturing areas.

520 (rr) Gross collections derived from guided tours on any
521 navigable waters of this state, which include providing
522 accommodations, guide services and/or related equipment operated
523 by or under the direction of the person providing the tour, for



524 the purposes of outdoor tourism. The exemption provided in this
525 paragraph (rr) does not apply to the sale of tangible personal
526 property by a person providing such tours.

527 (ss) Retail sales of truck-tractors and semitrailers
528 used in interstate commerce and registered under the International
529 Registration Plan (IRP) or any similar reciprocity agreement or
530 compact relating to the proportional registration of commercial
531 vehicles entered into as provided for in Section 27-19-143.

532 (tt) Sales exempt under the Facilitating Business Rapid
533 Response to State Declared Disasters Act of 2015 (Sections
534 27-113-1 through 27-113-9).

535 (uu) Sales or leases to an enterprise and its
536 affiliates operating a project that has been certified by the
537 Mississippi Major Economic Impact Authority as a project as
538 defined in Section 57-75-5(f)(xxix) of:

539 (i) All personal property and fixtures, including
540 without limitation, sales or leases to the enterprise and its
541 affiliates of:

542 1. Manufacturing machinery and equipment;

543 2. Special tooling such as dies, molds, jigs
544 and similar items treated as special tooling for federal income
545 tax purposes;

546 3. Component building materials, machinery
547 and equipment used in the construction of buildings, and any other
548 additions or improvements to the project site for the project;



549 4. Nonmanufacturing furniture, fixtures and
550 equipment (inclusive of all communications, computer, server,
551 software and other hardware equipment); and

552 5. Fuel, supplies (other than
553 nonmanufacturing consumable supplies and water), electricity,
554 nitrogen gas and natural gas used directly in the
555 manufacturing/production operations of such project or used to
556 provide climate control for manufacturing/production areas of such
557 project;

558 (ii) All replacements of, repair parts for or
559 services to repair items described in subparagraph (i)1, 2 and 3
560 of this paragraph; and

561 (iii) All services taxable pursuant to Section
562 27-65-23 required to establish, support, operate, repair and/or
563 maintain such project.

564 (vv) Sales or leases to an enterprise operating a
565 project that has been certified by the Mississippi Major Economic
566 Impact Authority as a project as defined in Section
567 57-75-5(f)(xxx) of:

568 (i) Purchases required to establish and operate
569 the project, including, but not limited to, sales of component
570 building materials, machinery and equipment required to establish
571 the project facility and any additions or improvements thereon;
572 and



573 (ii) Machinery, special tools (such as dies,
574 molds, and jigs) or repair parts thereof, or replacements and
575 lease thereof, repair services thereon, fuel, supplies and
576 electricity, coal and natural gas used in the manufacturing
577 process and purchased by the enterprise owning or operating the
578 project for the benefit of the project.

579 (ww) Sales of component materials used in the
580 construction of a building, or any expansion or improvement
581 thereon, sales of machinery and/or equipment to be used therein,
582 and sales of processing machinery and equipment which is
583 permanently attached to the ground or to a permanent foundation
584 which is not by its nature intended to be housed in a building
585 structure, no later than three (3) months after initial startup,
586 expansion or improvement of a permanent enterprise solely engaged
587 in the conversion of natural sand into proppants used in oil and
588 gas exploration and development with at least ninety-five percent
589 (95%) of such proppants used in the production of oil and/or gas
590 from horizontally drilled wells and/or horizontally drilled
591 recompletion wells as defined in Sections 27-25-501 and 27-25-701.

592 (2) Sales of component materials used in the construction of
593 a building, or any addition or improvement thereon, sales of
594 machinery and equipment to be used therein, and sales of
595 manufacturing or processing machinery and equipment which is
596 permanently attached to the ground or to a permanent foundation
597 and which is not by its nature intended to be housed within a



598 building structure, not later than three (3) months after the
599 initial start-up date, to permanent business enterprises engaging
600 in manufacturing or processing in Tier Two areas and Tier One
601 areas (as such areas are designated in accordance with Section
602 57-73-21), which businesses are certified by the Department of
603 Revenue as being eligible for the exemption granted in this
604 subsection, shall be exempt from one-half (1/2) of the taxes
605 imposed on such transactions under this chapter.

606 (3) Sales of component materials used in the construction of
607 a facility, or any addition or improvement thereon, and sales or
608 leases of machinery and equipment not later than three (3) months
609 after the completion of construction of the facility, or any
610 addition or improvement thereto, to be used in the building or any
611 addition or improvement thereto, to a permanent business
612 enterprise operating a data/information enterprise in Tier Two
613 areas and Tier One areas (as such areas are designated in
614 accordance with Section 57-73-21), which businesses meet minimum
615 criteria established by the Mississippi Development Authority,
616 shall be exempt from one-half (1/2) of the taxes imposed on such
617 transaction under this chapter.

618 (4) Sales of component materials used in the construction of
619 a facility, or any addition or improvement thereto, and sales of
620 machinery and equipment not later than three (3) months after the
621 completion of construction of the facility, or any addition or
622 improvement thereto, to be used in the building or any addition or



623 improvement thereto, to technology intensive enterprises for
624 industrial purposes in Tier Two areas and Tier One areas (as such
625 areas are designated in accordance with Section 57-73-21), which
626 businesses are certified by the Department of Revenue as being
627 eligible for the exemption granted in this subsection, shall be
628 exempt from one-half (1/2) of the taxes imposed on such
629 transactions under this chapter. For purposes of this subsection,
630 an enterprise must meet the criteria provided for in Section
631 27-65-17(1) (f) in order to be considered a technology intensive
632 enterprise.

633 (5) (a) For purposes of this subsection:

634 (i) "Telecommunications enterprises" shall have
635 the meaning ascribed to such term in Section 57-73-21;

636 (ii) "Tier One areas" mean counties designated as
637 Tier One areas pursuant to Section 57-73-21;

638 (iii) "Tier Two areas" mean counties designated as
639 Tier Two areas pursuant to Section 57-73-21;

640 (iv) "Tier Three areas" mean counties designated
641 as Tier Three areas pursuant to Section 57-73-21; and

642 (v) "Equipment used in the deployment of broadband
643 technologies" means any equipment capable of being used for or in
644 connection with the transmission of information at a rate, prior
645 to taking into account the effects of any signal degradation, that
646 is not less than three hundred eighty-four (384) kilobits per
647 second in at least one (1) direction, including, but not limited



648 to, asynchronous transfer mode switches, digital subscriber line
649 access multiplexers, routers, servers, multiplexers, fiber optics
650 and related equipment.

651 (b) Sales of equipment to telecommunications
652 enterprises after June 30, 2003, and before July 1, 2025, that is
653 installed in Tier One areas and used in the deployment of
654 broadband technologies shall be exempt from one-half (1/2) of the
655 taxes imposed on such transactions under this chapter.

656 (c) Sales of equipment to telecommunications
657 enterprises after June 30, 2003, and before July 1, 2025, that is
658 installed in Tier Two and Tier Three areas and used in the
659 deployment of broadband technologies shall be exempt from the
660 taxes imposed on such transactions under this chapter.

661 (6) Sales of component materials used in the replacement,
662 reconstruction or repair of a building that has been destroyed or
663 sustained extensive damage as a result of a disaster declared by
664 the Governor, sales of machinery and equipment to be used therein
665 to replace machinery or equipment damaged or destroyed as a result
666 of such disaster, including, but not limited to, manufacturing or
667 processing machinery and equipment which is permanently attached
668 to the ground or to a permanent foundation and which is not by its
669 nature intended to be housed within a building structure, to
670 enterprises that were eligible for the partial exemptions provided
671 for in subsections (2), (3) and (4) of this section during initial
672 construction of the building that was destroyed or damaged, which



673 enterprises are certified by the Department of Revenue as being
674 eligible for the partial exemption granted in this subsection,
675 shall be exempt from one-half (1/2) of the taxes imposed on such
676 transactions under this chapter.

677 **SECTION 4.** Section 57-10-439, Mississippi Code of 1972, is
678 amended as follows:

679 57-10-439. (1) The corporation is hereby declared to be
680 performing a public function and to be a public body corporate and
681 a political subdivision of the state. Accordingly, the income,
682 including any profit made on the sale thereof from all bonds
683 issued by the corporation, shall at all times be exempt from all
684 taxation by the state or any political subdivision thereof. If,
685 after all indebtedness and other obligations of the corporation
686 are discharged, the corporation is dissolved, its remaining assets
687 shall inure to the benefit of the state.

688 (2) With the approval of the appropriate local taxing
689 authority, all mortgages or deeds of trust executed as security
690 therefor * * * shall likewise be exempt from all taxation in the
691 State of Mississippi * * *, except ad valorem taxes levied for
692 school district purposes. All projects and the revenue derived
693 therefrom from any lease thereof shall be exempt from all taxation
694 in the State of Mississippi, except * * * any taxes levied under
695 Chapters 65 and 67, Title 27, Mississippi Code of 1972, except the
696 tax levied under Chapter 7, Title 27, Mississippi Code of 1972,
697 and except ad valorem taxes levied for school district purposes.



698 **SECTION 5.** Section 57-73-21, Mississippi Code of 1972, is
699 amended as follows:

700 **[In cases involving business enterprises that received or**
701 **applied for the job tax credit authorized by this section prior to**
702 **January 1, 2005, this section shall read as follows:]**

703 57-73-21. (1) Annually by December 31, using the most
704 current data available from the University Research Center,
705 Mississippi Department of Employment Security and the United
706 States Department of Commerce, the State Tax Commission shall rank
707 and designate the state's counties as provided in this section.
708 The twenty-eight (28) counties in this state having a combination
709 of the highest unemployment rate and lowest per capita income for
710 the most recent thirty-six-month period, with equal weight being
711 given to each category, are designated Tier Three areas. The
712 twenty-seven (27) counties in the state with a combination of the
713 next highest unemployment rate and next lowest per capita income
714 for the most recent thirty-six-month period, with equal weight
715 being given to each category, are designated Tier Two areas. The
716 twenty-seven (27) counties in the state with a combination of the
717 lowest unemployment rate and the highest per capita income for the
718 most recent thirty-six-month period, with equal weight being given
719 to each category, are designated Tier One areas. Counties
720 designated by the Tax Commission qualify for the appropriate tax
721 credit for jobs as provided in subsections (2), (3) and (4) of
722 this section. The designation by the Tax Commission is effective



723 for the tax years of permanent business enterprises which begin
724 after the date of designation. For companies which plan an
725 expansion in their labor forces, the Tax Commission shall
726 prescribe certification procedures to ensure that the companies
727 can claim credits in future years without regard to whether or not
728 a particular county is removed from the list of Tier Three or Tier
729 Two areas.

730 (2) Permanent business enterprises primarily engaged in
731 manufacturing, processing, warehousing, distribution, wholesaling
732 and research and development, or permanent business enterprises
733 designated by rule and regulation of the Mississippi Development
734 Authority as air transportation and maintenance facilities, final
735 destination or resort hotels having a minimum of one hundred fifty
736 (150) guest rooms, recreational facilities that impact tourism,
737 movie industry studios, telecommunications enterprises, data or
738 information processing enterprises or computer software
739 development enterprises or any technology intensive facility or
740 enterprise, in counties designated by the Tax Commission as Tier
741 Three areas are allowed a job tax credit for taxes imposed by
742 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually
743 for each net new full-time employee job for five (5) years
744 beginning with years two (2) through six (6) after the creation of
745 the job; however, if the permanent business enterprise is located
746 in an area that has been declared by the Governor to be a disaster
747 area and as a direct result of the disaster the permanent business



748 enterprise is unable to maintain the required number of jobs, the
749 Chairman of the State Tax Commission may extend this time period
750 for not more two (2) years. The number of new full-time jobs must
751 be determined by comparing the monthly average number of full-time
752 employees subject to the Mississippi income tax withholding for
753 the taxable year with the corresponding period of the prior
754 taxable year. Only those permanent businesses that increase
755 employment by ten (10) or more in a Tier Three area are eligible
756 for the credit. Credit is not allowed during any of the five (5)
757 years if the net employment increase falls below ten (10). The
758 Tax Commission shall adjust the credit allowed each year for the
759 net new employment fluctuations above the minimum level of ten
760 (10).

761 (3) Permanent business enterprises primarily engaged in
762 manufacturing, processing, warehousing, distribution, wholesaling
763 and research and development, or permanent business enterprises
764 designated by rule and regulation of the Mississippi Development
765 Authority as air transportation and maintenance facilities, final
766 destination or resort hotels having a minimum of one hundred fifty
767 (150) guest rooms, recreational facilities that impact tourism,
768 movie industry studios, telecommunications enterprises, data or
769 information processing enterprises or computer software
770 development enterprises or any technology intensive facility or
771 enterprise, in counties that have been designated by the Tax
772 Commission as Tier Two areas are allowed a job tax credit for



773 taxes imposed by Section 27-7-5 equal to One Thousand Dollars
774 (\$1,000.00) annually for each net new full-time employee job for
775 five (5) years beginning with years two (2) through six (6) after
776 the creation of the job; however, if the permanent business
777 enterprise is located in an area that has been declared by the
778 Governor to be a disaster area and as a direct result of the
779 disaster the permanent business enterprise is unable to maintain
780 the required number of jobs, the Chairman of the State Tax
781 Commission may extend this time period for not more two (2) years.
782 The number of new full-time jobs must be determined by comparing
783 the monthly average number of full-time employees subject to
784 Mississippi income tax withholding for the taxable year with the
785 corresponding period of the prior taxable year. Only those
786 permanent businesses that increase employment by fifteen (15) or
787 more in Tier Two areas are eligible for the credit. The credit is
788 not allowed during any of the five (5) years if the net employment
789 increase falls below fifteen (15). The Tax Commission shall
790 adjust the credit allowed each year for the net new employment
791 fluctuations above the minimum level of fifteen (15).

792 (4) Permanent business enterprises primarily engaged in
793 manufacturing, processing, warehousing, distribution, wholesaling
794 and research and development, or permanent business enterprises
795 designated by rule and regulation of the Mississippi Development
796 Authority as air transportation and maintenance facilities, final
797 destination or resort hotels having a minimum of one hundred fifty



798 (150) guest rooms, recreational facilities that impact tourism,
799 movie industry studios, telecommunications enterprises, data or
800 information processing enterprises or computer software
801 development enterprises or any technology intensive facility or
802 enterprise, in counties designated by the Tax Commission as Tier
803 One areas are allowed a job tax credit for taxes imposed by
804 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually
805 for each net new full-time employee job for five (5) years
806 beginning with years two (2) through six (6) after the creation of
807 the job; however, if the permanent business enterprise is located
808 in an area that has been declared by the Governor to be a disaster
809 area and as a direct result of the disaster the permanent business
810 enterprise is unable to maintain the required number of jobs, the
811 Chairman of the State Tax Commission may extend this time period
812 for not more than two (2) years. The number of new full-time jobs
813 must be determined by comparing the monthly average number of
814 full-time employees subject to Mississippi income tax withholding
815 for the taxable year with the corresponding period of the prior
816 taxable year. Only those permanent businesses that increase
817 employment by twenty (20) or more in Tier One areas are eligible
818 for the credit. The credit is not allowed during any of the five
819 (5) years if the net employment increase falls below twenty (20).
820 The Tax Commission shall adjust the credit allowed each year for
821 the net new employment fluctuations above the minimum level of
822 twenty (20).



823 (5) In addition to the credits authorized in subsections
824 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)
825 credit for each net new full-time employee or an additional One
826 Thousand Dollars (\$1,000.00) credit for each net new full-time
827 employee who is paid a salary, excluding benefits which are not
828 subject to Mississippi income taxation, of at least one hundred
829 twenty-five percent (125%) of the average annual wage of the state
830 or an additional Two Thousand Dollars (\$2,000.00) credit for each
831 net new full-time employee who is paid a salary, excluding
832 benefits which are not subject to Mississippi income taxation, of
833 at least two hundred percent (200%) of the average annual wage of
834 the state, shall be allowed for any company establishing or
835 transferring its national or regional headquarters from within or
836 outside the State of Mississippi. A minimum of thirty-five (35)
837 jobs must be created to qualify for the additional credit. The
838 State Tax Commission shall establish criteria and prescribe
839 procedures to determine if a company qualifies as a national or
840 regional headquarters for purposes of receiving the credit awarded
841 in this subsection. As used in this subsection, the average
842 annual wage of the state is the most recently published average
843 annual wage as determined by the Mississippi Department of
844 Employment Security.

845 (6) In addition to the credits authorized in subsections
846 (2), (3), (4) and (5), any job requiring research and development
847 skills (chemist, engineer, etc.) shall qualify for an additional



848 One Thousand Dollars (\$1,000.00) credit for each net new full-time
849 employee.

850 (7) In lieu of the tax credits provided in subsections (2)
851 through (6), any commercial or industrial property owner which
852 remediates contaminated property in accordance with Sections
853 49-35-1 through 49-35-25, is allowed a job tax credit for taxes
854 imposed by Section 27-7-5 equal to the amounts provided in
855 subsection (2), (3) or (4) for each net new full-time employee job
856 for five (5) years beginning with years two (2) through six (6)
857 after the creation of the job. The number of new full-time jobs
858 must be determined by comparing the monthly average number of
859 full-time employees subject to Mississippi income tax withholding
860 for the taxable year with the corresponding period of the prior
861 taxable year. This subsection shall be administered in the same
862 manner as subsections (2), (3) and (4), except the landowner shall
863 not be required to increase employment by the levels provided in
864 subsections (2), (3) and (4) to be eligible for the tax credit.

865 (8) Tax credits for five (5) years for the taxes imposed by
866 Section 27-7-5 shall be awarded for additional net new full-time
867 jobs created by business enterprises qualified under subsections
868 (2), (3), (4), (5), (6) and (7) of this section. Except as
869 otherwise provided, the Tax Commission shall adjust the credit
870 allowed in the event of employment fluctuations during the
871 additional five (5) years of credit.



