

By: Representative Roberson

To: Ways and Means

HOUSE BILL NO. 516

1 AN ACT TO REENACT SECTIONS 57-10-401 THROUGH 57-10-447,
 2 MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR THE ISSUANCE OF BONDS
 3 BY THE MISSISSIPPI BUSINESS FINANCE CORPORATION TO FINANCE
 4 ECONOMIC DEVELOPMENT PROJECTS IN ORDER TO INDUCE THE LOCATION OR
 5 EXPANSION OF CERTAIN BUSINESSES WITHIN THIS STATE; TO REENACT
 6 SECTION 27-7-22.3, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR A
 7 CREDIT AGAINST STATE INCOME TAXES FOR CERTAIN COMPANIES FOR DEBT
 8 SERVICE PAID BY SUCH COMPANIES UNDER FINANCING AGREEMENTS ENTERED
 9 INTO WITH THE MISSISSIPPI BUSINESS FINANCE CORPORATION UNDER
 10 SECTION 57-10-409; TO AMEND SECTION 57-10-449, MISSISSIPPI CODE OF
 11 1972, TO EXTEND THE DATE OF THE REPEALER ON SECTIONS 57-10-401
 12 THROUGH 57-10-447 AND SECTION 27-7-22.3; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Section 57-10-401, Mississippi Code of 1972, is
 15 reenacted as follows:

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

20 57-10-401. As used in Sections 57-10-401 through 57-10-445,
 21 the following terms shall have the meanings ascribed to them
 22 herein unless the context clearly indicates otherwise:



23 (a) "Approved company" means any eligible company
24 seeking to locate an economic development project in a county,
25 which eligible company is approved by the corporation.

26 (b) "Approved costs" means:

27 (i) Obligations incurred for equipment and labor
28 and to contractors, subcontractors, builders and materialmen in
29 connection with the acquisition, construction and installation of
30 an economic development project;

31 (ii) The cost of acquiring land or rights in land
32 and any cost incidental thereto, including recording fees;

33 (iii) The cost of contract bonds and of insurance
34 of all kinds that may be required or necessary during the course
35 of acquisition, construction and installation of an economic
36 development project which is not paid by the contractor or
37 contractors or otherwise provided for;

38 (iv) All costs of architectural and engineering
39 services, including test borings, surveys, estimates, plans and
40 specifications, preliminary investigations, and supervision of
41 construction, as well as for the performance of all the duties
42 required by or consequent upon the acquisition, construction and
43 installation of an economic development project;

44 (v) All costs which shall be required to be paid
45 under the terms of any contract or contracts for the acquisition,
46 construction and installation of an economic development project;



47 (vi) All costs, expenses and fees incurred in
48 connection with the issuance of bonds pursuant to Sections
49 57-10-401 through 57-10-445;

50 (vii) All costs funded by a loan made under the
51 Mississippi Small Enterprise Development Finance Act; and

52 (viii) All costs of professionals permitted to be
53 engaged under the Mississippi Small Enterprise Development Finance
54 Act for a loan made under such act.

55 (c) "Assessment" means the job development assessment
56 fee authorized in Section 57-10-413.

57 (d) "Bonds" means the revenue bonds, notes or other
58 debt obligations of the corporation authorized to be issued by the
59 corporation on behalf of an eligible company or other state
60 agency.

61 (e) "Corporation" means the Mississippi Business
62 Finance Corporation created under Section 57-10-167, Mississippi
63 Code of 1972.