872 (9) (a) The sale, merger, acquisition, reorganization,
873 bankruptcy or relocation from one (1) county to another county
874 within the state of any business enterprise may not create new
875 eligibility in any succeeding business entity, but any unused job
876 tax credit may be transferred and continued by any transferee of
877 the business enterprise. The Tax Commission shall determine
878 whether or not qualifying net increases or decreases have occurred
879 or proper transfers of credit have been made and may require
880 reports, promulgate regulations, and hold hearings as needed for
881 substantiation and qualification.

882 (b) This subsection shall not apply in cases in which a
883 business enterprise has ceased operation, laid off all its
884 employees and is subsequently acquired by another unrelated
885 business entity that continues operation of the enterprise in the
886 same or a similar type of business. In such a case the succeeding
887 business entity shall be eligible for the credit authorized by
888 this section unless the cessation of operation of the business
889 enterprise was for the purpose of obtaining new eligibility for
890 the credit.

891 (10) Any tax credit claimed under this section but not used
892 in any taxable year may be carried forward for five (5) years from
893 the close of the tax year in which the qualified jobs were
894 established but the credit established by this section taken in
895 any one (1) tax year must be limited to an amount not greater than
896 fifty percent (50%) of the taxpayer's state income tax liability



897 which is attributable to income derived from operations in the
898 state for that year. If the permanent business enterprise is
899 located in an area that has been declared by the Governor to be a
900 disaster area and as a direct result of the disaster the business
901 enterprise is unable to use the existing carryforward, the
902 Chairman of the State Tax Commission may extend the period that
903 the credit may be carried forward for a period of time not to
904 exceed two (2) years.

905 (11) No business enterprise for the transportation,
906 handling, storage, processing or disposal of hazardous waste is
907 eligible to receive the tax credits provided in this section.

908 (12) The credits allowed under this section shall not be
909 used by any business enterprise or corporation other than the
910 business enterprise actually qualifying for the credits.

911 (13) The tax credits provided for in this section shall be
912 in addition to any tax credits described in Sections 57-51-13(b),
913 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official
914 action by the Mississippi Development Authority prior to July 1,
915 1989, to any business enterprise determined prior to July 1, 1989,
916 by the Mississippi Development Authority to be a qualified
917 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or
918 a qualified company as described in Section 57-53-1, as the case
919 may be; however, from and after July 1, 1989, tax credits shall be
920 allowed only under either this section or Sections 57-51-13(b),



921 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time
922 employee.

923 (14) As used in this section, the term "telecommunications
924 enterprises" means entities engaged in the creation, display,
925 management, storage, processing, transmission or distribution for
926 compensation of images, text, voice, video or data by wire or by
927 wireless means, or entities engaged in the construction, design,
928 development, manufacture, maintenance or distribution for
929 compensation of devices, products, software or structures used in
930 the above activities. Companies organized to do business as
931 commercial broadcast radio stations, television stations or news
932 organizations primarily serving in-state markets shall not be
933 included within the definition of the term "telecommunications
934 enterprises."

935 **[In cases involving business enterprises that apply for the**
936 **job tax credit authorized by this section from and after January**
937 **1, 2005, this section shall read as follows:]**

938 57-73-21. (1) Annually by December 31, using the most
939 current data available from the University Research Center,
940 Mississippi Department of Employment Security and the United
941 States Department of Commerce, the Department of Revenue shall
942 rank and designate the state's counties as provided in this
943 section. The twenty-eight (28) counties in this state having a
944 combination of the highest unemployment rate and lowest per capita
945 income for the most recent thirty-six-month period, with equal



946 weight being given to each category, are designated Tier Three
947 areas. The twenty-seven (27) counties in the state with a
948 combination of the next highest unemployment rate and next lowest
949 per capita income for the most recent thirty-six-month period,
950 with equal weight being given to each category, are designated
951 Tier Two areas. The twenty-seven (27) counties in the state with
952 a combination of the lowest unemployment rate and the highest per
953 capita income for the most recent thirty-six-month period, with
954 equal weight being given to each category, are designated Tier One
955 areas. Counties designated by the Department of Revenue qualify
956 for the appropriate tax credit for jobs as provided in this
957 section. The designation by the Department of Revenue is
958 effective for the tax years of permanent business enterprises
959 which begin after the date of designation. For companies which
960 plan an expansion in their labor forces, the Department of Revenue
961 shall prescribe certification procedures to ensure that the
962 companies can claim credits in future years without regard to
963 whether or not a particular county is removed from the list of
964 Tier Three or Tier Two areas.

965 (2) Permanent business enterprises in counties designated by
966 the Department of Revenue as Tier Three areas are allowed a job
967 tax credit for taxes imposed by Section 27-7-5 equal to ten
968 percent (10%) of the payroll of the enterprise for net new
969 full-time employee jobs for five (5) years beginning with years
970 two (2) through six (6) after the creation of the minimum number



971 of jobs required by this subsection; however, if the permanent
972 business enterprise is located in an area that has been declared
973 by the Governor to be a disaster area and as a direct result of
974 the disaster the permanent business enterprise is unable to
975 maintain the required number of jobs, the Commissioner of Revenue
976 may extend this time period for not more than two (2) years. The
977 number of new full-time jobs must be determined by comparing the
978 monthly average number of full-time employees subject to the
979 Mississippi income tax withholding for the taxable year with the
980 corresponding period of the prior taxable year. Only those
981 permanent business enterprises that increase employment by ten
982 (10) or more in a Tier Three area are eligible for the credit.
983 Credit is not allowed during any of the five (5) years if the net
984 employment increase falls below ten (10). The Department of
985 Revenue shall adjust the credit allowed each year for the net new
986 employment fluctuations above the minimum level of ten (10). This
987 subsection (2) shall stand repealed on July 1, 2021; however, any
988 taxpayer who is eligible, before July 1, 2021, for the credit
989 authorized in this subsection shall remain eligible to claim the
990 credit after July 1, 2021, for the remainder of the period
991 authorized under this subsection, notwithstanding the repeal of
992 this subsection.

993 (3) Permanent business enterprises in counties that have
994 been designated by the Department of Revenue as Tier Two areas are
995 allowed a job tax credit for taxes imposed by Section 27-7-5 equal



996 to five percent (5%) of the payroll of the enterprise for net new
997 full-time employee jobs for five (5) years beginning with years
998 two (2) through six (6) after the creation of the minimum number
999 of jobs required by this subsection; however, if the permanent
1000 business enterprise is located in an area that has been declared
1001 by the Governor to be a disaster area and as a direct result of
1002 the disaster the permanent business enterprise is unable to
1003 maintain the required number of jobs, the Commissioner of Revenue
1004 may extend this time period for not more than two (2) years. The
1005 number of new full-time jobs must be determined by comparing the
1006 monthly average number of full-time employees subject to
1007 Mississippi income tax withholding for the taxable year with the
1008 corresponding period of the prior taxable year. Only those
1009 permanent business enterprises that increase employment by fifteen
1010 (15) or more in Tier Two areas are eligible for the credit. The
1011 credit is not allowed during any of the five (5) years if the net
1012 employment increase falls below fifteen (15). The Department of
1013 Revenue shall adjust the credit allowed each year for the net new
1014 employment fluctuations above the minimum level of fifteen (15).
1015 This subsection (3) shall stand repealed on July 1, 2021; however,
1016 any taxpayer who is eligible, before July 1, 2021, for the credit
1017 authorized in this subsection shall remain eligible to claim the
1018 credit after July 1, 2021, for the remainder of the period
1019 authorized under this subsection, notwithstanding the repeal of
1020 this subsection.



1021 (4) Permanent business enterprises in counties designated by
1022 the Department of Revenue as Tier One areas are allowed a job tax
1023 credit for taxes imposed by Section 27-7-5 equal to two and
1024 one-half percent (2.5%) of the payroll of the enterprise for net
1025 new full-time employee jobs for five (5) years beginning with
1026 years two (2) through six (6) after the creation of the minimum
1027 number of jobs required by this subsection; however, if the
1028 permanent business enterprise is located in an area that has been
1029 declared by the Governor to be a disaster area and as a direct
1030 result of the disaster the permanent business enterprise is unable
1031 to maintain the required number of jobs, the Commissioner of
1032 Revenue may extend this time period for not more than two (2)
1033 years. The number of new full-time jobs must be determined by
1034 comparing the monthly average number of full-time employees
1035 subject to Mississippi income tax withholding for the taxable year
1036 with the corresponding period of the prior taxable year. Only
1037 those permanent business enterprises that increase employment by
1038 twenty (20) or more in Tier One areas are eligible for the credit.
1039 The credit is not allowed during any of the five (5) years if the
1040 net employment increase falls below twenty (20). The Department
1041 of Revenue shall adjust the credit allowed each year for the net
1042 new employment fluctuations above the minimum level of twenty
1043 (20). This subsection (4) shall stand repealed on July 1, 2021;
1044 however, any taxpayer who is eligible, before July 1, 2021, for
1045 the credit authorized in this subsection shall remain eligible to



1046 claim the credit after July 1, 2021, for the remainder of the
1047 period authorized under this subsection, notwithstanding the
1048 repeal of this subsection.

1049 (5) (a) In addition to the other credits authorized in this
1050 section, an additional Five Hundred Dollars (\$500.00) credit for
1051 each net new full-time employee or an additional One Thousand
1052 Dollars (\$1,000.00) credit for each net new full-time employee who
1053 is paid a salary, excluding benefits which are not subject to
1054 Mississippi income taxation, of at least one hundred twenty-five
1055 percent (125%) of the average annual wage of the state or an
1056 additional Two Thousand Dollars (\$2,000.00) credit for each net
1057 new full-time employee who is paid a salary, excluding benefits
1058 which are not subject to Mississippi income taxation, of at least
1059 two hundred percent (200%) of the average annual wage of the
1060 state, shall be allowed for any company establishing or
1061 transferring its national or regional headquarters from within or
1062 outside the State of Mississippi. A minimum of twenty (20) jobs
1063 must be created to qualify for the additional credit. The
1064 Department of Revenue shall establish criteria and prescribe
1065 procedures to determine if a company qualifies as a national or
1066 regional headquarters for purposes of receiving the credit awarded
1067 in this paragraph (a). As used in this paragraph (a), the average
1068 annual wage of the state is the most recently published average
1069 annual wage as determined by the Mississippi Department of
1070 Employment Security.



1071 (b) In addition to the other credits authorized in this
1072 section, an additional Five Hundred Dollars (\$500.00) credit for
1073 each net new full-time employee or an additional One Thousand
1074 Dollars (\$1,000.00) credit for each net new full-time employee who
1075 is paid a salary, excluding benefits which are not subject to
1076 Mississippi income taxation, of at least one hundred twenty-five
1077 percent (125%) of the average annual wage of the state or an
1078 additional Two Thousand Dollars (\$2,000.00) credit for each net
1079 new full-time employee who is paid a salary, excluding benefits
1080 which are not subject to Mississippi income taxation, of at least
1081 two hundred percent (200%) of the average annual wage of the
1082 state, shall be allowed for any company expanding or making
1083 additions after January 1, 2013, to its national or regional
1084 headquarters within the State of Mississippi. A minimum of twenty
1085 (20) new jobs must be created to qualify for the additional
1086 credit. The Department of Revenue shall establish criteria and
1087 prescribe procedures to determine if a company qualifies as a
1088 national or regional headquarters for purposes of receiving the
1089 credit awarded in this paragraph (b). As used in this paragraph
1090 (b), the average annual wage of the state is the most recently
1091 published average annual wage as determined by the Mississippi
1092 Department of Employment Security.

1093 (6) In addition to the other credits authorized in this
1094 section, any job requiring research and development skills
1095 (chemist, engineer, etc.) shall qualify for an additional One



1096 Thousand Dollars (\$1,000.00) credit for each net new full-time
1097 employee. This subsection (6) shall stand repealed on July 1,
1098 2021. Any taxpayer who is eligible, before July 1, 2021, for the
1099 credit authorized in this subsection shall remain eligible and
1100 shall be allowed to carry forward the credit after July 1, 2021,
1101 notwithstanding the repeal of this subsection.

1102 (7) (a) In addition to the other credits authorized in this
1103 section, any company that transfers or relocates its national or
1104 regional headquarters to the State of Mississippi from outside the
1105 State of Mississippi may receive a tax credit in an amount equal
1106 to the actual relocation costs paid by the company. A minimum of
1107 twenty (20) jobs must be created in order to qualify for the
1108 additional credit authorized under this subsection. Relocation
1109 costs for which a credit may be awarded shall be determined by the
1110 Department of Revenue and shall include those nondepreciable
1111 expenses that are necessary to relocate headquarters employees to
1112 the national or regional headquarters, including, but not limited
1113 to, costs such as travel expenses for employees and members of
1114 their households to and from Mississippi in search of homes and
1115 moving expenses to relocate furnishings, household goods and
1116 personal property of the employees and members of their
1117 households.

1118 (b) The tax credit authorized under this subsection
1119 shall be applied for the taxable year in which the relocation
1120 costs are paid. The maximum cumulative amount of tax credits that



1121 may be claimed by all taxpayers claiming a credit under this
1122 subsection in any one (1) state fiscal year shall not exceed One
1123 Million Dollars (\$1,000,000.00), exclusive of credits that might
1124 be carried forward from previous taxable years. A company may not
1125 receive a credit for the relocation of an employee more than one
1126 (1) time in a twelve-month period for that employee.

1127 (c) The Department of Revenue shall establish criteria
1128 and prescribe procedures to determine if a company creates the
1129 required number of jobs and qualifies as a national or regional
1130 headquarters for purposes of receiving the credit awarded in this
1131 subsection. A company desiring to claim a credit under this
1132 subsection must submit an application for such credit with the
1133 Department of Revenue in a manner prescribed by the department.

1134 (d) In order to participate in the provisions of this
1135 section, a company must certify to the Mississippi Department of
1136 Revenue that it complies with the equal pay provisions of the
1137 federal Equal Pay Act of 1963, the Americans with Disabilities Act
1138 of 1990 and the fair pay provisions of the Civil Rights Act of
1139 1964.

1140 (e) This subsection (7) shall stand repealed on July 1,
1141 2022. Any taxpayer who is eligible, before July 1, 2022, for the
1142 credit authorized in this subsection shall remain eligible and
1143 shall be allowed to carry forward the credit after July 1, 2021,
1144 notwithstanding the repeal of this subsection.



1145 (8) In lieu of the other tax credits provided in this
1146 section, any commercial or industrial property owner which
1147 remediates contaminated property in accordance with Sections
1148 49-35-1 through 49-35-25, is allowed a job tax credit for taxes
1149 imposed by Section 27-7-5 equal to the percentage of payroll
1150 provided in subsection (2), (3) or (4) of this section for net new
1151 full-time employee jobs for five (5) years beginning with years
1152 two (2) through six (6) after the creation of the jobs. The
1153 number of new full-time jobs must be determined by comparing the
1154 monthly average number of full-time employees subject to
1155 Mississippi income tax withholding for the taxable year with the
1156 corresponding period of the prior taxable year. This subsection
1157 shall be administered in the same manner as subsections (2), (3)
1158 and (4), except the landowner shall not be required to increase
1159 employment by the levels provided in subsections (2), (3) and (4)
1160 to be eligible for the tax credit.

1161 (9) (a) Tax credits for five (5) years for the taxes
1162 imposed by Section 27-7-5 shall be awarded for increases in the
1163 annual payroll for net new full-time jobs created by business
1164 enterprises qualified under this section. The Department of
1165 Revenue shall adjust the credit allowed in the event of payroll
1166 fluctuations during the additional five (5) years of credit.

1167 (b) Tax credits for five (5) years for the taxes
1168 imposed by Section 27-7-5 shall be awarded for additional net new
1169 full-time jobs created by business enterprises qualified



1170 under * * * subsection (5) * * * of this section * * *. The
1171 Department of Revenue shall adjust the credit allowed in the event
1172 of employment fluctuations during the additional five (5) years of
1173 credit.

1174 (10) (a) The sale, merger, acquisition, reorganization,
1175 bankruptcy or relocation from one (1) county to another county
1176 within the state of any business enterprise may not create new
1177 eligibility in any succeeding business entity, but any unused job
1178 tax credit may be transferred and continued by any transferee of
1179 the business enterprise. The Department of Revenue shall
1180 determine whether or not qualifying net increases or decreases
1181 have occurred or proper transfers of credit have been made and may
1182 require reports, promulgate regulations, and hold hearings as
1183 needed for substantiation and qualification.

1184 (b) This subsection shall not apply in cases in which a
1185 business enterprise has ceased operation, laid off all its
1186 employees and is subsequently acquired by another unrelated
1187 business entity that continues operation of the enterprise in the
1188 same or a similar type of business. In such a case the succeeding
1189 business entity shall be eligible for the credit authorized by
1190 this section unless the cessation of operation of the business
1191 enterprise was for the purpose of obtaining new eligibility for
1192 the credit.

1193 (11) Any tax credit claimed under this section but not used
1194 in any taxable year may be carried forward for five (5) years from



1195 the close of the tax year in which the qualified jobs were
1196 established and/or headquarters relocation costs paid, as
1197 applicable, but the credit established by this section taken in
1198 any one (1) tax year must be limited to an amount not greater than
1199 fifty percent (50%) of the taxpayer's state income tax liability
1200 which is attributable to income derived from operations in the
1201 state for that year. If the permanent business enterprise is
1202 located in an area that has been declared by the Governor to be a
1203 disaster area and as a direct result of the disaster the business
1204 enterprise is unable to use the existing carryforward, the
1205 Commissioner of Revenue may extend the period that the credit may
1206 be carried forward for a period of time not to exceed two (2)
1207 years.

1208 (12) No business enterprise for the transportation,
1209 handling, storage, processing or disposal of hazardous waste is
1210 eligible to receive the tax credits provided in this section.

1211 (13) The credits allowed under this section shall not be
1212 used by any business enterprise or corporation other than the
1213 business enterprise actually qualifying for the credits.