64 (f) "Economic development project" means and includes
65 the acquisition of any equipment or real estate in a county and
66 the construction and installation thereon, and with respect
67 thereto, of improvements and facilities necessary or desirable for
68 improvement of the real estate, including surveys, site tests and
69 inspections, subsurface site work, excavation, removal of
70 structures, roadways, cemeteries and other surface obstructions,
71 filling, grading and provision of drainage, storm water detention,



72 installation of utilities such as water, sewer, sewage treatment,
73 gas, electricity, communications and similar facilities, off-site
74 construction of utility extensions to the boundaries of the real
75 estate, and the acquisition, construction and installation of
76 manufacturing, telecommunications, data processing, distribution
77 or warehouse facilities on the real estate, for lease or financial
78 arrangement by the corporation to an approved company for use and
79 occupancy by the approved company or its affiliates for
80 manufacturing, telecommunications, data processing, distribution
81 or warehouse purposes. Such term also includes, without
82 limitation, any project the financing of which has been approved
83 under the Mississippi Small Enterprise Development Finance Act.
84 From and after January 1, 2014, such term also includes the
85 economic development project of a related approved company that is
86 merged into or consolidated with another approved company where
87 the approved companies are engaged in a vertically integrated
88 manufacturing or warehouse operation.

89 (g) "Eligible company" means any corporation,
90 partnership, sole proprietorship, business trust, or other entity
91 which is:

92 (i) Engaged in manufacturing which meets the
93 standards promulgated by the corporation under Sections 57-10-401
94 through 57-10-445;



95 (ii) A private company approved by the corporation
96 for a loan under the Mississippi Small Enterprise Development
97 Finance Act;

98 (iii) A distribution or warehouse facility
99 employing a minimum of fifty (50) people or employing a minimum of
100 twenty (20) people and having a capital investment in such
101 facility of at least Five Million Dollars (\$5,000,000.00); or

102 (iv) A telecommunications or data processing
103 business.

104 (h) "Executive director" means the Executive Director
105 of the Mississippi Business Finance Corporation.

106 (i) "Financing agreement" means any financing documents
107 and agreements, indentures, loan agreements, lease agreements,
108 security agreements and the like, entered into by and among the
109 corporation, private lenders and an approved company with respect
110 to an economic development project.

111 (j) "Manufacturing" means any activity involving the
112 manufacturing, processing, assembling or production of any
113 property, including the processing resulting in a change in the
114 conditions of the property and any activity functionally related
115 thereto, together with the storage, warehousing, distribution and
116 related office facilities in respect thereof as determined by the
117 Mississippi Business Finance Corporation; however, in no event
118 shall "manufacturing" include mining, coal or mineral processing,
119 or extraction of Mississippi minerals.



120 (k) "State agency" means any state board, commission,
121 committee, council, university, department or unit thereof created
122 by the Constitution or laws of this state.

123 (l) "Revenues" shall not be considered state funds.

124 (m) "State" means the State of Mississippi.

125 (n) "Mississippi Small Enterprise Development Finance
126 Act" means the provisions of law contained in Section 57-71-1 et
127 seq.

128 **[In cases involving an economic development project for which**
129 **the Mississippi Business Finance Corporation has not issued bonds**
130 **for the purpose of financing the approved costs of such project**
131 **prior to July 1, 1994, this section shall read as follows:]**

132 57-10-401. As used in Sections 57-10-401 through 57-10-445,
133 the following terms shall have the meanings ascribed to them
134 herein unless the context clearly indicates otherwise:

135 (a) "Approved company" means any eligible company
136 seeking to locate an economic development project in a county,
137 which eligible company is approved by the corporation.

138 (b) "Approved costs" means:

139 (i) Obligations incurred for equipment and labor
140 and to contractors, subcontractors, builders and materialmen in
141 connection with the acquisition, construction and installation of
142 an economic development project;

143 (ii) The cost of acquiring land or rights in land
144 and any cost incidental thereto, including recording fees;



145 (iii) The cost of contract bonds and of insurance
146 of all kinds that may be required or necessary during the course
147 of acquisition, construction and installation of an economic
148 development project which is not paid by the contractor or
149 contractors or otherwise provided for;

150 (iv) All costs of architectural and engineering
151 services, including test borings, surveys, estimates, plans and
152 specifications, preliminary investigations, and supervision of
153 construction, as well as for the performance of all the duties
154 required by or consequent upon the acquisition, construction and
155 installation of an economic development project;

156 (v) All costs which shall be required to be paid
157 under the terms of any contract or contracts for the acquisition,
158 construction and installation of an economic development project;

159 (vi) All costs, expenses and fees incurred in
160 connection with the issuance of bonds pursuant to Sections
161 57-10-401 through 57-10-445;

162 (vii) All costs funded by a loan made under the
163 Mississippi Small Enterprise Development Finance Act; and

164 (viii) All costs of professionals permitted to be
165 engaged under the Mississippi Small Enterprise Development Finance
166 Act for a loan made under such act.

167 (c) "Assessment" means the job development assessment
168 fee authorized in Section 57-10-413.



169 (d) "Bonds" means the revenue bonds, notes or other
170 debt obligations of the corporation authorized to be issued by the
171 corporation on behalf of an eligible company or other state
172 agency.

173 (e) "Corporation" means the Mississippi Business
174 Finance Corporation created under Section 57-10-167, Mississippi
175 Code of 1972.

176 (f) "Economic development project" means and includes
177 the acquisition of any equipment or real estate in a county and
178 the construction and installation thereon, and with respect
179 thereto, of improvements and facilities necessary or desirable for
180 improvement of the real estate, including surveys, site tests and
181 inspections, subsurface site work, excavation, removal of
182 structures, roadways, cemeteries and other surface obstructions,
183 filling, grading and provision of drainage, storm water detention,
184 installation of utilities such as water, sewer, sewage treatment,
185 gas, electricity, communications and similar facilities, off-site
186 construction of utility extensions to the boundaries of the real
187 estate, and the acquisition, construction and installation of
188 manufacturing, telecommunications, data processing, distribution
189 or warehouse facilities on the real estate, for lease or financial
190 arrangement by the corporation to an approved company for use and
191 occupancy by the approved company or its affiliates for
192 manufacturing, telecommunications, data processing, distribution
193 or warehouse purposes. Such term also includes, without



194 limitation, any project the financing of which has been approved
195 under the Mississippi Small Enterprise Development Finance Act.

196 If an eligible company closes a facility in this state and
197 becomes an approved company under the provisions of Sections
198 57-10-401 through 57-10-449, only that portion of the project for
199 which such company is attempting to obtain financing that is in
200 excess of the value of the closed facility shall be included
201 within the definition of the term "economic development project."
202 The Mississippi Business Finance Corporation shall promulgate
203 rules and regulations to govern the determination of the
204 difference between the value of the closed facility and the new
205 facility.

206 (g) "Eligible company" means any corporation,
207 partnership, sole proprietorship, business trust, or other entity
208 which:

209 (i) Engaged in manufacturing which meets the
210 standards promulgated by the corporation under Sections 57-10-401
211 through 57-10-445;

212 (ii) A private company approved by the corporation
213 for a loan under the Mississippi Small Enterprise Development
214 Finance Act;

215 (iii) A distribution or warehouse facility
216 employing a minimum of fifty (50) people or employing a minimum of
217 twenty (20) people and having a capital investment in such
218 facility of at least Five Million Dollars (\$5,000,000.00);



219 (iv) A telecommunications or data/information
220 processing business meeting criteria established by the
221 Mississippi Business Finance Corporation;

222 (v) National or regional headquarters meeting
223 criteria established by the Mississippi Business Finance
224 Corporation;

225 (vi) Research and development facilities meeting
226 criteria established by the Mississippi Business Finance
227 Corporation; or

228 (vii) Technology intensive enterprises or
229 facilities meeting criteria established by the Mississippi
230 Business Finance Corporation.

231 (h) "Executive director" means the Executive Director
232 of the Mississippi Business Finance Corporation.

233 (i) "Financing agreement" means any financing documents
234 and agreements, indentures, loan agreements, lease agreements,
235 security agreements and the like, entered into by and among the
236 corporation, private lenders and an approved company with respect
237 to an economic development project.