1214 (14) As used in this section:

1215 (a) "Business enterprises" means entities primarily
1216 engaged in:

1217 (i) Manufacturing, processing, warehousing,
1218 warehousing activities, distribution, wholesaling and research and
1219 development, or



1220 (ii) Permanent business enterprises designated by
1221 rule and regulation of the Mississippi Development Authority as
1222 air transportation and maintenance facilities, final destination
1223 or resort hotels having a minimum of one hundred fifty (150) guest
1224 rooms, recreational facilities that impact tourism, movie industry
1225 studios, telecommunications enterprises, data or information
1226 processing enterprises or computer software development
1227 enterprises or any technology intensive facility or enterprise.

1228 (b) "Telecommunications enterprises" means entities
1229 engaged in the creation, display, management, storage, processing,
1230 transmission or distribution for compensation of images, text,
1231 voice, video or data by wire or by wireless means, or entities
1232 engaged in the construction, design, development, manufacture,
1233 maintenance or distribution for compensation of devices, products,
1234 software or structures used in the above activities. Companies
1235 organized to do business as commercial broadcast radio stations,
1236 television stations or news organizations primarily serving
1237 in-state markets shall not be included within the definition of
1238 the term "telecommunications enterprises."

1239 (c) "Warehousing activities" means entities that
1240 establish or expand facilities that service and support multiple
1241 retail or wholesale locations within and outside the state.
1242 Warehousing activities may be performed solely to support the
1243 primary activities of the entity, and credits generated shall
1244 offset the income of the entity based on an apportioned ratio of



1245 payroll for warehouse employees of the entity to total Mississippi
1246 payroll of the entity that includes the payroll of retail
1247 employees of the entity.

1248 (15) The tax credits provided for in this section shall be
1249 in addition to any tax credits described in Sections 57-51-13(b),
1250 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official
1251 action by the Mississippi Development Authority prior to July 1,
1252 1989, to any business enterprise determined prior to July 1, 1989,
1253 by the Mississippi Development Authority to be a qualified
1254 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or
1255 a qualified company as described in Section 57-53-1, as the case
1256 may be; however, from and after July 1, 1989, tax credits shall be
1257 allowed only under either this section or Sections 57-51-13(b),
1258 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time
1259 employee.

1260 (16) A business enterprise that chooses to receive job
1261 training assistance pursuant to Section 57-1-451 shall not be
1262 eligible for the tax credits provided for in this section.

1263 **SECTION 6.** (1) Sections 57-113-1, 57-113-3, 57-113-5 and
1264 57-113-7, Mississippi Code of 1972, which constitute the article
1265 authorizing tax exemptions for clean energy generation and
1266 aerospace industry enterprises, shall stand repealed on July 1,
1267 2021. Any business enterprise that was certified by the
1268 Mississippi Development Authority, before July 1, 2021, as
1269 eligible for the tax exemptions authorized by the article shall



1270 remain eligible after July 1, 2021, for the remaining period under
1271 the terms of the article, notwithstanding the repeal of the
1272 article.

1273 (2) Subsection (1) of this section shall be included as an
1274 editor's note under Sections 57-113-1, 57-113-3, 57-113-5 and
1275 57-113-7.

1276 **SECTION 7.** Section 27-3-4, Mississippi Code of 1972, is
1277 amended as follows:

1278 27-3-4. (1) Except for the duties and powers devolved upon
1279 the Board of Tax Appeals by Section 27-4-3, the Commissioner of
1280 Revenue acting through the Department of Revenue shall on and
1281 after July 1, 2010, exercise those powers, duties and functions
1282 heretofore vested in the Mississippi State Tax Commission, the
1283 State Tax Commission, the Tax Commission, the Commissioner of
1284 Revenue, the Chairman of the Mississippi State Tax Commission, the
1285 Chairman of the State Tax Commission and/or the Chairman of the
1286 Tax Commission.

1287 (2) Except for those minutes, orders and records of the
1288 three-member State Tax Commission which are in the possession of
1289 the Secretary of the State Tax Commission and any other property
1290 which is transferred from the State Tax Commission to the Board of
1291 Tax Appeals, all files, documents, records, property, tangible and
1292 intangible, data and funds belonging to and/or in the possession
1293 of the State Tax Commission immediately prior to July 1, 2010,
1294 shall pass to the Department of Revenue on July 1, 2010, without



1295 the need of the execution of any documents. In regard to such
1296 files, documents, records, property, data and funds, the creation
1297 of the Department of Revenue on July 1, 2010, shall be treated as
1298 only a change in the name of the entity owning or possessing such
1299 files, documents, records, property, data and funds from that of
1300 the State Tax Commission to the Commissioner of Revenue of the
1301 Department of Revenue with ownership, possession and custody
1302 remaining in the same entity.

1303 (3) In regard to any action taken by the Chairman of the
1304 State Tax Commission and/or by the State Tax Commission prior to
1305 July 1, 2010, the creation of the Department of Revenue and the
1306 transfer of powers, duties and functions to the Commissioner of
1307 Revenue of the Department of Revenue from the Chairman of the
1308 State Tax Commission and from the State Tax Commission as set out
1309 in subsection (1) of this section shall be treated as only a
1310 change in the name of the entity taking such action from the
1311 Chairman of the State Tax Commission to the Commissioner of
1312 Revenue of the Department of Revenue or from the State Tax
1313 Commission to the Department of Revenue, and the Commissioner of
1314 Revenue acting through the Department of Revenue shall succeed to
1315 any right, duty or obligation as the result of such action and
1316 shall be treated as the same entity that took such action without
1317 the execution and/or filing of any document. Any action taken by
1318 the Commissioner of Revenue, including those taken by and through
1319 the Department of Revenue, after July 1, 2010, in regard to any



1320 interest, right, duty or obligation arising from the actions of
1321 the Chairman of the State Tax Commission and/or the State Tax
1322 Commission prior to July 1, 2010, shall be taken in the name of
1323 the Commissioner of Revenue of the Department of Revenue or in the
1324 name of the Department of Revenue and be treated as an action by
1325 the official or entity which originally took the action that gave
1326 rise to such interest, right, duty or obligation, including, but
1327 not limited to, any interest, right or obligation arising from the
1328 execution or performance of a contract or agreement, the issuance
1329 of a tax assessment, the issuance of a tax lien, the issuance and
1330 execution of a distress warrant and the issuance of a notice to
1331 extend the time period for issuing a tax assessment.

1332 (4) In regard to the promulgation and adoption of any rule
1333 or regulation by the State Tax Commission and/or the Chairman of
1334 the State Tax Commission prior to July 1, 2010, the creation of
1335 the Department of Revenue and the transfer of powers, duties and
1336 functions to the Commissioner of Revenue of the Department of
1337 Revenue from the State Tax Commission and Chairman of the State
1338 Tax Commission as set out in subsection (1) of this section shall
1339 be treated as only a change in the name of the official or agency
1340 that adopted and promulgated such rules and regulations from the
1341 Chairman of the State Tax Commission or the State Tax Commission
1342 to the Commissioner of Revenue of the Department of Revenue, and
1343 after July 1, 2010, the Commissioner of Revenue of the Department
1344 of Revenue is authorized and empowered to enforce such rules or



1345 regulations as the official or agency that originally adopted and
1346 promulgated such rules and regulations without having to readopt
1347 or re-promulgate such rules and regulations. In such rules and
1348 regulations, after July 1, 2010, any reference to Mississippi
1349 State Tax Commission, the State Tax Commission, the Tax Commission
1350 and/or commission shall mean Department of Revenue and any
1351 reference to the Commissioner of Revenue, the Chairman of the
1352 Mississippi State Tax Commission, the Chairman of the State Tax
1353 Commission, the Chairman of the Tax Commission and/or chairman
1354 shall mean Commissioner of Revenue of the Department of Revenue.

1355 (5) The terms "Mississippi State Tax Commission," "State Tax
1356 Commission," "Tax Commission" and "commission" appearing in the
1357 laws of this state in connection with the performance of the
1358 duties and functions by the Mississippi State Tax Commission, the
1359 State Tax Commission or Tax Commission shall mean the Department
1360 of Revenue, and, more particularly, such words or terms shall mean
1361 the Department of Revenue whenever they appear in Sections 7-5-25,
1362 7-7-49, 9-21-51, 11-51-77, 13-3-157, 13-3-169, 17-17-53,
1363 17-17-219, 17-17-327, 17-17-415, 17-17-423, 19-2-11, 19-5-357,
1364 19-9-151, 21-29-229, 21-29-233, 21-33-3, 21-33-5, 21-33-9,
1365 21-33-13, 21-33-43, 21-33-45, 21-33-47, 21-33-205, 21-33-207,
1366 21-33-209, 21-45-21, 25-1-73, 25-1-87, 25-3-1, 25-3-3, 25-3-15,
1367 25-15-9, 25-17-9, 25-53-151, 25-55-15, 25-58-21, 25-60-1, 25-65-5,
1368 25-65-7, 27-5-101, 27-5-103, 27-5-155, 27-5-159, 27-7-901,
1369 27-7-903, 27-8-19, 27-17-423, 27-19-11, 27-19-27, 27-19-31,



1370 27-19-39, 27-19-40, 27-19-41, 27-21-7, 27-21-19, 27-31-1,
1371 27-31-31, 27-31-37, 27-31-38, 27-31-87, 27-31-101, 27-31-107,
1372 27-31-109, 27-31-113, 27-35-15, 27-35-17, 27-35-19, 27-35-23,
1373 27-35-25, 27-35-35, 27-35-50, 27-35-55, 27-35-75, 27-35-77,
1374 27-35-81, 27-35-97, 27-35-111, 27-35-119, 27-35-123, 27-35-127,
1375 27-35-131, 27-35-133, 27-35-135, 27-35-141, 27-35-143, 27-35-145,
1376 27-35-147, 27-35-165, 27-35-167, 27-35-301, 27-35-303, 27-35-305,
1377 27-35-307, 27-35-310, 27-35-313, 27-35-321, 27-35-327, 27-35-337,
1378 27-35-509, 27-35-511, 27-35-513, 27-35-515, 27-35-519, 27-35-525,
1379 27-35-527, 27-35-531, 27-37-19, 27-37-21, 27-37-23, 27-37-27,
1380 27-37-29, 27-37-31, 27-37-301, 27-37-303, 27-38-5, 27-38-7,
1381 27-39-317, 27-39-319, 27-39-325, 27-39-329, 27-41-21, 27-41-37,
1382 27-41-101, 27-45-21, 27-51-13, 27-51-15, 27-51-17, 27-51-21,
1383 27-71-501, 27-71-503, 27-71-507, 27-73-9, 27-75-16, 27-103-209,
1384 27-103-211, 27-104-13, 27-104-17, 27-107-75, 27-107-95,
1385 27-107-115, 27-107-135, 27-107-157, 27-107-205, 27-107-321,
1386 29-1-125, 29-1-127, 29-1-129, 29-5-77, 31-1-1, 31-3-21, 31-17-3,
1387 31-19-29, 31-25-27, 31-25-28, 31-31-11, 37-7-301, 37-107-3,
1388 41-3-16, 41-29-177, 41-29-181, 43-1-23, 43-13-121, 43-13-145,
1389 43-13-303, 43-19-46, 45-3-21, 45-11-5, 49-7-251, 49-7-255,
1390 49-15-36, 49-15-64, 49-15-201, 49-15-205, 49-17-65, 49-17-67,
1391 49-17-69, 49-17-70, 49-17-83, 49-17-87, 49-17-407, 49-31-5,
1392 51-15-129, 57-1-257, 57-1-363, 57-4-13, 57-10-409, 57-10-411,
1393 57-10-413, 57-13-23, 57-26-3, 57-28-3, 57-30-3, 57-39-205,
1394 57-43-11, 57-61-15, * * * 57-73-21, 57-73-23, 57-73-25, 57-73-27,



1395 57-75-17, 57-80-9, 57-89-7, 57-91-9, 57-99-3, 57-99-7, 57-99-9,
1396 57-101-1, 57-101-3, 57-105-1, 61-15-1, 61-15-7, 61-15-9, 61-15-13,
1397 63-2-5, 63-5-34, 63-5-39, 63-7-61, 63-7-87, 63-7-311, 63-11-51,
1398 63-11-53, 63-17-76, 63-23-7, 63-25-9, 65-1-46, 65-26-23, 65-26-17,
1399 65-26-19, 65-39-35, 67-9-1, 69-9-13, 69-10-13, 69-29-1, 69-44-11,
1400 69-48-13, 71-5-359, 71-5-389, 71-11-3, 75-24-209, 75-57-119,
1401 75-79-7, 75-85-9, 77-3-87, 77-7-47, 77-9-483, 77-9-493, 77-11-201,
1402 79-4-14.22, 79-4-15.32, 79-11-351, 79-15-125, 79-16-23, 83-1-13,
1403 83-1-27, 83-1-29, 83-1-31, 83-1-37, 83-1-39, 83-5-215, 83-31-45,
1404 83-34-39, 83-47-9, 83-49-45, 91-7-283, 93-11-153, 97-3-111,
1405 97-17-4, 97-32-5, 97-33-73, 97-43-11, 99-27-39 and 99-27-41.

1406 (6) The terms "Chairman of the Mississippi State Tax
1407 Commission," "Chairman of the State Tax Commission," "Chairman of
1408 the Tax Commission" and "chairman" appearing in the laws of this
1409 state in connection with the performance of the duties and
1410 functions by the Chairman of the Mississippi State Tax Commission,
1411 the Chairman of the State Tax Commission or the Chairman of the
1412 Tax Commission shall mean the Commissioner of Revenue of the
1413 Department of Revenue, and, more particularly, such words or terms
1414 shall mean the Commissioner of Revenue of the Department of
1415 Revenue whenever they appear in Sections 7-5-25, 13-3-157,
1416 13-3-169, 21-33-205, 21-33-207, 21-33-209, 25-53-151, 25-60-1,
1417 27-31-31, 27-41-69, 27-75-16, 31-17-3, 31-19-29, 57-62-9,
1418 57-73-21, 65-1-46 and 75-57-2.



1419 **SECTION 8.** Section 27-7-21, Mississippi Code of 1972, is
1420 amended as follows:

1421 27-7-21. (a) **Allowance of deductions.** In the case of a
1422 resident individual, the exemptions provided by this section, as
1423 applicable to individuals, shall be allowed as deductions in
1424 computing taxable income.

1425 (b) **Single individuals.** In the case of a single individual,
1426 a personal exemption of Five Thousand Two Hundred Fifty Dollars
1427 (\$5,250.00) for the 1979 and 1980 calendar years and Six Thousand
1428 Dollars (\$6,000.00) for each calendar year thereafter.

1429 (c) **Married individuals.** In the case of married individuals
1430 living together, a joint personal exemption of Eight Thousand
1431 Dollars (\$8,000.00) for the 1979 and 1980 calendar years and Nine
1432 Thousand Five Hundred Dollars (\$9,500.00) for the 1981 through
1433 1997 calendar years, Ten Thousand Dollars (\$10,000.00) for the
1434 calendar year 1998, Eleven Thousand Dollars (\$11,000.00) for the
1435 calendar year 1999, and Twelve Thousand Dollars (\$12,000.00) for
1436 each calendar year thereafter. A husband and wife living together
1437 shall receive but one (1) personal exemption in the amounts
1438 provided for in this subsection for each calendar year against
1439 their aggregate income.

1440 (d) **Head of family individuals.** In the case of a head of
1441 family individual, a personal exemption of Eight Thousand Dollars
1442 (\$8,000.00) for the 1979 and 1980 calendar years and Nine Thousand
1443 Five Hundred Dollars (\$9,500.00) for each calendar year



1444 thereafter. The term "head of family" means an individual who is
1445 single, or married but not living with his spouse for the entire
1446 taxable year, who maintains a household which constitutes the
1447 principal place of abode of himself and one or more individuals
1448 who are dependents under the provisions of Section 152(a) of the
1449 Internal Revenue Code of 1954, as amended. The head of family
1450 individual shall be entitled to the additional dependent exemption
1451 as provided in subsection (e) of this section only to the extent
1452 of dependents in excess of the one (1) dependent needed to qualify
1453 as head of family.

1454 (e) **Additional exemption for dependents.** In the case of any
1455 individual having a dependent, other than husband or wife, an
1456 additional personal exemption of One Thousand Five Hundred Dollars
1457 (\$1,500.00) for each such dependent, except as otherwise provided
1458 in subsection (d) of this section. The term "dependent" as used
1459 in this subsection shall mean any person or individual who
1460 qualifies as a dependent under the provisions of Section 152,
1461 Internal Revenue Code of 1954, as amended.

1462 (f) **Additional exemption for taxpayer or spouse aged**
1463 **sixty-five (65) or more.** In the case of any taxpayer or the
1464 spouse of the taxpayer who has attained the age of sixty-five (65)
1465 before the close of his taxable year, an additional exemption of
1466 One Thousand Five Hundred Dollars (\$1,500.00).

1467 (g) **Additional exemption for blindness of taxpayer or**
1468 **spouse.** In the case of any taxpayer or the spouse of the taxpayer



1469 who is blind at the close of the taxable year, an additional
1470 exemption of One Thousand Five Hundred Dollars (\$1,500.00). For
1471 the purpose of this subsection, an individual is blind only if his
1472 central visual acuity does not exceed 20/200 in the better eye
1473 with correcting lenses, or if his visual acuity is greater than
1474 20/200 but is accompanied by a limitation in the fields of vision
1475 such that the widest diameter of the visual field subtends an
1476 angle no greater than twenty (20) degrees.

1477 (h) **Husband and wife--claiming exemptions.** In the case of
1478 husband and wife living together and filing combined returns, the
1479 personal and additional exemptions authorized and allowed by this
1480 section may be taken by either, or divided between them in any
1481 manner they may choose. If the husband and wife fail to choose,
1482 the commissioner shall divide the exemptions between husband and
1483 wife in an equitable manner. In the case of a husband and wife
1484 filing separate returns, the personal and additional exemptions
1485 authorized and allowed by this section shall be divided equally
1486 between the spouses.