238 (j) "Manufacturing" means any activity involving the
239 manufacturing, processing, assembling or production of any
240 property, including the processing resulting in a change in the
241 conditions of the property and any activity functionally related
242 thereto, together with the storage, warehousing, distribution and
243 related office facilities in respect thereof as determined by the



244 Mississippi Business Finance Corporation; however, in no event
245 shall "manufacturing" include mining, coal or mineral processing,
246 or extraction of Mississippi minerals.

247 (k) "State agency" means any state board, commission,
248 committee, council, university, department or unit thereof created
249 by the Constitution or laws of this state.

250 (l) "Revenues" shall not be considered state funds.

251 (m) "State" means the State of Mississippi.

252 (n) "Mississippi Small Enterprise Development Finance
253 Act" means the provisions of law contained in Section 57-71-1 et
254 seq.

255 **SECTION 2.** Section 57-10-403, Mississippi Code of 1972, is
256 reenacted as follows:

257 57-10-403. (1) The Legislature finds and declares that the
258 general welfare and material well-being of citizens of the state
259 depend in large measure upon the development and growth of
260 industry in the state.

261 (2) The Legislature finds and declares further that it is in
262 the best interest of the state to induce the location or expansion
263 of manufacturing facilities within this state in order to advance
264 the public purposes of relieving unemployment by creating new jobs
265 within this state that, but for the inducements to be offered by
266 the corporation to approved companies as herein provided, would
267 not exist, and of creating new sources of tax revenues for the
268 support of the public services provided by this state and country.



269 (3) The Legislature finds and declares further that the
270 authority granted by this article and the purposes to be
271 accomplished hereby are proper governmental and public purposes
272 for which public monies may be expended, and that the inducement
273 of the location or expansion of manufacturing facilities within
274 the state is of paramount importance, mandating that the
275 provisions of this article be liberally construed and applied in
276 order to advance the public purposes.

277 **SECTION 3.** Section 57-10-405, Mississippi Code of 1972, is
278 reenacted as follows:

279 57-10-405. In addition to its other powers and duties, the
280 corporation shall have all the powers necessary or convenient to
281 carry out and effectuate the purposes and provisions of Sections
282 57-10-401 through 57-10-445, including, but without limiting the
283 generality of the foregoing, the power:

284 (a) To provide and finance economic development
285 projects under the provisions of Sections 57-10-401 through
286 57-10-445, and cooperate with counties, municipalities and
287 eligible companies in order to promote, foster and support
288 economic development within the counties and municipalities;

289 (b) To conduct hearings and inquiries, in the manner
290 and by the methods as it deems desirable, including, without
291 limitation, appointment of special committees, for the purpose of
292 gathering information with respect to counties, municipalities,
293 eligible companies and economic development projects, for the



294 purpose of making any determinations necessary or desirable in the
295 furtherance of Sections 57-10-401 through 57-10-445;

296 (c) To negotiate the terms of, and enter into financing
297 agreements with, approved companies, and in connection therewith
298 to acquire, convey, sell, own, lease, mortgage, finance, foreclose
299 or otherwise dispose of any property, real or personal, in
300 connection with an economic development project, and to pay, or
301 cause to be paid, in accordance with the provisions of a financing
302 agreement, the approved costs of an economic development project
303 from any funds available therefor, including, without limitation,
304 funds available as the result of the issuance of bonds under the
305 Mississippi Small Enterprise Development Finance Act;

306 (d) To delegate to the executive director the rights
307 and powers of the corporation required for the proper and
308 desirable execution of the purposes of this article;

309 (e) To consent, if it deems it necessary or desirable
310 in the fulfillment of its purposes, to the modification of the
311 terms of any financing agreements of any kind to which the
312 corporation is a party;

313 (f) To include in any borrowing the amounts deemed
314 necessary by the corporation to pay financing charges, consultant,
315 advisory and legal fees, fees for bond insurance, letters of
316 credit or other forms of credit enhancement, investment advisory
317 fees, trustees' fees and other expenses necessary or incident to
318 the borrowing;



319 (g) To make and publish administrative regulations
320 respecting its programs and other administrative regulations
321 necessary or appropriate to effectuate the purposes of Sections
322 57-10-401 through 57-10-445, and necessary to administer the
323 procedures and program as provided for in Sections 57-10-401
324 through 57-10-445;

325 (h) To make, execute and effectuate any and all
326 agreements or other documents with any governmental agency or any
327 person, corporation, association, partnership, or other
328 organization or entity, necessary or appropriate to accomplish the
329 purposes of Sections 57-10-401 through 57-10-445, including any
330 financing agreements with state agencies or any political
331 subdivisions of the state under which funds may be pledged by or
332 to the corporation for the payment of its bonds;

333 (i) To accept gifts, devises, bequests, grants, loans,
334 appropriations, revenue sharing, other financing and assistance
335 and any other aid from any source and to agree to, and to comply
336 with, conditions attached thereto;

337 (j) To sue and be sued in its own name, plead and be
338 impleaded; and

339 (k) To invest any funds held by the corporation or its
340 agents or trustees, under Sections 57-10-401 through 57-10-445,
341 including, but not limited to, the proceeds of bonds issued under
342 Sections 57-10-401 through 57-10-445, reserve or other funds, or
343 any monies not required for immediate disbursement, and the



344 investment income on any of the foregoing, in obligations
345 authorized by Sections 57-10-401 through 57-10-445.

346 **SECTION 4.** Section 57-10-407, Mississippi Code of 1972, is
347 reenacted as follows:

348 57-10-407. The corporation may accept and expend: (a)
349 monies which may be appropriated from time to time by the
350 Legislature; (b) monies which may be available under the
351 Mississippi Small Enterprise Development Finance Act; or (c)
352 monies which may be received from any source, including income
353 from the corporation's operations, under Sections 57-10-401
354 through 57-10-445, for effectuating the purposes of Sections
355 57-10-401 through 57-10-445, including, without limitation, the
356 payment of the expenses of administration and operation incurred
357 pursuant to Sections 57-10-401 through 57-10-445 and the
358 establishment and, if deemed desirable, maintenance of a reserve
359 or contingency fund for the administration of Sections 57-10-401
360 through 57-10-445.

361 **SECTION 5.** Section 57-10-409, Mississippi Code of 1972, is
362 reenacted as follows:

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

367 57-10-409. The corporation may enter into, with any approved
368 company, a financing agreement with respect to its economic



369 development project. The terms and provisions of each financing
370 agreement shall be determined by negotiations between the
371 corporation and the approved company, except that each financing
372 agreement shall include the following provisions:

373 (a) If the corporation issues any bonds in connection
374 with an economic development project, the term of the financing
375 agreement shall not be less than the last maturity of the bonds
376 issued with respect to the economic development project, except
377 that the financing agreement may terminate upon the earlier
378 redemption of all of the bonds issued with respect to the economic
379 development project and may grant to the approved company an
380 option to purchase the economic development project from the
381 corporation upon the termination of the financing agreement for
382 such consideration and under such terms and conditions the
383 corporation may approve. Nothing in this paragraph shall limit
384 the extension of the term of a financing agreement if there is a
385 refunding of the correlative bonds or otherwise.

386 (b) If the corporation issues any bonds in connection
387 with an economic development project, the financing agreement
388 shall specify that the annual obligations of the approved company
389 under Sections 57-10-401 through 57-10-445 shall equal in each
390 year at least the annual debt service for that year on the bonds
391 issued with respect to the economic development project; and the
392 approved company shall pay such obligation of the financing
393 agreement to the trustee for bonds issued for the benefit of the



394 approved company, at such time and in such amounts sufficient to
395 amortize such bonds.

396 (c) If the corporation loans funds to an approved
397 company that is a private company under the Mississippi Small
398 Enterprise Development Finance Act, the financing agreement shall
399 include the terms and conditions of the loan required by Section
400 57-71-1 et seq.