1487 (i) **Nonresidents.** A nonresident individual shall be allowed
1488 the same personal and additional exemptions as are authorized for
1489 resident individuals in subsection (a) of this section; however,
1490 the nonresident individual is entitled only to that proportion of
1491 the personal and additional exemptions as his net income from
1492 sources within the State of Mississippi bears to his total or
1493 entire net income from all sources.



1494 A nonresident individual who is married and whose spouse has
1495 income from independent sources must declare the joint income of
1496 himself and his spouse from sources within and without Mississippi
1497 and claim as a personal exemption that proportion of the
1498 authorized personal and additional exemptions which the total net
1499 income from Mississippi sources bears to the total net income of
1500 both spouses from all sources. If both spouses have income from
1501 sources within Mississippi and wish to file separate returns,
1502 their combined personal and additional exemptions shall be that
1503 proration of the exemption which their combined net income from
1504 Mississippi sources is of their total combined net income from all
1505 sources. The amount of the personal and additional exemptions so
1506 computed may be divided between them in any manner they choose.

1507 In the case of married individuals where one (1) spouse is a
1508 resident and the other is a nonresident, the personal exemption of
1509 the resident individual shall be prorated on the same basis as if
1510 both were nonresidents having net income from within and without
1511 the State of Mississippi.

1512 For the purpose of this subsection, the term "net income"
1513 means gross income less business expenses incurred in the
1514 taxpayer's regular trade or business and computed in accordance
1515 with the provisions of the Mississippi Income Tax Law.

1516 (j) **Part-year residents.** An individual who is a resident of
1517 Mississippi for only a part of his taxable year by reason of
1518 either moving into the state or moving from the state shall be



1519 allowed the same personal and additional exemptions as authorized
1520 for resident individuals in subsection (a) of this section; the
1521 part-year resident shall prorate his exemption on the same basis
1522 as nonresidents having net income from within and without the
1523 state.

1524 (k) **Estates.** In the case of an estate, a specific exemption
1525 of Six Hundred Dollars (\$600.00).

1526 (l) **Trusts.** In the case of a trust which, under its
1527 governing instrument, is required to distribute all of its income
1528 currently, a specific exemption of Three Hundred Dollars
1529 (\$300.00). In the case of all other trusts, a specific exemption
1530 of One Hundred Dollars (\$100.00).

1531 (m) **Corporations, foundations, joint ventures, associations.**
1532 In the case of a corporation, foundation, joint venture or
1533 association taxable herein, there shall be allowed no specific
1534 exemption, except as provided under the Growth and Prosperity
1535 Act, * * * and Sections 57-113-21 through 57-113-27.

1536 (n) **Status.** The status on the last day of the taxable year,
1537 except in the case of the head of family as provided in subsection
1538 (d) of this section, shall determine the right to the exemptions
1539 provided in this section; provided, that a taxpayer shall be
1540 entitled to such exemptions, otherwise allowable, if the husband
1541 or wife or dependent has died during the taxable year.



1542 (o) **Fiscal-year taxpayers.** Individual taxpayers reporting
1543 on a fiscal year basis shall prorate their exemptions in a manner
1544 established by regulations promulgated by the commissioner.

1545 **SECTION 9.** Section 27-7-22.28, Mississippi Code of 1972, is
1546 amended as follows:

1547 27-7-22.28. As used in * * * this section, the following
1548 terms and phrases shall have the meanings ascribed in this section
1549 unless the context clearly indicates otherwise:

1550 (a) "Alternative energy project" means a business
1551 enterprise engaged in manufacturing or producing alternative
1552 energy in this state with not less than fifty percent (50%) of the
1553 finished product being derived from resources or products from
1554 this state.

1555 (b) "Authority" means the Mississippi Development
1556 Authority.

1557 (c) "Producer" means a manufacturer or producer of
1558 alternative energy through an alternative fuels project.

1559 (d) "State" means the State of Mississippi.

1560 **SECTION 10.** Section 27-7-312, Mississippi Code of 1972, is
1561 amended as follows:

1562 27-7-312. * * * (* * *1) Of the revenue collected under
1563 the provisions of this article from the qualified jobs of a
1564 qualified business or industry as defined in Section 57-99-1, an
1565 amount equal to the estimated amount of the quarterly incentive
1566 payment for which such qualified business or industry is eligible



1567 shall be deposited into the MMEIA Withholding Rebate Fund created
1568 pursuant to Section 57-99-5, on or before the twentieth day of the
1569 month following the close of each calendar quarter.

1570 (* * *2) Of the revenue collected under the provisions of
1571 this article from the qualified jobs of a qualified business or
1572 industry as defined in Section 57-100-1, an amount equal to the
1573 estimated amount of the quarterly incentive payment for which such
1574 qualified business or industry is eligible shall be deposited into
1575 the Existing Industry Withholding Rebate Fund created pursuant to
1576 Section 57-100-5, on or before the twentieth day of the month
1577 following the close of each calendar quarter.

1578 (* * *3) Of the revenue collected under the provisions of
1579 this article from the qualified jobs of a qualified business or
1580 industry as defined in Section 57-99-21, an amount equal to the
1581 estimated amount of the quarterly incentive payment for which such
1582 qualified business or industry is eligible shall be deposited into
1583 the MMEIA Rebate Fund created pursuant to Section 57-99-25, on or
1584 before the twentieth day of the month following the close of each
1585 calendar quarter.

1586 **SECTION 11.** Section 27-13-5, Mississippi Code of 1972, is
1587 amended as follows:

1588 27-13-5. (1) (a) **Franchise tax levy.** Except as otherwise
1589 provided in subsections (3), (4), (5) and (7) of this section,
1590 there is hereby imposed, to be paid and collected as hereinafter
1591 provided, a franchise or excise tax upon every corporation,



1592 association or joint-stock company or partnership treated as a
1593 corporation under the income tax laws or regulations, organized or
1594 created for pecuniary gain, having privileges not possessed by
1595 individuals, and having authorized capital stock now existing in
1596 this state, or hereafter organized, created or established, under
1597 and by virtue of the laws of the State of Mississippi, equal to:

1598 (i) For tax years beginning before January 1,
1599 2018, Two Dollars and Fifty Cents (\$2.50) for each One Thousand
1600 Dollars (\$1,000.00), or fraction thereof, of the value of the
1601 capital used, invested or employed in the exercise of any power,
1602 privilege or right enjoyed by such organization within this state,
1603 except as hereinafter provided.

1604 (ii) For tax years beginning on or after January
1605 1, 2018, but before January 1, 2019, Two Dollars and Fifty Cents
1606 (\$2.50) for each One Thousand Dollars (\$1,000.00), or fraction
1607 thereof, in excess of One Hundred Thousand Dollars (\$100,000.00),
1608 of the value of the capital used, invested or employed in the
1609 exercise of any power, privilege or right enjoyed by such
1610 organization within this state, except as hereinafter provided.

1611 (iii) For tax years beginning on or after January
1612 1, 2019, but before January 1, 2020, Two Dollars and Twenty-five
1613 Cents (\$2.25) for each One Thousand Dollars (\$1,000.00), or
1614 fraction thereof, in excess of One Hundred Thousand Dollars
1615 (\$100,000.00), of the value of the capital used, invested or
1616 employed in the exercise of any power, privilege or right enjoyed



1617 by such organization within this state, except as hereinafter
1618 provided.

1619 (iv) For tax years beginning on or after January
1620 1, 2020, but before January 1, 2021, Two Dollars (\$2.00) for each
1621 One Thousand Dollars (\$1,000.00), or fraction thereof, in excess
1622 of One Hundred Thousand Dollars (\$100,000.00), of the value of the
1623 capital used, invested or employed in the exercise of any power,
1624 privilege or right enjoyed by such organization within this state,
1625 except as hereinafter provided.

1626 (v) For tax years beginning on or after January 1,
1627 2021, but before January 1, 2022, One Dollar and Seventy-five
1628 Cents (\$1.75) for each One Thousand Dollars (\$1,000.00), or
1629 fraction thereof, in excess of One Hundred Thousand Dollars
1630 (\$100,000.00), of the value of the capital used, invested or
1631 employed in the exercise of any power, privilege or right enjoyed
1632 by such organization within this state, except as hereinafter
1633 provided.

1634 (vi) For tax years beginning on or after January
1635 1, 2022, but before January 1, 2023, One Dollar and Fifty Cents
1636 (\$1.50) for each One Thousand Dollars (\$1,000.00), or fraction
1637 thereof, in excess of One Hundred Thousand Dollars (\$100,000.00),
1638 of the value of the capital used, invested or employed in the
1639 exercise of any power, privilege or right enjoyed by such
1640 organization within this state, except as hereinafter provided.



1641 (vii) For tax years beginning on or after January
1642 1, 2023, but before January 1, 2024, One Dollar and Twenty-five
1643 Cents (\$1.25) for each One Thousand Dollars (\$1,000.00), or
1644 fraction thereof, in excess of One Hundred Thousand Dollars
1645 (\$100,000.00), of the value of the capital used, invested or
1646 employed in the exercise of any power, privilege or right enjoyed
1647 by such organization within this state, except as hereinafter
1648 provided.

1649 (viii) For tax years beginning on or after January
1650 1, 2024, but before January 1, 2025, One Dollar (\$1.00) for each
1651 One Thousand Dollars (\$1,000.00), or fraction thereof, in excess
1652 of One Hundred Thousand Dollars (\$100,000.00), of the value of the
1653 capital used, invested or employed in the exercise of any power,
1654 privilege or right enjoyed by such organization within this state,
1655 except as hereinafter provided.

1656 (ix) For tax years beginning on or after January
1657 1, 2025, but before January 1, 2026, Seventy-five Cents (75¢) for
1658 each One Thousand Dollars (\$1,000.00), or fraction thereof, in
1659 excess of One Hundred Thousand Dollars (\$100,000.00), of the value
1660 of the capital used, invested or employed in the exercise of any
1661 power, privilege or right enjoyed by such organization within this
1662 state, except as hereinafter provided.

1663 (x) For tax years beginning on or after January 1,
1664 2026, but before January 1, 2027, Fifty Cents (50¢) for each One
1665 Thousand Dollars (\$1,000.00), or fraction thereof, in excess of



1666 One Hundred Thousand Dollars (\$100,000.00), of the value of the
1667 capital used, invested or employed in the exercise of any power,
1668 privilege or right enjoyed by such organization within this state,
1669 except as hereinafter provided.

1670 (xi) For tax years beginning on or after January
1671 1, 2027, but before January 1, 2028, Twenty-five Cents (25¢) for
1672 each One Thousand Dollars (\$1,000.00), or fraction thereof, in
1673 excess of One Hundred Thousand Dollars (\$100,000.00), of the value
1674 of the capital used, invested or employed in the exercise of any
1675 power, privilege or right enjoyed by such organization within this
1676 state, except as hereinafter provided.

1677 (b) In no case shall the franchise tax due for the
1678 accounting period be less than Twenty-five Dollars (\$25.00).

1679 (c) It is the purpose of this section to require the
1680 payment to the State of Mississippi of this tax for the right
1681 granted by the laws of this state to exist as such organization,
1682 and to enjoy, under the protection of the laws of this state, the
1683 powers, rights, privileges and immunities derived from the state
1684 by the form of such existence.

1685 (2) **Annual report of domestic corporations.** Each domestic
1686 corporation shall file an annual report as required by the
1687 provisions of Section 79-4-16.22.

1688 (3) (a) A corporation that has negotiated a fee-in-lieu as
1689 defined in Section 57-75-5 shall not be subject to the tax levied
1690 by this section on such project; however, the fee-in-lieu payment



1691 shall be otherwise treated in the same manner as the payment of
1692 franchise taxes.

1693 (b) (i) As used in this paragraph:

1694 1. "Authority" shall have the meaning
1695 ascribed to such term in Section 57-75-5(b);

1696 2. "Project" shall have the meaning ascribed
1697 to such term in Section 57-75-5(f)(xxix); and

1698 3. "Enterprise" shall mean the corporation
1699 authorized for the project pursuant to Section 57-75-5(f)(xxix).

1700 (ii) The term of the franchise tax fee-in-lieu
1701 agreement negotiated under this subsection and authorized by
1702 Section 57-75-5(j), between the authority and the enterprise for
1703 the project shall not exceed twenty-five (25) years. The
1704 franchise tax fee-in-lieu agreement shall apply only to new
1705 franchise tax liability attributable to the project, and shall not
1706 apply to any existing franchise tax liability of the enterprise in
1707 connection with any current operations in this state.

1708 (iii) In the event that the annual number of
1709 full-time jobs maintained by the enterprise falls below the
1710 minimum annual number of full-time jobs required by the authority
1711 pursuant to a written agreement between the authority and the
1712 enterprise for two (2) consecutive years, the franchise tax
1713 fee-in-lieu for the project shall be suspended until the first tax
1714 year during which the annual number of full-time jobs maintained
1715 by the enterprise reaches the minimum annual number of full-time



1716 jobs required by the authority pursuant to a written agreement
1717 between the authority and the enterprise.

1718 (iv) The enterprise shall be entitled to utilize a
1719 single sales apportionment factor in the calculation of its
1720 liability for franchise tax imposed by this chapter which is
1721 attributable to the project for any year for which it files a
1722 Mississippi franchise tax return. The enterprise shall be
1723 entitled to continue to utilize such single sales apportionment
1724 factor notwithstanding a suspension of the franchise tax
1725 fee-in-lieu pursuant to subparagraph (iii) of this paragraph.

1726 (4) An approved business enterprise as defined in the Growth
1727 and Prosperity Act shall not be subject to the tax levied by this
1728 section on the value of capital used, invested or employed by the
1729 approved business enterprise in a growth and prosperity county or
1730 supervisors district as provided in the Growth and Prosperity Act.

1731 (5) A business enterprise operating a project as defined in
1732 Section 57-64-33, in a county that is a member of a regional
1733 economic development alliance created under the Regional Economic
1734 Development Act shall not be subject to the tax levied by this
1735 section on the value of capital used, invested or employed by the
1736 business enterprise in such a county as provided in Section
1737 57-64-33.

1738 (6) The tax levied by this chapter and paid by a business
1739 enterprise located in a redevelopment project area under Sections



1740 57-91-1 through 57-91-11 shall be deposited into the Redevelopment
1741 Project Incentive Fund created in Section 57-91-9.

1742 (7) A business enterprise as defined in Section * * *
1743 57-113-21 that is exempt from certain state taxes under
1744 Section * * * 57-113-25 shall not be subject to the tax levied by
1745 this section on the value of capital used, invested or employed by
1746 the business enterprise.

1747 **SECTION 12.** Section 27-13-7, Mississippi Code of 1972, is
1748 amended as follows:

1749 27-13-7. (1) (a) **Franchise tax levy.** Except as otherwise
1750 provided in subsections (3), (4), (5) and (7) of this section,
1751 there is hereby imposed, levied and assessed upon every
1752 corporation, association or joint-stock company, or partnership
1753 treated as a corporation under the income tax laws or regulations
1754 as hereinbefore defined, organized and existing under and by
1755 virtue of the laws of some other state, territory or country, or
1756 organized and existing without any specific statutory authority,
1757 now or hereafter doing business or exercising any power, privilege
1758 or right within this state, as hereinbefore defined, a franchise
1759 or excise tax equal to:

1760 (i) For tax years beginning before January 1,
1761 2018, Two Dollars and Fifty Cents (\$2.50) of each One Thousand
1762 Dollars (\$1,000.00), or fraction thereof, of the value of capital
1763 used, invested or employed within this state, except as
1764 hereinafter provided.



1765 (ii) For tax years beginning on or after January
1766 1, 2018, but before January 1, 2019, Two Dollars and Fifty Cents
1767 (\$2.50) for each One Thousand Dollars (\$1,000.00), or fraction
1768 thereof, in excess of One Hundred Thousand Dollars (\$100,000.00),
1769 of the value of the capital used, invested or employed in the
1770 exercise of any power, privilege or right enjoyed by such
1771 organization within this state, except as hereinafter provided.

1772 (iii) For tax years beginning on or after January
1773 1, 2019, but before January 1, 2020, Two Dollars and Twenty-five
1774 Cents (\$2.25) for each One Thousand Dollars (\$1,000.00), or
1775 fraction thereof, in excess of One Hundred Thousand Dollars
1776 (\$100,000.00), of the value of the capital used, invested or
1777 employed in the exercise of any power, privilege or right enjoyed
1778 by such organization within this state, except as hereinafter
1779 provided.

1780 (iv) For tax years beginning on or after January
1781 1, 2020, but before January 1, 2021, Two Dollars (\$2.00) for each
1782 One Thousand Dollars (\$1,000.00), or fraction thereof, in excess
1783 of One Hundred Thousand Dollars (\$100,000.00), of the value of the
1784 capital used, invested or employed in the exercise of any power,
1785 privilege or right enjoyed by such organization within this state,
1786 except as hereinafter provided.

1787 (v) For tax years beginning on or after January 1,
1788 2021, but before January 1, 2022, One Dollar and Seventy-five
1789 Cents (\$1.75) for each One Thousand Dollars (\$1,000.00), or



1790 fraction thereof, in excess of One Hundred Thousand Dollars
1791 (\$100,000.00), of the value of the capital used, invested or
1792 employed in the exercise of any power, privilege or right enjoyed
1793 by such organization within this state, except as hereinafter
1794 provided.

1795 (vi) For tax years beginning on or after January
1796 1, 2022, but before January 1, 2023, One Dollar and Fifty Cents
1797 (\$1.50) for each One Thousand Dollars (\$1,000.00), or fraction
1798 thereof, in excess of One Hundred Thousand Dollars (\$100,000.00),
1799 of the value of the capital used, invested or employed in the
1800 exercise of any power, privilege or right enjoyed by such
1801 organization within this state, except as hereinafter provided.

1802 (vii) For tax years beginning on or after January
1803 1, 2023, but before January 1, 2024, One Dollar and Twenty-five
1804 Cents (\$1.25) for each One Thousand Dollars (\$1,000.00), or
1805 fraction thereof, in excess of One Hundred Thousand Dollars
1806 (\$100,000.00), of the value of the capital used, invested or
1807 employed in the exercise of any power, privilege or right enjoyed
1808 by such organization within this state, except as hereinafter
1809 provided.

1810 (viii) For tax years beginning on or after January
1811 1, 2024, but before January 1, 2025, One Dollar (\$1.00) for each
1812 One Thousand Dollars (\$1,000.00), or fraction thereof, in excess
1813 of One Hundred Thousand Dollars (\$100,000.00), of the value of the
1814 capital used, invested or employed in the exercise of any power,



1815 privilege or right enjoyed by such organization within this state,
1816 except as hereinafter provided.

1817 (ix) For tax years beginning on or after January
1818 1, 2025, but before January 1, 2026, Seventy-five Cents (75¢) for
1819 each One Thousand Dollars (\$1,000.00), or fraction thereof, in
1820 excess of One Hundred Thousand Dollars (\$100,000.00), of the value
1821 of the capital used, invested or employed in the exercise of any
1822 power, privilege or right enjoyed by such organization within this
1823 state, except as hereinafter provided.

1824 (x) For tax years beginning on or after January 1,
1825 2026, but before January 1, 2027, Fifty Cents (50¢) for each One
1826 Thousand Dollars (\$1,000.00), or fraction thereof, in excess of
1827 One Hundred Thousand Dollars (\$100,000.00), of the value of the
1828 capital used, invested or employed in the exercise of any power,
1829 privilege or right enjoyed by such organization within this state,
1830 except as hereinafter provided.

1831 (xi) For tax years beginning on or after January
1832 1, 2027, but before January 1, 2028, Twenty-five Cents (25¢) for
1833 each One Thousand Dollars (\$1,000.00), or fraction thereof, in
1834 excess of One Hundred Thousand Dollars (\$100,000.00), of the value
1835 of the capital used, invested or employed in the exercise of any
1836 power, privilege or right enjoyed by such organization within this
1837 state, except as hereinafter provided.

1838 (b) In no case shall the franchise tax due for the
1839 accounting period be less than Twenty-five Dollars (\$25.00).



1840 (c) It is the purpose of this section to require the
1841 payment of a tax by all organizations not organized under the laws
1842 of this state, measured by the amount of capital or its
1843 equivalent, for which such organization receives the benefit and
1844 protection of the government and laws of the state.

1845 (2) **Annual report of foreign corporations.** Each foreign
1846 corporation authorized to transact business in this state shall
1847 file an annual report as required by the provisions of Section
1848 79-4-16.22.

1849 (3) (a) A corporation that has negotiated a fee-in-lieu as
1850 defined in Section 57-75-5 shall not be subject to the tax levied
1851 by this section on such project; however, the fee-in-lieu payment
1852 shall be otherwise treated in the same manner as the payment of
1853 franchise taxes.

1854 (b) (i) As used in this paragraph:

1855 1. "Authority" shall have the meaning
1856 ascribed to such term in Section 57-75-5(b);

1857 2. "Project" shall have the meaning ascribed
1858 to such term in Section 57-75-5(f)(xxix); and

1859 3. "Enterprise" shall mean the corporation
1860 authorized for the project pursuant to Section 57-75-5(f)(xxix).

1861 (ii) The term of the franchise tax fee-in-lieu
1862 agreement negotiated under this subsection and authorized by
1863 Section 57-75-5(j), between the authority and the enterprise for
1864 the project shall not exceed twenty-five (25) years. The



1865 franchise tax fee-in-lieu agreement shall apply only to new
1866 franchise tax liability attributable to the project, and shall not
1867 apply to any existing franchise tax liability of the enterprise in
1868 connection with any current operations in this state.

1869 (iii) In the event that the annual number of
1870 full-time jobs maintained by the enterprise falls below the
1871 minimum annual number of full-time jobs required by the authority
1872 pursuant to a written agreement between the authority and the
1873 enterprise for two (2) consecutive years, the franchise tax
1874 fee-in-lieu for the project shall be suspended until the first tax
1875 year during which the annual number of full-time jobs maintained
1876 by the enterprise reaches the minimum annual number of full-time
1877 jobs required by the authority pursuant to a written agreement
1878 between the authority and the enterprise.

1879 (iv) The enterprise shall be entitled to utilize a
1880 single sales apportionment factor in the calculation of its
1881 liability for franchise tax imposed by this chapter which is
1882 attributable to the project for any year for which it files a
1883 Mississippi franchise tax return. The enterprise shall be
1884 entitled to continue to utilize such single sales apportionment
1885 factor notwithstanding a suspension of the franchise tax
1886 fee-in-lieu pursuant to subparagraph (iii) of this paragraph.

1887 (4) An approved business enterprise as defined in the Growth
1888 and Prosperity Act shall not be subject to the tax levied by this
1889 section on the value of capital used, invested or employed by the



1890 approved business enterprise in a growth and prosperity county or
1891 supervisors district as provided in the Growth and Prosperity Act.

1892 (5) A business enterprise operating a project as defined in
1893 Section 57-64-33, in a county that is a member of a regional
1894 economic development alliance created under the Regional Economic
1895 Development Act shall not be subject to the tax levied by this
1896 section on the value of capital used, invested or employed by the
1897 business enterprise in such a county as provided in Section
1898 57-64-33.

1899 (6) The tax levied by this chapter and paid by a business
1900 enterprise located in a redevelopment project area under Sections
1901 57-91-1 through 57-91-11 shall be deposited into the Redevelopment
1902 Project Incentive Fund created in Section 57-91-9.

1903 (7) A business enterprise as defined in Section * * *
1904 57-113-21 that is exempt from certain state taxes under
1905 Section * * * 57-113-25 shall not be subject to the tax levied by
1906 this section on the value of capital used, invested or employed by
1907 the business enterprise.

1908 **SECTION 13.** Section 57-99-3, Mississippi Code of 1972, is
1909 amended as follows:

1910 57-99-3. (1) Except as otherwise provided in this section,
1911 a qualified business or industry that meets the qualifications
1912 specified in Sections 57-99-1 through 57-99-9 may receive
1913 quarterly incentive payments for a period not to exceed
1914 twenty-five (25) years from the Department of Revenue pursuant to



1915 the provisions of Sections 57-99-1 through 57-99-9 in an amount
1916 which shall be equal to the lesser of three and one-half percent
1917 (3-1/2%) of the wages and taxable benefits for qualified jobs or
1918 the actual amount of Mississippi income tax withheld by the
1919 employer for the qualified jobs. A qualified business or industry
1920 may elect the date upon which the incentive rebate period will
1921 begin. Such date may not be later than sixty (60) months after
1922 the date the business or industry applied for incentive payments;
1923 however, in the case of a qualified business or industry described
1924 in Section 57-99-1(a)(ii), such date may not be later than
1925 seventy-two (72) months after the date the business or industry
1926 applied for incentive payments, or for a qualified business or
1927 industry described in Section 57-99-1(a)(iv), such date may not be
1928 later than the date that is sixty (60) months after the earlier
1929 of:

1930 (a) The date the qualified business or industry applied
1931 for incentive payments; or

1932 (b) The start of commercial production as defined in a
1933 definitive agreement between such qualified business or industry
1934 and the MDA.

1935 (2) In order to receive incentive payments, an establishment
1936 shall apply to the MDA. The application shall be on a form
1937 prescribed by the MDA and shall contain such information as may be
1938 required by the MDA to determine if the applicant is qualified.



1939 (3) In order to qualify to receive such payments, the
1940 establishment applying shall be required to:

1941 (a) Be engaged in a qualified business or industry; and

1942 (b) The business or industry must create and maintain
1943 the minimum number of qualified jobs as set forth in Section
1944 57-99-1. * * *

1945 (4) Upon approval of such an application, the MDA shall
1946 notify the Department of Revenue and shall provide it with a copy
1947 of the approved application. The Department of Revenue may
1948 require the qualified business or industry to submit such
1949 additional information as may be necessary to administer the
1950 provisions of Sections 57-99-1 through 57-99-9. The qualified
1951 business or industry shall report to the Department of Revenue
1952 periodically to show its continued eligibility for incentive
1953 payments. The qualified business or industry may be audited by
1954 the Department of Revenue to verify such eligibility.

1955 **SECTION 14.** Section 27-7-22.7, Mississippi Code of 1972, is
1956 brought forward as follows:

1957 27-7-22.7. (1) As used in this section, the term "port"
1958 means a state, county or municipal port or harbor established
1959 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1
1960 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections
1961 59-11-1 through 59-11-7.

1962 (2) For any income taxpayer utilizing the port facilities at
1963 any port for the export of cargo that is loaded on a carrier



1964 calling at any such port, a credit against the taxes imposed
1965 pursuant to this chapter shall be allowed in the amounts provided
1966 in this section.

1967 (3) Except as otherwise provided by subsection (5) of this
1968 section, the amount of the credit allowed pursuant to this section
1969 shall be the total of the following charges on export cargo paid
1970 by the corporation:

- 1971 (a) Receiving into the port;
- 1972 (b) Handling to a vessel; and
- 1973 (c) Wharfage.

1974 (4) The credit provided for in this section shall not exceed
1975 fifty percent (50%) of the amount of tax imposed upon the taxpayer
1976 for the taxable year reduced by the sum of all other credits
1977 allowable to such taxpayer under this chapter, except credit for
1978 tax payments made by or on behalf of the taxpayer. Any unused
1979 portion of the credit may be carried forward for the succeeding
1980 five (5) years. The maximum cumulative credit that may be claimed
1981 by a taxpayer pursuant to this section and for the period of time
1982 beginning on January 1, 1994, and ending on December 31, 2005, is
1983 limited to One Million Two Hundred Thousand Dollars
1984 (\$1,200,000.00).

1985 (5) To obtain the credit provided for in this section, a
1986 taxpayer must provide to the Department of Revenue a statement
1987 from the governing authority of the port certifying the amount of



1988 charges paid by the taxpayer for which a credit is claimed and any
1989 other information required by the Department of Revenue.

1990 (6) The purpose of the tax credit provided for in this
1991 section is to promote the increased use of ports and related
1992 facilities in this state, particularly by those taxpayers which
1993 would not otherwise use such ports and related facilities without
1994 the benefit of such tax credit, and increase the number of port
1995 related jobs and other economic development benefits associated
1996 with the increased use of such ports and related facilities. It
1997 is the intent of the Legislature that in determining whether or
1998 not such tax credit will be continued in future years, the
1999 attainment of the purposes set forth in this subsection must be
2000 demonstrated by the material contained in the reports prepared by
2001 the Mississippi Development Authority under Section 27-7-22.9.

2002 **SECTION 15.** Section 27-7-22.23, Mississippi Code of 1972, is
2003 brought forward as follows:

2004 27-7-22.23. (1) As used in this section, the term "port"
2005 means a state, county or municipal port or harbor established
2006 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1
2007 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections
2008 59-11-1 through 59-11-7.

2009 (2) Subject to the provisions of this section, for any
2010 income taxpayer utilizing the port facilities at any port for the
2011 import of cargo that is unloaded from a carrier calling at any
2012 such port, a credit against the taxes imposed pursuant to this



2013 chapter shall be allowed in the amounts provided in this section.
2014 In order to be eligible for the credit authorized under this
2015 section, a taxpayer must locate its United States headquarters in
2016 Mississippi on or after July 1, 2004, employ at least five (5)
2017 permanent full-time employees who actually work at such
2018 headquarters and have a minimum capital investment of Two Million
2019 Dollars (\$2,000,000.00) in Mississippi. For the purposes of this
2020 section, "full-time employee" shall mean an employee who works at
2021 least thirty-five (35) hours per week.

2022 (3) (a) Except as otherwise provided by subsection (4) of
2023 this section, the amount of the credit allowed pursuant to this
2024 section shall be the total of the following charges on import of
2025 cargo paid by the corporation:

- 2026 (i) Receiving into the port;
- 2027 (ii) Handling from a vessel; and
- 2028 (iii) Wharfage.

2029 (b) The credit allowed pursuant to this section shall
2030 not include charges paid by a corporation on the import of forest
2031 products.

2032 (4) The credit provided for in this section shall not exceed
2033 fifty percent (50%) of the amount of tax imposed upon the taxpayer
2034 for the taxable year reduced by the sum of all other credits
2035 allowable to such taxpayer under this chapter, except credit for
2036 tax payments made by or on behalf of the taxpayer. Any unused
2037 portion of the credit may be carried forward for the succeeding



2038 five (5) years. The maximum cumulative credit that may be claimed
2039 by a taxpayer under this section is limited to One Million Dollars
2040 (\$1,000,000.00) if the taxpayer employs at least five (5), but not
2041 more than twenty-five (25) permanent full-time employees at its
2042 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)
2043 if the taxpayer employs more than twenty-five (25), but not more
2044 than one hundred (100) permanent full-time employees at its
2045 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)
2046 if the taxpayer employs more than one hundred (100), but not more
2047 than two hundred (200) permanent full-time employees at its
2048 headquarters in Mississippi; and Four Million Dollars
2049 (\$4,000,000.00) if the taxpayer employs more than two hundred
2050 (200) permanent full-time employees at its headquarters in
2051 Mississippi.

2052 (5) To obtain the credit provided for in this section, a
2053 taxpayer must provide to the Department of Revenue a statement
2054 from the governing authority of the port certifying the amount of
2055 charges paid by the taxpayer for which a credit is claimed and any
2056 other information required by the Department of Revenue.

2057 **SECTION 16.** Section 27-7-22.25, Mississippi Code of 1972, is
2058 brought forward as follows:

2059 27-7-22.25. (1) As used in this section, the term "airport"
2060 means an airport established pursuant to Chapters 3 and 5, Title
2061 61, Mississippi Code of 1972.



2062 (2) Subject to the provisions of this section, for any
2063 income taxpayer utilizing the facilities at any airport for the
2064 export or import of cargo that is unloaded from a carrier at any
2065 such airport, a credit against the taxes imposed pursuant to this
2066 chapter shall be allowed in the amounts provided in this section.
2067 In order to be eligible for the credit authorized under this
2068 section, a taxpayer must locate its United States headquarters in
2069 Mississippi on or after July 1, 2005, employ at least five (5) new
2070 permanent full-time employees who actually work at such
2071 headquarters and, after July 1, 2005, invest a minimum of Two
2072 Million Dollars (\$2,000,000.00), in the aggregate, in real
2073 property and/or personal property in Mississippi. For the
2074 purposes of this section, "full-time employee" shall mean an
2075 employee who works at least thirty-five (35) hours per week.

2076 (3) Except as otherwise provided by subsection (4) of this
2077 section, the amount of the credit allowed pursuant to this section
2078 shall be the total of the following charges on import or export of
2079 cargo paid by the corporation:

- 2080 (a) Receiving into the airport;
- 2081 (b) Aircraft marshalling or handling fees; and
- 2082 (c) Aircraft landing fees.

2083 (4) The credit provided for in this section shall not exceed
2084 fifty percent (50%) of the amount of tax imposed upon the taxpayer
2085 for the taxable year reduced by the sum of all other credits
2086 allowable to such taxpayer under this chapter, except credit for



2087 tax payments made by or on behalf of the taxpayer. Any unused
2088 portion of the credit may be carried forward for the succeeding
2089 five (5) years. The maximum cumulative credit that may be claimed
2090 by a taxpayer under this section is limited to One Million Dollars
2091 (\$1,000,000.00) if the taxpayer employs at least five (5), but not
2092 more than twenty-five (25) permanent full-time employees at its
2093 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)
2094 if the taxpayer employs more than twenty-five (25), but not more
2095 than one hundred (100) permanent full-time employees at its
2096 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)
2097 if the taxpayer employs more than one hundred (100), but not more
2098 than two hundred (200) permanent full-time employees at its
2099 headquarters in Mississippi; and Four Million Dollars
2100 (\$4,000,000.00) if the taxpayer employs more than two hundred
2101 (200) permanent full-time employees at its headquarters in
2102 Mississippi.

2103 (5) To obtain the credit provided for in this section, a
2104 taxpayer must provide to the Department of Revenue a statement
2105 from the governing authority of the airport certifying the amount
2106 of charges paid by the taxpayer for which a credit is claimed and
2107 any other information required by the Department of Revenue.

2108 (6) Any taxpayer who is eligible, before July 1, 2022, for
2109 the credit provided for in this section, shall remain eligible for
2110 such credit after July 1, 2022, notwithstanding the repeal of this
2111 section.



2112 **SECTION 17.** Section 27-7-22.35, Mississippi Code of 1972, is
2113 brought forward as follows:

2114 27-7-22.35. (1) As used in this section:

2115 (a) "Eligible facility" means and includes a new
2116 facility that creates at least twenty (20) full-time jobs with a
2117 minimum capital investment from private sources of Fifty Million
2118 Dollars (\$50,000,000.00), that:

2119 (i) Consists of all components necessary for the
2120 production of electric energy from the direct firing or co-firing
2121 of biomass or waste heat recovery, and if applicable, other energy
2122 sources;

2123 (ii) Produces both electric energy and useful
2124 thermal energy, such as heat or steam, through the sequential use
2125 of energy (cogeneration); and

2126 (iii) Consists of all components necessary for the
2127 production of synfuel.

2128 An eligible facility includes all burners and boilers, any
2129 handling and delivery equipment that supplies fuel directly to and
2130 is integrated with such burners and boilers, steam headers,
2131 turbines, generators, property used for the collection, processing
2132 or storage of biomass or synfuel, transformers, pipelines and all
2133 other property used in the transmission of electricity or synfuel
2134 and related depreciable property.

2135 (b) "Biomass" means and includes any of the following:



2136 (i) Forest-related mill residues, pulping
2137 by-product and other by-products of wood processing, thinnings,
2138 slash, limbs, bark, brush and other cellulosic plant material or
2139 nonmerchantable forest-related products;

2140 (ii) Solid wood waste materials, including
2141 dunnage, manufacturing and construction wood wastes, demolition
2142 and storm debris and landscape or right-of-way trimmings;

2143 (iii) Agriculture wastes, including orchard tree
2144 crops, vineyard, grain, legumes, sugar and other crop by-products
2145 or residues and livestock waste nutrients;

2146 (iv) All plant and grass material that is grown
2147 exclusively as a fuel for the production of electricity;

2148 (v) Refuse derived fuels consisting of organic
2149 components and fibers of waste water treatment solids; or

2150 (vi) Whole trees.