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

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

407 2. The aggregate assessment withheld by the
408 approved company in each year.

409 (ii) The income tax credited to the approved
410 company referred to herein shall be credited in the fiscal year of
411 the financing agreement in which the tax return of the approved
412 company is filed. The approved company shall not be required to
413 pay estimated tax payments under Section 27-7-319, Mississippi
414 Code of 1972.

415 (e) (i) The financing agreement shall provide that the
416 assessments, when added to the credit for the state corporate
417 income tax herein granted, shall not exceed the total financing
418 agreement annual payment by the approved company in any year;



419 however, to the extent that financing agreement annual payments
420 exceed credits received and assessments collected in any year, the
421 excess payment may be recouped from excess credits or assessment
422 collections in succeeding years.

423 (ii) If during any fiscal year of the financing
424 agreement the total of the income tax credit granted to the
425 approved company plus the assessment collected from the wages of
426 the employees equals the annual payment pursuant to the financing
427 agreement, and if all excess payments pursuant to the financing
428 agreement accumulated in prior years have been recouped, the
429 assessment collected from the wages of the employees shall cease
430 for the remainder of the fiscal year of the financing agreement.

431 (f) The financing agreement shall provide that:

432 (i) It may be assigned by the approved company
433 only upon the prior written consent of the corporation following
434 the adoption of a resolution by the corporation to such effect;
435 and

436 (ii) Upon the default by the approved company in
437 the obligation to render its annual payment, the corporation shall
438 have the right, at its option, to declare the financing agreement
439 in default and to accelerate the total of all annual payments that
440 are to be made or to terminate the financing agreement and cause
441 to be sold the economic development project at public or private
442 sale, or to pursue any other remedies available under the Uniform



443 Commercial Code, as from time to time amended, or otherwise
444 available in law or equity.

445 **[In cases involving an economic development project for which**
446 **the Mississippi Business Finance Corporation has not issued bonds**
447 **for the purpose of financing the approved costs of such project**
448 **prior to July 1, 1994, but has issued bonds for such project prior**
449 **to July 1, 1997, or in cases involving an economic development**
450 **project which has been induced by a resolution of the Board of**
451 **Directors of the Mississippi Business Finance Corporation that has**
452 **been filed with the State Tax Commission prior to July 1, 1997,**
453 **this section shall read as follows:]**

454 57-10-409. The corporation may enter into, with any approved
455 company, a financing agreement with respect to its economic
456 development project. The terms and provisions of each financing
457 agreement shall be determined by negotiations between the
458 corporation and the approved company, except that each financing
459 agreement shall include the following provisions:

460 (a) If the corporation issues any bonds in connection
461 with an economic development project, the term of the financing
462 agreement shall not be less than the last maturity of the bonds
463 issued with respect to the economic development project, except
464 that the financing agreement may terminate upon the earlier
465 redemption of all of the bonds issued with respect to the economic
466 development project and may grant to the approved company an
467 option to purchase the economic development project from the



468 corporation upon the termination of the financing agreement for
469 such consideration and under such terms and conditions the
470 corporation may approve. Nothing in this paragraph shall limit
471 the extension of the term of a financing agreement if there is a
472 refunding of the correlative bonds or otherwise.

473 (b) If the corporation issues any bonds in connection
474 with an economic development project, the financing agreement
475 shall specify that the annual obligations of the approved company
476 under Sections 57-10-401 through 57-10-445 shall equal in each
477 year at least the annual debt service for that year on the bonds
478 issued with respect to the economic development project; and the
479 approved company shall pay such obligation of the financing
480 agreement to the trustee for bonds issued for the benefit of the
481 approved company, at such time and in such amounts sufficient to
482 amortize such bonds.

483 (c) If the corporation loans funds to an approved
484 company that is a private company under the Mississippi Small
485 Enterprise Development Finance Act, the financing agreement shall
486 include the terms and conditions of the loan required by Section
487 57-71-1 et seq.