2151 (c) "Synfuel" means any liquid or gaseous fuel obtained
2152 from biomass.

2153 (d) "Waste heat recovery" means systems that produce
2154 electricity from currently unused waste heat resulting from
2155 combustion or other processes and which do not use an additional
2156 combustion process. The term does not include any system whose
2157 primary purpose is the generation of electricity.

2158 (2) An enterprise owning or operating an eligible facility
2159 is allowed an annual investment tax credit for taxes imposed by
2160 Section 27-7-5 equal to five percent (5%) of investments made by



2161 the enterprise in the initial establishment of an eligible
2162 facility. The credit shall commence on the date selected by the
2163 enterprise; provided, however, that the commencement date shall
2164 not be more than two (2) years from the date the eligible facility
2165 becomes fully operational.

2166 (3) Any tax credit claimed under this section but not used
2167 in any taxable year may be carried forward for five (5)
2168 consecutive years from the close of the tax year in which the
2169 credits were earned. The credit that may be utilized in any one
2170 (1) tax year shall be limited to an amount not greater than fifty
2171 percent (50%) of the total state income tax liability of the
2172 enterprise for that year that is generated by, or arises out of,
2173 the eligible facility.

2174 **SECTION 18.** Section 27-65-75, Mississippi Code of 1972, is
2175 brought forward as follows:

2176 27-65-75. On or before the fifteenth day of each month, the
2177 revenue collected under the provisions of this chapter during the
2178 preceding month shall be paid and distributed as follows:

2179 (1) (a) On or before August 15, 1992, and each succeeding
2180 month thereafter through July 15, 1993, eighteen percent (18%) of
2181 the total sales tax revenue collected during the preceding month
2182 under the provisions of this chapter, except that collected under
2183 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
2184 business activities within a municipal corporation shall be
2185 allocated for distribution to the municipality and paid to the



2186 municipal corporation. Except as otherwise provided in this
2187 paragraph (a), on or before August 15, 1993, and each succeeding
2188 month thereafter, eighteen and one-half percent (18-1/2%) of the
2189 total sales tax revenue collected during the preceding month under
2190 the provisions of this chapter, except that collected under the
2191 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
2192 27-65-24, on business activities within a municipal corporation
2193 shall be allocated for distribution to the municipality and paid
2194 to the municipal corporation. However, in the event the State
2195 Auditor issues a certificate of noncompliance pursuant to Section
2196 21-35-31, the Department of Revenue shall withhold ten percent
2197 (10%) of the allocations and payments to the municipality that
2198 would otherwise be payable to the municipality under this
2199 paragraph (a) until such time that the department receives written
2200 notice of the cancellation of a certificate of noncompliance from
2201 the State Auditor.

2202 A municipal corporation, for the purpose of distributing the
2203 tax under this subsection, shall mean and include all incorporated
2204 cities, towns and villages.

2205 Monies allocated for distribution and credited to a municipal
2206 corporation under this paragraph may be pledged as security for a
2207 loan if the distribution received by the municipal corporation is
2208 otherwise authorized or required by law to be pledged as security
2209 for such a loan.



2210 In any county having a county seat that is not an
2211 incorporated municipality, the distribution provided under this
2212 subsection shall be made as though the county seat was an
2213 incorporated municipality; however, the distribution to the
2214 municipality shall be paid to the county treasury in which the
2215 municipality is located, and those funds shall be used for road,
2216 bridge and street construction or maintenance in the county.

2217 (b) On or before August 15, 2006, and each succeeding
2218 month thereafter, eighteen and one-half percent (18-1/2%) of the
2219 total sales tax revenue collected during the preceding month under
2220 the provisions of this chapter, except that collected under the
2221 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
2222 business activities on the campus of a state institution of higher
2223 learning or community or junior college whose campus is not
2224 located within the corporate limits of a municipality, shall be
2225 allocated for distribution to the state institution of higher
2226 learning or community or junior college and paid to the state
2227 institution of higher learning or community or junior college.

2228 (c) On or before August 15, 2018, and each succeeding
2229 month thereafter until August 14, 2019, two percent (2%) of the
2230 total sales tax revenue collected during the preceding month under
2231 the provisions of this chapter, except that collected under the
2232 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
2233 27-65-24, on business activities within the corporate limits of
2234 the City of Jackson, Mississippi, shall be deposited into the



2235 Capitol Complex Improvement District Project Fund created in
2236 Section 29-5-215. On or before August 15, 2019, and each
2237 succeeding month thereafter until August 14, 2020, four percent
2238 (4%) of the total sales tax revenue collected during the preceding
2239 month under the provisions of this chapter, except that collected
2240 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
2241 and 27-65-24, on business activities within the corporate limits
2242 of the City of Jackson, Mississippi, shall be deposited into the
2243 Capitol Complex Improvement District Project Fund created in
2244 Section 29-5-215. On or before August 15, 2020, and each
2245 succeeding month thereafter, six percent (6%) of the total sales
2246 tax revenue collected during the preceding month under the
2247 provisions of this chapter, except that collected under the
2248 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
2249 27-65-24, on business activities within the corporate limits of
2250 the City of Jackson, Mississippi, shall be deposited into the
2251 Capitol Complex Improvement District Project Fund created in
2252 Section 29-5-215.

2253 (d) (i) On or before the fifteenth day of the month
2254 that the diversion authorized by this section begins, and each
2255 succeeding month thereafter, eighteen and one-half percent
2256 (18-1/2%) of the total sales tax revenue collected during the
2257 preceding month under the provisions of this chapter, except that
2258 collected under the provisions of Sections 27-65-15, 27-65-19(3)
2259 and 27-65-21, on business activities within a redevelopment



2260 project area developed under a redevelopment plan adopted under
2261 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be
2262 allocated for distribution to the county in which the project area
2263 is located if:

2264 1. The county borders on the Mississippi
2265 Sound and the State of Alabama;

2266 2. The county has issued bonds under Section
2267 21-45-9 to finance all or a portion of a redevelopment project in
2268 the redevelopment project area;

2269 3. Any debt service for the indebtedness
2270 incurred is outstanding; and

2271 4. A development with a value of Ten Million
2272 Dollars (\$10,000,000.00) or more is, or will be, located in the
2273 redevelopment area.

2274 (ii) Before any sales tax revenue may be allocated
2275 for distribution to a county under this paragraph, the county
2276 shall certify to the Department of Revenue that the requirements
2277 of this paragraph have been met, the amount of bonded indebtedness
2278 that has been incurred by the county for the redevelopment project
2279 and the expected date the indebtedness incurred by the county will
2280 be satisfied.

2281 (iii) The diversion of sales tax revenue
2282 authorized by this paragraph shall begin the month following the
2283 month in which the Department of Revenue determines that the
2284 requirements of this paragraph have been met. The diversion shall



2285 end the month the indebtedness incurred by the county is
2286 satisfied. All revenue received by the county under this
2287 paragraph shall be deposited in the fund required to be created in
2288 the tax increment financing plan under Section 21-45-11 and be
2289 utilized solely to satisfy the indebtedness incurred by the
2290 county.

2291 (2) On or before September 15, 1987, and each succeeding
2292 month thereafter, from the revenue collected under this chapter
2293 during the preceding month, One Million One Hundred Twenty-five
2294 Thousand Dollars (\$1,125,000.00) shall be allocated for
2295 distribution to municipal corporations as defined under subsection
2296 (1) of this section in the proportion that the number of gallons
2297 of gasoline and diesel fuel sold by distributors to consumers and
2298 retailers in each such municipality during the preceding fiscal
2299 year bears to the total gallons of gasoline and diesel fuel sold
2300 by distributors to consumers and retailers in municipalities
2301 statewide during the preceding fiscal year. The Department of
2302 Revenue shall require all distributors of gasoline and diesel fuel
2303 to report to the department monthly the total number of gallons of
2304 gasoline and diesel fuel sold by them to consumers and retailers
2305 in each municipality during the preceding month. The Department
2306 of Revenue shall have the authority to promulgate such rules and
2307 regulations as is necessary to determine the number of gallons of
2308 gasoline and diesel fuel sold by distributors to consumers and
2309 retailers in each municipality. In determining the percentage



2310 allocation of funds under this subsection for the fiscal year
2311 beginning July 1, 1987, and ending June 30, 1988, the Department
2312 of Revenue may consider gallons of gasoline and diesel fuel sold
2313 for a period of less than one (1) fiscal year. For the purposes
2314 of this subsection, the term "fiscal year" means the fiscal year
2315 beginning July 1 of a year.

2316 (3) On or before September 15, 1987, and on or before the
2317 fifteenth day of each succeeding month, until the date specified
2318 in Section 65-39-35, the proceeds derived from contractors' taxes
2319 levied under Section 27-65-21 on contracts for the construction or
2320 reconstruction of highways designated under the highway program
2321 created under Section 65-3-97 shall, except as otherwise provided
2322 in Section 31-17-127, be deposited into the State Treasury to the
2323 credit of the State Highway Fund to be used to fund that highway
2324 program. The Mississippi Department of Transportation shall
2325 provide to the Department of Revenue such information as is
2326 necessary to determine the amount of proceeds to be distributed
2327 under this subsection.

2328 (4) On or before August 15, 1994, and on or before the
2329 fifteenth day of each succeeding month through July 15, 1999, from
2330 the proceeds of gasoline, diesel fuel or kerosene taxes as
2331 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
2332 (\$4,000,000.00) shall be deposited in the State Treasury to the
2333 credit of a special fund designated as the "State Aid Road Fund,"
2334 created by Section 65-9-17. On or before August 15, 1999, and on



2335 or before the fifteenth day of each succeeding month, from the
2336 total amount of the proceeds of gasoline, diesel fuel or kerosene
2337 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
2338 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
2339 one-fourth percent (23-1/4%) of those funds, whichever is the
2340 greater amount, shall be deposited in the State Treasury to the
2341 credit of the "State Aid Road Fund," created by Section 65-9-17.
2342 Those funds shall be pledged to pay the principal of and interest
2343 on state aid road bonds heretofore issued under Sections 19-9-51
2344 through 19-9-77, in lieu of and in substitution for the funds
2345 previously allocated to counties under this section. Those funds
2346 may not be pledged for the payment of any state aid road bonds
2347 issued after April 1, 1981; however, this prohibition against the
2348 pledging of any such funds for the payment of bonds shall not
2349 apply to any bonds for which intent to issue those bonds has been
2350 published for the first time, as provided by law before March 29,
2351 1981. From the amount of taxes paid into the special fund under
2352 this subsection and subsection (9) of this section, there shall be
2353 first deducted and paid the amount necessary to pay the expenses
2354 of the Office of State Aid Road Construction, as authorized by the
2355 Legislature for all other general and special fund agencies. The
2356 remainder of the fund shall be allocated monthly to the several
2357 counties in accordance with the following formula:

2358 (a) One-third (1/3) shall be allocated to all counties
2359 in equal shares;



2360 (b) One-third (1/3) shall be allocated to counties
2361 based on the proportion that the total number of rural road miles
2362 in a county bears to the total number of rural road miles in all
2363 counties of the state; and

2364 (c) One-third (1/3) shall be allocated to counties
2365 based on the proportion that the rural population of the county
2366 bears to the total rural population in all counties of the state,
2367 according to the latest federal decennial census.

2368 For the purposes of this subsection, the term "gasoline,
2369 diesel fuel or kerosene taxes" means such taxes as defined in
2370 paragraph (f) of Section 27-5-101.

2371 The amount of funds allocated to any county under this
2372 subsection for any fiscal year after fiscal year 1994 shall not be
2373 less than the amount allocated to the county for fiscal year 1994.

2374 Any reference in the general laws of this state or the
2375 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
2376 construed to refer and apply to subsection (4) of Section
2377 27-65-75.

2378 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
2379 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
2380 the special fund known as the "State Public School Building Fund"
2381 created and existing under the provisions of Sections 37-47-1
2382 through 37-47-67. Those payments into that fund are to be made on
2383 the last day of each succeeding month hereafter.



2384 (6) An amount each month beginning August 15, 1983, through
2385 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
2386 1983, shall be paid into the special fund known as the
2387 Correctional Facilities Construction Fund created in Section 6,
2388 Chapter 542, Laws of 1983.

2389 (7) On or before August 15, 1992, and each succeeding month
2390 thereafter through July 15, 2000, two and two hundred sixty-six
2391 one-thousandths percent (2.266%) of the total sales tax revenue
2392 collected during the preceding month under the provisions of this
2393 chapter, except that collected under the provisions of Section
2394 27-65-17(2), shall be deposited by the department into the School
2395 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
2396 or before August 15, 2000, and each succeeding month thereafter,
2397 two and two hundred sixty-six one-thousandths percent (2.266%) of
2398 the total sales tax revenue collected during the preceding month
2399 under the provisions of this chapter, except that collected under
2400 the provisions of Section 27-65-17(2), shall be deposited into the
2401 School Ad Valorem Tax Reduction Fund created under Section
2402 37-61-35 until such time that the total amount deposited into the
2403 fund during a fiscal year equals Forty-two Million Dollars
2404 (\$42,000,000.00). Thereafter, the amounts diverted under this
2405 subsection (7) during the fiscal year in excess of Forty-two
2406 Million Dollars (\$42,000,000.00) shall be deposited into the
2407 Education Enhancement Fund created under Section 37-61-33 for
2408 appropriation by the Legislature as other education needs and



2409 shall not be subject to the percentage appropriation requirements
2410 set forth in Section 37-61-33.

2411 (8) On or before August 15, 1992, and each succeeding month
2412 thereafter, nine and seventy-three one-thousandths percent
2413 (9.073%) of the total sales tax revenue collected during the
2414 preceding month under the provisions of this chapter, except that
2415 collected under the provisions of Section 27-65-17(2), shall be
2416 deposited into the Education Enhancement Fund created under
2417 Section 37-61-33.

2418 (9) On or before August 15, 1994, and each succeeding month
2419 thereafter, from the revenue collected under this chapter during
2420 the preceding month, Two Hundred Fifty Thousand Dollars
2421 (\$250,000.00) shall be paid into the State Aid Road Fund.

2422 (10) On or before August 15, 1994, and each succeeding month
2423 thereafter through August 15, 1995, from the revenue collected
2424 under this chapter during the preceding month, Two Million Dollars
2425 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
2426 Valorem Tax Reduction Fund established in Section 27-51-105.

2427 (11) Notwithstanding any other provision of this section to
2428 the contrary, on or before February 15, 1995, and each succeeding
2429 month thereafter, the sales tax revenue collected during the
2430 preceding month under the provisions of Section 27-65-17(2) and
2431 the corresponding levy in Section 27-65-23 on the rental or lease
2432 of private carriers of passengers and light carriers of property
2433 as defined in Section 27-51-101 shall be deposited, without



2434 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
2435 established in Section 27-51-105.

2436 (12) Notwithstanding any other provision of this section to
2437 the contrary, on or before August 15, 1995, and each succeeding
2438 month thereafter, the sales tax revenue collected during the
2439 preceding month under the provisions of Section 27-65-17(1) on
2440 retail sales of private carriers of passengers and light carriers
2441 of property, as defined in Section 27-51-101 and the corresponding
2442 levy in Section 27-65-23 on the rental or lease of these vehicles,
2443 shall be deposited, after diversion, into the Motor Vehicle Ad
2444 Valorem Tax Reduction Fund established in Section 27-51-105.

2445 (13) On or before July 15, 1994, and on or before the
2446 fifteenth day of each succeeding month thereafter, that portion of
2447 the avails of the tax imposed in Section 27-65-22 that is derived
2448 from activities held on the Mississippi State Fairgrounds Complex
2449 shall be paid into a special fund that is created in the State
2450 Treasury and shall be expended upon legislative appropriation
2451 solely to defray the costs of repairs and renovation at the Trade
2452 Mart and Coliseum.

2453 (14) On or before August 15, 1998, and each succeeding month
2454 thereafter through July 15, 2005, that portion of the avails of
2455 the tax imposed in Section 27-65-23 that is derived from sales by
2456 cotton compresses or cotton warehouses and that would otherwise be
2457 paid into the General Fund shall be deposited in an amount not to
2458 exceed Two Million Dollars (\$2,000,000.00) into the special fund



2459 created under Section 69-37-39. On or before August 15, 2007, and
2460 each succeeding month thereafter through July 15, 2010, that
2461 portion of the avails of the tax imposed in Section 27-65-23 that
2462 is derived from sales by cotton compresses or cotton warehouses
2463 and that would otherwise be paid into the General Fund shall be
2464 deposited in an amount not to exceed Two Million Dollars
2465 (\$2,000,000.00) into the special fund created under Section
2466 69-37-39 until all debts or other obligations incurred by the
2467 Certified Cotton Growers Organization under the Mississippi Boll
2468 Weevil Management Act before January 1, 2007, are satisfied in
2469 full. On or before August 15, 2010, and each succeeding month
2470 thereafter through July 15, 2011, fifty percent (50%) of that
2471 portion of the avails of the tax imposed in Section 27-65-23 that
2472 is derived from sales by cotton compresses or cotton warehouses
2473 and that would otherwise be paid into the General Fund shall be
2474 deposited into the special fund created under Section 69-37-39
2475 until such time that the total amount deposited into the fund
2476 during a fiscal year equals One Million Dollars (\$1,000,000.00).
2477 On or before August 15, 2011, and each succeeding month
2478 thereafter, that portion of the avails of the tax imposed in
2479 Section 27-65-23 that is derived from sales by cotton compresses
2480 or cotton warehouses and that would otherwise be paid into the
2481 General Fund shall be deposited into the special fund created
2482 under Section 69-37-39 until such time that the total amount



2483 deposited into the fund during a fiscal year equals One Million
2484 Dollars (\$1,000,000.00).

2485 (15) Notwithstanding any other provision of this section to
2486 the contrary, on or before September 15, 2000, and each succeeding
2487 month thereafter, the sales tax revenue collected during the
2488 preceding month under the provisions of Section
2489 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
2490 without diversion, into the Telecommunications Ad Valorem Tax
2491 Reduction Fund established in Section 27-38-7.

2492 (16) (a) On or before August 15, 2000, and each succeeding
2493 month thereafter, the sales tax revenue collected during the
2494 preceding month under the provisions of this chapter on the gross
2495 proceeds of sales of a project as defined in Section 57-30-1 shall
2496 be deposited, after all diversions except the diversion provided
2497 for in subsection (1) of this section, into the Sales Tax
2498 Incentive Fund created in Section 57-30-3.

2499 (b) On or before August 15, 2007, and each succeeding
2500 month thereafter, eighty percent (80%) of the sales tax revenue
2501 collected during the preceding month under the provisions of this
2502 chapter from the operation of a tourism project under the
2503 provisions of Sections 57-26-1 through 57-26-5, shall be
2504 deposited, after the diversions required in subsections (7) and
2505 (8) of this section, into the Tourism Project Sales Tax Incentive
2506 Fund created in Section 57-26-3.



2507 (17) Notwithstanding any other provision of this section to
2508 the contrary, on or before April 15, 2002, and each succeeding
2509 month thereafter, the sales tax revenue collected during the
2510 preceding month under Section 27-65-23 on sales of parking
2511 services of parking garages and lots at airports shall be
2512 deposited, without diversion, into the special fund created under
2513 Section 27-5-101(d).

2514 (18) [Repealed]

2515 (19) (a) On or before August 15, 2005, and each succeeding
2516 month thereafter, the sales tax revenue collected during the
2517 preceding month under the provisions of this chapter on the gross
2518 proceeds of sales of a business enterprise located within a
2519 redevelopment project area under the provisions of Sections
2520 57-91-1 through 57-91-11, and the revenue collected on the gross
2521 proceeds of sales from sales made to a business enterprise located
2522 in a redevelopment project area under the provisions of Sections
2523 57-91-1 through 57-91-11 (provided that such sales made to a
2524 business enterprise are made on the premises of the business
2525 enterprise), shall, except as otherwise provided in this
2526 subsection (19), be deposited, after all diversions, into the
2527 Redevelopment Project Incentive Fund as created in Section
2528 57-91-9.

2529 (b) For a municipality participating in the Economic
2530 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
2531 the diversion provided for in subsection (1) of this section



2532 attributable to the gross proceeds of sales of a business
2533 enterprise located within a redevelopment project area under the
2534 provisions of Sections 57-91-1 through 57-91-11, and attributable
2535 to the gross proceeds of sales from sales made to a business
2536 enterprise located in a redevelopment project area under the
2537 provisions of Sections 57-91-1 through 57-91-11 (provided that
2538 such sales made to a business enterprise are made on the premises
2539 of the business enterprise), shall be deposited into the
2540 Redevelopment Project Incentive Fund as created in Section
2541 57-91-9, as follows:

2542 (i) For the first six (6) years in which payments
2543 are made to a developer from the Redevelopment Project Incentive
2544 Fund, one hundred percent (100%) of the diversion shall be
2545 deposited into the fund;

2546 (ii) For the seventh year in which such payments
2547 are made to a developer from the Redevelopment Project Incentive
2548 Fund, eighty percent (80%) of the diversion shall be deposited
2549 into the fund;

2550 (iii) For the eighth year in which such payments
2551 are made to a developer from the Redevelopment Project Incentive
2552 Fund, seventy percent (70%) of the diversion shall be deposited
2553 into the fund;

2554 (iv) For the ninth year in which such payments are
2555 made to a developer from the Redevelopment Project Incentive Fund,



2556 sixty percent (60%) of the diversion shall be deposited into the
2557 fund; and

2558 (v) For the tenth year in which such payments are
2559 made to a developer from the Redevelopment Project Incentive Fund,
2560 fifty percent (50%) of the funds shall be deposited into the fund.

2561 (20) On or before January 15, 2007, and each succeeding
2562 month thereafter, eighty percent (80%) of the sales tax revenue
2563 collected during the preceding month under the provisions of this
2564 chapter from the operation of a tourism project under the
2565 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
2566 after the diversions required in subsections (7) and (8) of this
2567 section, into the Tourism Sales Tax Incentive Fund created in
2568 Section 57-28-3.

2569 (21) (a) On or before April 15, 2007, and each succeeding
2570 month thereafter through June 15, 2013, One Hundred Fifty Thousand
2571 Dollars (\$150,000.00) of the sales tax revenue collected during
2572 the preceding month under the provisions of this chapter shall be
2573 deposited into the MMEIA Tax Incentive Fund created in Section
2574 57-101-3.

2575 (b) On or before July 15, 2013, and each succeeding
2576 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
2577 of the sales tax revenue collected during the preceding month
2578 under the provisions of this chapter shall be deposited into the
2579 Mississippi Development Authority Job Training Grant Fund created
2580 in Section 57-1-451.



2581 (22) Notwithstanding any other provision of this section to
2582 the contrary, on or before August 15, 2009, and each succeeding
2583 month thereafter, the sales tax revenue collected during the
2584 preceding month under the provisions of Section 27-65-201 shall be
2585 deposited, without diversion, into the Motor Vehicle Ad Valorem
2586 Tax Reduction Fund established in Section 27-51-105.

2587 (23) (a) On or before August 15, 2019, and each month
2588 thereafter through July 15, 2020, one percent (1%) of the total
2589 sales tax revenue collected during the preceding month from
2590 restaurants and hotels shall be allocated for distribution to the
2591 Mississippi Development Authority Tourism Advertising Fund
2592 established under Section 57-1-64, to be used exclusively for the
2593 purpose stated therein. On or before August 15, 2020, and each
2594 month thereafter through July 15, 2021, two percent (2%) of the
2595 total sales tax revenue collected during the preceding month from
2596 restaurants and hotels shall be allocated for distribution to the
2597 Mississippi Development Authority Tourism Advertising Fund
2598 established under Section 57-1-64, to be used exclusively for the
2599 purpose stated therein. On or before August 15, 2021, and each
2600 month thereafter, three percent (3%) of the total sales tax
2601 revenue collected during the preceding month from restaurants and
2602 hotels shall be allocated for distribution to the Mississippi
2603 Development Authority Tourism Advertising Fund established under
2604 Section 57-1-64, to be used exclusively for the purpose stated



2605 therein. The revenue diverted pursuant to this subsection shall
2606 not be available for expenditure until February 1, 2020.

2607 (b) The Joint Legislative Committee on Performance
2608 Evaluation and Expenditure Review (PEER) must provide an annual
2609 report to the Legislature indicating the amount of funds deposited
2610 into the Mississippi Development Authority Tourism Advertising
2611 Fund established under Section 57-1-64, and a detailed record of
2612 how the funds are spent.

2613 (24) The remainder of the amounts collected under the
2614 provisions of this chapter shall be paid into the State Treasury
2615 to the credit of the General Fund.

2616 (25) (a) It shall be the duty of the municipal officials of
2617 any municipality that expands its limits, or of any community that
2618 incorporates as a municipality, to notify the commissioner of that
2619 action thirty (30) days before the effective date. Failure to so
2620 notify the commissioner shall cause the municipality to forfeit
2621 the revenue that it would have been entitled to receive during
2622 this period of time when the commissioner had no knowledge of the
2623 action.

2624 (b) (i) Except as otherwise provided in subparagraph
2625 (ii) of this paragraph, if any funds have been erroneously
2626 disbursed to any municipality or any overpayment of tax is
2627 recovered by the taxpayer, the commissioner may make correction
2628 and adjust the error or overpayment with the municipality by



2629 withholding the necessary funds from any later payment to be made
2630 to the municipality.

2631 (ii) Subject to the provisions of Sections
2632 27-65-51 and 27-65-53, if any funds have been erroneously
2633 disbursed to a municipality under subsection (1) of this section
2634 for a period of three (3) years or more, the maximum amount that
2635 may be recovered or withheld from the municipality is the total
2636 amount of funds erroneously disbursed for a period of three (3)
2637 years beginning with the date of the first erroneous disbursement.
2638 However, if during such period, a municipality provides written
2639 notice to the Department of Revenue indicating the erroneous
2640 disbursement of funds, then the maximum amount that may be
2641 recovered or withheld from the municipality is the total amount of
2642 funds erroneously disbursed for a period of one (1) year beginning
2643 with the date of the first erroneous disbursement.

2644 **SECTION 19.** Section 57-1-451, Mississippi Code of 1972, is
2645 brought forward as follows:

2646 57-1-451. (1) There is created in the State Treasury a
2647 special fund to be known as the "Mississippi Development Authority
2648 Job Training Grant Fund" into which shall be deposited such money
2649 as provided in Section 27-65-75(21)(b). The money in the fund
2650 shall be used for the purpose of making job training grants to
2651 community and junior colleges, public universities and local
2652 workforce investment areas to pay a portion of the costs of
2653 providing training or retraining for employees of business



2654 enterprises that are eligible for the jobs tax credit authorized
2655 in Section 57-73-21. The fund shall be administered by the
2656 Mississippi Development Authority (MDA). Unexpended amounts
2657 remaining in the fund at the end of a fiscal year shall not lapse
2658 into the State General Fund, and any interest earned on or
2659 investment earnings on the amounts in the fund shall be deposited
2660 to the credit of the fund. The MDA may use not more than one
2661 percent (1%) of interest earned or investment earnings, or both,
2662 on amounts in the fund for administration and management of the
2663 incentive program authorized under this section.

2664 (2) Subject to the provisions of this section, job training
2665 grants may be made by the MDA to a community or junior college,
2666 public university or local workforce investment area to pay costs
2667 incurred in training or retraining employees for a business
2668 enterprise that is eligible for the jobs tax credit authorized in
2669 Section 57-73-21. A business enterprise that chooses to utilize a
2670 job training grant under this section shall not be eligible for
2671 the job tax credit authorized in Section 57-73-21. The election
2672 to utilize a job training grant shall be made by the business
2673 enterprise before the creation of any jobs. The grant payments
2674 may be made during a five-year period beginning with years two (2)
2675 through six (6) after the creation of the minimum number of jobs
2676 required by the MDA. The amount of the grants authorized by this
2677 section shall be seventy-five percent (75%) of the costs of
2678 training or retraining employees not to exceed:



2679 (a) One Thousand Dollars (\$1,000.00) per job in
2680 counties designated as Tier One areas under Section 57-73-21;

2681 (b) One Thousand Five Hundred Dollars (\$1,500.00) per
2682 job in counties designated as Tier Two areas under Section
2683 57-73-21; and

2684 (c) Two Thousand Dollars (\$2,000.00) per job in
2685 counties designated as Tier Three areas under Section 57-73-21.

2686 (3) The MDA shall cease making job training grant payments
2687 if it determines the required number of jobs are not being
2688 maintained by the business enterprise.

2689 (4) The MDA shall require that the business enterprise shall
2690 enter into binding commitments requiring that:

2691 (a) A minimum number of jobs be maintained that shall
2692 not be less than the number of jobs required to be eligible for
2693 the jobs tax credit authorized in Section 57-73-21; and

2694 (b) That if the minimum number of jobs are not
2695 maintained, all or a portion of the grant funds paid under this
2696 section, as determined by the MDA, shall be repaid by the business
2697 enterprise.

2698 (5) The MDA shall develop, implement and administer the job
2699 training grant program authorized under this section and shall
2700 promulgate rules and regulations necessary for the development,
2701 implementation and administration of the program.

2702 (6) A business enterprise desiring to utilize job training
2703 grants under this section must submit requests for job training



2704 grants to the MDA. The MDA shall review the request and determine
2705 if the business enterprise is eligible and if a payment shall be
2706 made from the fund. The liability of the State of Mississippi to
2707 make the job training grants authorized under this section shall
2708 be limited to the balance contained in the fund.

2709 **SECTION 20.** Section 57-10-409, Mississippi Code of 1972, is
2710 brought forward as follows:

2711 **[In cases involving an economic development project for which**
2712 **the Mississippi Business Finance Corporation has issued bonds for**
2713 **the purpose of financing the approved costs of such project prior**
2714 **to July 1, 1994, this section shall read as follows:]**

2715 57-10-409. The corporation may enter into, with any approved
2716 company, a financing agreement with respect to its economic
2717 development project. The terms and provisions of each financing
2718 agreement shall be determined by negotiations between the
2719 corporation and the approved company, except that each financing
2720 agreement shall include the following provisions:

2721 (a) If the corporation issues any bonds in connection
2722 with an economic development project, the term of the financing
2723 agreement shall not be less than the last maturity of the bonds
2724 issued with respect to the economic development project, except
2725 that the financing agreement may terminate upon the earlier
2726 redemption of all of the bonds issued with respect to the economic
2727 development project and may grant to the approved company an
2728 option to purchase the economic development project from the



2729 corporation upon the termination of the financing agreement for
2730 such consideration and under such terms and conditions the
2731 corporation may approve. Nothing in this paragraph shall limit
2732 the extension of the term of a financing agreement if there is a
2733 refunding of the correlative bonds or otherwise.

2734 (b) If the corporation issues any bonds in connection
2735 with an economic development project, the financing agreement
2736 shall specify that the annual obligations of the approved company
2737 under Sections 57-10-401 through 57-10-445 shall equal in each
2738 year at least the annual debt service for that year on the bonds
2739 issued with respect to the economic development project; and the
2740 approved company shall pay such obligation of the financing
2741 agreement to the trustee for bonds issued for the benefit of the
2742 approved company, at such time and in such amounts sufficient to
2743 amortize such bonds.

2744 (c) If the corporation loans funds to an approved
2745 company that is a private company under the Mississippi Small
2746 Enterprise Development Finance Act, the financing agreement shall
2747 include the terms and conditions of the loan required by Section
2748 57-71-1 et seq.

2749 (d) (i) In consideration for financing agreement
2750 payment, the approved company may be permitted the following
2751 during the period of time in which the financing agreement is in
2752 effect, not to exceed twenty-five (25) years:



2753 1. A tax credit on the amount provided for in
2754 Section 27-7-22.3(2), Mississippi Code of 1972; plus

2755 2. The aggregate assessment withheld by the
2756 approved company in each year.

2757 (ii) The income tax credited to the approved
2758 company referred to herein shall be credited in the fiscal year of
2759 the financing agreement in which the tax return of the approved
2760 company is filed. The approved company shall not be required to
2761 pay estimated tax payments under Section 27-7-319, Mississippi
2762 Code of 1972.

2763 (e) (i) The financing agreement shall provide that the
2764 assessments, when added to the credit for the state corporate
2765 income tax herein granted, shall not exceed the total financing
2766 agreement annual payment by the approved company in any year;
2767 however, to the extent that financing agreement annual payments
2768 exceed credits received and assessments collected in any year, the
2769 excess payment may be recouped from excess credits or assessment
2770 collections in succeeding years.

2771 (ii) If during any fiscal year of the financing
2772 agreement the total of the income tax credit granted to the
2773 approved company plus the assessment collected from the wages of
2774 the employees equals the annual payment pursuant to the financing
2775 agreement, and if all excess payments pursuant to the financing
2776 agreement accumulated in prior years have been recouped, the



2777 assessment collected from the wages of the employees shall cease
2778 for the remainder of the fiscal year of the financing agreement.

2779 (f) The financing agreement shall provide that:

2780 (i) It may be assigned by the approved company
2781 only upon the prior written consent of the corporation following
2782 the adoption of a resolution by the corporation to such effect;
2783 and

2784 (ii) Upon the default by the approved company in
2785 the obligation to render its annual payment, the corporation shall
2786 have the right, at its option, to declare the financing agreement
2787 in default and to accelerate the total of all annual payments that
2788 are to be made or to terminate the financing agreement and cause
2789 to be sold the economic development project at public or private
2790 sale, or to pursue any other remedies available under the Uniform
2791 Commercial Code, as from time to time amended, or otherwise
2792 available in law or equity.

2793 **[In cases involving an economic development project for which**
2794 **the Mississippi Business Finance Corporation has not issued bonds**
2795 **for the purpose of financing the approved costs of such project**
2796 **prior to July 1, 1994, but has issued bonds for such project prior**
2797 **to July 1, 1997, or in cases involving an economic development**
2798 **project which has been induced by a resolution of the Board of**
2799 **Directors of the Mississippi Business Finance Corporation that has**
2800 **been filed with the State Tax Commission prior to July 1, 1997,**
2801 **this section shall read as follows:]**



2802 57-10-409. The corporation may enter into, with any approved
2803 company, a financing agreement with respect to its economic
2804 development project. The terms and provisions of each financing
2805 agreement shall be determined by negotiations between the
2806 corporation and the approved company, except that each financing
2807 agreement shall include the following provisions:

2808 (a) If the corporation issues any bonds in connection
2809 with an economic development project, the term of the financing
2810 agreement shall not be less than the last maturity of the bonds
2811 issued with respect to the economic development project, except
2812 that the financing agreement may terminate upon the earlier
2813 redemption of all of the bonds issued with respect to the economic
2814 development project and may grant to the approved company an
2815 option to purchase the economic development project from the
2816 corporation upon the termination of the financing agreement for
2817 such consideration and under such terms and conditions the
2818 corporation may approve. Nothing in this paragraph shall limit
2819 the extension of the term of a financing agreement if there is a
2820 refunding of the correlative bonds or otherwise.

2821 (b) If the corporation issues any bonds in connection
2822 with an economic development project, the financing agreement
2823 shall specify that the annual obligations of the approved company
2824 under Sections 57-10-401 through 57-10-445 shall equal in each
2825 year at least the annual debt service for that year on the bonds
2826 issued with respect to the economic development project; and the



2827 approved company shall pay such obligation of the financing
2828 agreement to the trustee for bonds issued for the benefit of the
2829 approved company, at such time and in such amounts sufficient to
2830 amortize such bonds.

2831 (c) If the corporation loans funds to an approved
2832 company that is a private company under the Mississippi Small
2833 Enterprise Development Finance Act, the financing agreement shall
2834 include the terms and conditions of the loan required by Section
2835 57-71-1 et seq.

2836 (d) (i) In consideration for financing agreement
2837 payment, the approved company may be permitted the following
2838 during the period of time in which the financing agreement is in
2839 effect, not to exceed twenty-five (25) years:

2840 1. A tax credit on the amount provided for in
2841 Section 27-7-22.3(2), Mississippi Code of 1972; plus

2842 2. The aggregate assessment withheld by the
2843 approved company in each year.

2844 (ii) The income tax credited to the approved
2845 company referred to herein shall be credited in the fiscal year of
2846 the financing agreement in which the tax return of the approved
2847 company is filed. The approved company shall not be required to
2848 pay estimated tax payments under Section 27-7-319, Mississippi
2849 Code of 1972.

2850 (e) (i) The financing agreement shall provide that the
2851 assessments, when added to the credit for the state corporate



2852 income tax herein granted, shall not exceed the total financing
2853 agreement annual payment by the approved company in any year;
2854 however, to the extent that financing agreement annual payments
2855 exceed credits received and assessments collected in any year, the
2856 excess payment may be recouped from excess credits or assessment
2857 collections in succeeding years not to exceed three (3) years
2858 following the termination of the period of time during which the
2859 financing agreement is in effect.

2860 (ii) If during any fiscal year of the financing
2861 agreement the total of the income tax credit granted to the
2862 approved company plus the assessment collected from the wages of
2863 the employees equals the annual payment pursuant to the financing
2864 agreement, and if all excess payments pursuant to the financing
2865 agreement accumulated in prior years have been recouped, the
2866 assessment collected from the wages of the employees shall cease
2867 for the remainder of the fiscal year of the financing agreement.

2868 (f) The financing agreement shall provide that:

2869 (i) It may be assigned by the approved company
2870 only upon the prior written consent of the corporation following
2871 the adoption of a resolution by the corporation to such effect;
2872 and

2873 (ii) Upon the default by the approved company in
2874 the obligation to render its annual payment, the corporation shall
2875 have the right, at its option, to declare the financing agreement
2876 in default and to accelerate the total of all annual payments that



2877 are to be made or to terminate the financing agreement and cause
2878 to be sold the economic development project at public or private
2879 sale, or to pursue any other remedies available under the Uniform
2880 Commercial Code, as from time to time amended, or otherwise
2881 available in law or equity.

2882 **[In cases involving an economic development project for which**
2883 **the Mississippi Business Finance Corporation has not issued bonds**
2884 **for the purpose of financing the approved costs of such project**
2885 **prior to July 1, 1997, or in cases involving an economic**
2886 **development project which has not been induced by a resolution of**
2887 **the Board of Directors of the Mississippi Business Finance**
2888 **Corporation that has been filed with the State Tax Commission**
2889 **prior to July 1, 1997, this section shall read as follows:]**

2890 57-10-409. The corporation may enter into, with any approved
2891 company, a financing agreement with respect to its economic
2892 development project. The terms and provisions of each financing
2893 agreement shall be determined by negotiations between the
2894 corporation and the approved company, except that each financing
2895 agreement shall include the following provisions:

2896 (a) If the corporation issues any bonds in connection
2897 with an economic development project, the term of the financing
2898 agreement shall not be less than the last maturity of the bonds
2899 issued with respect to the economic development project, except
2900 that the financing agreement may terminate upon the earlier
2901 redemption of all of the bonds issued with respect to the economic



2902 development project and may grant to the approved company an
2903 option to purchase the economic development project from the
2904 corporation upon the termination of the financing agreement for
2905 such consideration and under such terms and conditions the
2906 corporation may approve. Nothing in this paragraph shall limit
2907 the extension of the term of a financing agreement if there is a
2908 refunding of the correlative bonds or otherwise.

2909 (b) If the corporation issues any bonds in connection
2910 with an economic development project, the financing agreement
2911 shall specify that the annual obligations of the approved company
2912 under Sections 57-10-401 through 57-10-445 shall equal in each
2913 year at least the annual debt service for that year on the bonds
2914 issued with respect to the economic development project; and the
2915 approved company shall pay such obligation of the financing
2916 agreement to the trustee for bonds issued for the benefit of the
2917 approved company, at such time and in such amounts sufficient to
2918 amortize such bonds.

2919 (c) If the corporation loans funds to an approved
2920 company that is a private company under the Mississippi Small
2921 Enterprise Development Finance Act, the financing agreement shall
2922 include the terms and conditions of the loan required by Section
2923 57-71-1 et seq.

2924 (d) (i) In consideration for financing agreement
2925 payment, the approved company may be permitted a tax credit on the
2926 amount provided for in Section 27-7-22.3(2), Mississippi Code of



2927 1972, during the period of time in which the financing agreement
2928 is in effect, not to exceed twenty-five (25) years.

2929 (ii) The income tax credited to the approved
2930 company referred to herein shall be credited in the fiscal year of
2931 the financing agreement in which the tax return of the approved
2932 company is filed. The approved company shall not be required to
2933 pay estimated tax payments under Section 27-7-319, Mississippi
2934 Code of 1972.

2935 (e) The financing agreement shall provide that:

2936 (i) It may be assigned by the approved company
2937 only upon the prior written consent of the corporation following
2938 the adoption of a resolution by the corporation to such effect;
2939 and

2940 (ii) Upon the default by the approved company in
2941 the obligation to render its annual payment, the corporation shall
2942 have the right, at its option, to declare the financing agreement
2943 in default and to accelerate the total of all annual payments that
2944 are to be made or to terminate the financing agreement and cause
2945 to be sold the economic development project at public or private
2946 sale, or to pursue any other remedies available under the Uniform
2947 Commercial Code, as from time to time amended, or otherwise
2948 available in law or equity.

2949 **SECTION 21.** Section 57-28-1, Mississippi Code of 1972, is
2950 brought forward as follows:



2951 57-28-1. As used in Sections 57-28-1 through 57-28-5, the
2952 following terms and phrases shall have the meanings ascribed in
2953 this section unless the context clearly indicates otherwise:

2954 (a) "Approved project costs" means actual costs
2955 incurred by an approved participant for land acquisition,
2956 construction, engineering, design and other costs approved by the
2957 Mississippi Development Authority relating to a tourism project.
2958 The term "approved project costs" also may include, if approved by
2959 the Mississippi Development Authority, costs described above that
2960 are incurred by an approved participant within three (3) months
2961 after the date a tourism project opens for commercial operation.
2962 All costs must be verified by an independent third party approved
2963 by the MDA. An approved participant shall pay the costs for the
2964 third-party verification of costs.

2965 (b) "Approved participant" means a person, corporation
2966 or other entity issued a certificate by the Mississippi
2967 Development Authority under Section 57-28-5.

2968 (c) "MDA" means the Mississippi Development Authority.

2969 (d) "Tourism project" shall include an entertainment
2970 district described below and may include any of the following as
2971 may be approved by the MDA:

2972 (i) A hotel with a minimum private investment of
2973 Forty Million Dollars (\$40,000,000.00) in land, buildings,
2974 architecture, engineering, fixtures, equipment, furnishings,
2975 amenities and other related soft costs approved by the Mississippi



2976 Development Authority, and having a minimum private investment of
2977 One Hundred Fifty Thousand Dollars (\$150,000.00) per guest room
2978 which amount shall be included within the minimum private
2979 investment of Forty Million Dollars (\$40,000,000.00);

2980 (ii) A nationally branded, themed entertainment
2981 district consisting of restaurants, bars, amphitheaters, live
2982 theaters, other entertainment venues and commercial improvements
2983 that the MDA determines to be tourism related located within the
2984 entertainment district, with a minimum private investment of
2985 Seventy-five Million Dollars (\$75,000,000.00);

2986 (iii) A nationally branded museum/aquarium with a
2987 minimum private investment of Forty Million Dollars
2988 (\$40,000,000.00); and

2989 (iv) A public golf course with a minimum private
2990 investment of Ten Million Dollars (\$10,000,000.00).

2991 In addition, in order for a tourism project to be eligible to
2992 qualify under the provisions of Sections 57-28-1 through 57-28-5,
2993 the tourism project must be located on a project site, and
2994 construction of the tourism project must begin no later than June
2995 1, 2017.

2996 (e) "Project site" means a planned mixed use
2997 development located on at least four thousand (4,000) acres of
2998 land that will consist of commercial, recreational, resort,
2999 tourism and residential development, for which the initial phase
3000 of development shall begin no later than June 1, 2007.



3001 (f) "State" means the State of Mississippi.

3002 **SECTION 22.** Section 57-28-3, Mississippi Code of 1972, is
3003 brought forward as follows:

3004 57-28-3. (1) (a) There is created in the State Treasury a
3005 special fund to be known as the "Tourism Sales Tax Incentive
3006 Fund," into which shall be deposited such money as provided in
3007 Section 27-65-75(20). The monies in the fund shall be used for
3008 the purpose of making the incentive payments authorized in this
3009 section. The fund shall be administered by the MDA. Unexpended
3010 amounts remaining in the fund at the end of a fiscal year shall
3011 not lapse into the State General Fund, and any interest earned on
3012 or investment earnings on the amounts in the fund shall be
3013 deposited to the credit of the fund. The MDA may use not more
3014 than one percent (1%) of interest earned or investment earnings,
3015 or both, on amounts in the fund for administration and management
3016 of the incentive program authorized under Sections 57-28-1 through
3017 57-28-5.

3018 (b) Subject to the provisions of this section,
3019 incentive payments may be made by the MDA to an approved
3020 participant that incurs approved project costs to locate a tourism
3021 project in the state. The payments to an approved participant
3022 shall be for eighty percent (80%) of the amount of sales tax
3023 revenue collected from the operation of the tourism project, after
3024 making the diversions required in Section 27-65-75(7) and (8).
3025 The MDA shall make payments to an approved participant on a



3026 semiannual basis with payments being made in the months of January
3027 and July. The aggregate amount of incentive payments that an
3028 approved participant may receive shall not exceed thirty percent
3029 (30%) of the approved project costs incurred by the approved
3030 participant for the tourism project. Expansions, enlargements or
3031 additional investments made by an approved participant will not
3032 increase authorized incentive payments certified by the MDA. The
3033 MDA shall make the calculations necessary to make the payments
3034 provided for in this section. The MDA shall cease making
3035 incentive payments to an approved participant on the occurrence of
3036 the earlier of (i) the date that an aggregate amount of thirty
3037 percent (30%) of the approved project costs incurred by the
3038 approved participant for the tourism project has been paid to the
3039 approved participant, or (ii) ten (10) years after the date the
3040 tourism project opens for commercial operation.

3041 (c) If an approved participant does not use or need all
3042 of the incentive payments approved by the MDA for a tourism
3043 project, then the approved participant may request that the MDA
3044 allow the approved participant to transfer or assign part of such
3045 incentive payments to another tourism project that, because of the
3046 sales tax revenue generated by the tourism project, will produce
3047 aggregate incentive payments over the ten-year period of less than
3048 thirty percent (30%) of approved project costs incurred by the
3049 approved participant for that tourism project. There may be only



3050 one (1) such request for transfer or assignment approved by the
3051 MDA for a project site.

3052 (d) The total amount of incentive payments authorized
3053 for all tourism projects located on a project site shall not
3054 exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in the
3055 aggregate.

3056 (2) At such time as incentive payments are no longer
3057 required to be made to an approved participant, the MDA shall
3058 notify the State Tax Commission and the sales tax revenue
3059 collected from the tourism project shall no longer be deposited
3060 into the Tourism Sales Tax Incentive Fund. Any amounts remaining
3061 in the fund that were collected from such project shall be
3062 transferred to the State General Fund.

3063 **SECTION 23.** Section 57-28-5, Mississippi Code of 1972, is
3064 brought forward as follows:

3065 57-28-5. (1) The MDA shall develop, implement and
3066 administer the incentive program authorized in Sections 57-28-1
3067 through 57-28-5 and shall promulgate rules and regulations
3068 necessary for the development, implementation and administration
3069 of such program.

3070 (2) A person, corporation or other entity desiring to
3071 participate in the incentive program authorized in Sections
3072 57-28-1 through 57-28-5 must submit an application to the MDA.
3073 Such application must contain (a) plans for the proposed tourism
3074 project; (b) a detailed description of the proposed tourism



3075 project; (c) the method of financing the proposed tourism project
3076 and the terms of such financing; and (d) any other information
3077 required by the MDA. An application must be submitted no later
3078 than June 1, 2017. The Executive Director of the MDA shall review
3079 the application and determine if it qualifies as a tourism
3080 project. If the executive director determines the proposed
3081 tourism project qualifies as a tourism project, he shall issue a
3082 certificate to the person, corporation or other entity designating
3083 such person, corporation or other entity as an approved
3084 participant and authorizing the approved participant to
3085 participate in the incentive program provided for in Sections
3086 57-28-1 through 57-28-5.

3087 (3) If a person, entity or other person submits an
3088 application to the MDA to participate in the incentive program
3089 authorized in Sections 57-28-1 through 57-28-5, a gaming license
3090 may not be issued by the state for any establishment located in
3091 the project site.

3092 **SECTION 24.** The text of subsections (2), (3), (4) and (6) of
3093 Section 57-73-21 shall be retained in the publication of the code
3094 section, notwithstanding the repeal of those subsections.

3095 **SECTION 25.** This act shall take effect and be in force from
3096 and after July 1, 2021, and shall stand repealed on June 29, 2021.

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



1 AN ACT TO AMEND SECTION 57-73-23, MISSISSIPPI CODE OF 1972,
2 TO RAISE, FROM 50% TO 75%, THE INCOME TAX CREDIT AUTHORIZED FOR AN
3 EMPLOYER PROVIDING DEPENDENT CARE FOR EMPLOYEES DURING WORK HOURS;
4 TO AMEND SECTION 27-7-22.3, MISSISSIPPI CODE OF 1972, TO CHANGE
5 THE MAXIMUM AMOUNT OF THE ECONOMIC DEVELOPMENT INCOME TAX CREDIT
6 TO THE AMOUNT OF INTEREST EXPENSE PAID UNDER A FINANCING
7 AGREEMENT, NOT TO EXCEED 80% OF THE AMOUNT OF TAXES DUE BEFORE THE
8 APPLICATION OF THE CREDIT; TO AMEND SECTION 27-65-101, MISSISSIPPI
9 CODE OF 1972, TO REMOVE THE SALES TAX EXEMPTIONS FOR SALES OF
10 COMPONENT BUILDING MATERIALS AND EQUIPMENT FOR INITIAL
11 CONSTRUCTION OR EXPANSION OF CERTAIN FACILITIES, FOR SALES AND
12 LEASES OF MACHINERY AND EQUIPMENT ACQUIRED IN THE INITIAL
13 CONSTRUCTION TO ESTABLISH CERTAIN FACILITIES, AND FOR SALES OF
14 COMPONENT MATERIALS USED IN THE CONSTRUCTION OF A BUILDING, OR ANY
15 ADDITION OR IMPROVEMENT THEREON, AND SALES OR LEASES OF MACHINERY
16 AND EQUIPMENT NOT LATER THAN THREE MONTHS AFTER THE COMPLETION OF
17 THE CONSTRUCTION OF THE FACILITY, TO BE USED IN THE FACILITY, TO
18 CERTAIN PERMANENT BUSINESS ENTERPRISES OPERATING A FACILITY
19 PRODUCING RENEWABLE CRUDE OIL FROM BIOMASS HARVESTED OR PRODUCED,
20 IN WHOLE OR IN PART, IN MISSISSIPPI; TO AMEND SECTION 57-10-439,
21 MISSISSIPPI CODE OF 1972, TO EXCLUDE SALES TAX AND USE TAX FROM
22 THE TAX EXEMPTIONS AUTHORIZED FOR BOND FINANCING OF CERTAIN
23 BUSINESS AND ECONOMIC DEVELOPMENT PROJECTS; TO AMEND SECTION
24 57-73-21, MISSISSIPPI CODE OF 1972, TO REPEAL THE SUBSECTIONS
25 AUTHORIZING TAX CREDITS FOR PERMANENT BUSINESS ENTERPRISES IN
26 COUNTIES DESIGNATED BY THE DEPARTMENT OF REVENUE AS TIER ONE, TIER
27 TWO AND TIER THREE AREAS, FOR NEW FULL-TIME EMPLOYEES IN JOBS
28 REQUIRING RESEARCH AND DEVELOPMENT SKILLS, AND FOR COMPANIES
29 RELOCATING THEIR NATIONAL OR REGIONAL HEADQUARTERS TO MISSISSIPPI;
30 TO PROVIDE THAT ANY TAXPAYER WHO IS ELIGIBLE, BEFORE JULY 1, 2021,
31 FOR THE CREDIT AUTHORIZED IN A REPEALED SUBSECTION SHALL REMAIN
32 ELIGIBLE AND SHALL BE ALLOWED TO CARRY FORWARD THE CREDIT AFTER
33 JULY 1, 2021, NOTWITHSTANDING THE REPEAL OF THE SUBSECTION; TO
34 REPEAL SECTIONS 57-113-1, 57-113-3, 57-113-5 AND 57-113-7,
35 MISSISSIPPI CODE OF 1972, WHICH CONSTITUTE THE ARTICLE AUTHORIZING
36 TAX EXEMPTIONS FOR CLEAN ENERGY GENERATION AND AEROSPACE INDUSTRY
37 ENTERPRISES; TO AMEND SECTIONS 27-3-4, 27-7-21, 27-7-22.28,
38 27-7-312, 27-13-5, 27-13-7 AND 57-99-3, MISSISSIPPI CODE OF 1972,
39 IN CONFORMITY TO THE ABOVE; TO BRING FORWARD SECTIONS 27-7-22.7,
40 27-7-22.23, 27-7-22.25, 27-7-22.35, 27-65-75, 57-1-451, 57-10-409,
41 57-28-1, 57-28-3 AND 57-28-5, MISSISSIPPI CODE OF 1972, FOR THE
42 PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