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



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

494 2. The aggregate assessment withheld by the
495 approved company in each year.

496 (ii) The income tax credited to the approved
497 company referred to herein shall be credited in the fiscal year of
498 the financing agreement in which the tax return of the approved
499 company is filed. The approved company shall not be required to
500 pay estimated tax payments under Section 27-7-319, Mississippi
501 Code of 1972.

502 (e) (i) The financing agreement shall provide that the
503 assessments, when added to the credit for the state corporate
504 income tax herein granted, shall not exceed the total financing
505 agreement annual payment by the approved company in any year;
506 however, to the extent that financing agreement annual payments
507 exceed credits received and assessments collected in any year, the
508 excess payment may be recouped from excess credits or assessment
509 collections in succeeding years not to exceed three (3) years
510 following the termination of the period of time during which the
511 financing agreement is in effect.

512 (ii) If during any fiscal year of the financing
513 agreement the total of the income tax credit granted to the
514 approved company plus the assessment collected from the wages of
515 the employees equals the annual payment pursuant to the financing
516 agreement, and if all excess payments pursuant to the financing



517 agreement accumulated in prior years have been recouped, the
518 assessment collected from the wages of the employees shall cease
519 for the remainder of the fiscal year of the financing agreement.

520 (f) The financing agreement shall provide that:

521 (i) It may be assigned by the approved company
522 only upon the prior written consent of the corporation following
523 the adoption of a resolution by the corporation to such effect;
524 and

525 (ii) Upon the default by the approved company in
526 the obligation to render its annual payment, the corporation shall
527 have the right, at its option, to declare the financing agreement
528 in default and to accelerate the total of all annual payments that
529 are to be made or to terminate the financing agreement and cause
530 to be sold the economic development project at public or private
531 sale, or to pursue any other remedies available under the Uniform
532 Commercial Code, as from time to time amended, or otherwise
533 available in law or equity.

534 **[In cases involving an economic development project for which**
535 **the Mississippi Business Finance Corporation has not issued bonds**
536 **for the purpose of financing the approved costs of such project**
537 **prior to July 1, 1997, or in cases involving an economic**
538 **development project which has not been induced by a resolution of**
539 **the Board of Directors of the Mississippi Business Finance**
540 **Corporation that has been filed with the State Tax Commission**
541 **prior to July 1, 1997, this section shall read as follows:]**



542 57-10-409. The corporation may enter into, with any approved
543 company, a financing agreement with respect to its economic
544 development project. The terms and provisions of each financing
545 agreement shall be determined by negotiations between the
546 corporation and the approved company, except that each financing
547 agreement shall include the following provisions:

548 (a) If the corporation issues any bonds in connection
549 with an economic development project, the term of the financing
550 agreement shall not be less than the last maturity of the bonds
551 issued with respect to the economic development project, except
552 that the financing agreement may terminate upon the earlier
553 redemption of all of the bonds issued with respect to the economic
554 development project and may grant to the approved company an
555 option to purchase the economic development project from the
556 corporation upon the termination of the financing agreement for
557 such consideration and under such terms and conditions the
558 corporation may approve. Nothing in this paragraph shall limit
559 the extension of the term of a financing agreement if there is a
560 refunding of the correlative bonds or otherwise.

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



567 approved company shall pay such obligation of the financing
568 agreement to the trustee for bonds issued for the benefit of the
569 approved company, at such time and in such amounts sufficient to
570 amortize such bonds.

571 (c) If the corporation loans funds to an approved
572 company that is a private company under the Mississippi Small
573 Enterprise Development Finance Act, the financing agreement shall
574 include the terms and conditions of the loan required by Section
575 57-71-1 et seq.

576 (d) (i) In consideration for financing agreement
577 payment, the approved company may be permitted a tax credit on the
578 amount provided for in Section 27-7-22.3(2), Mississippi Code of
579 1972, during the period of time in which the financing agreement
580 is in effect, not to exceed twenty-five (25) years.

581 (ii) The income tax credited to the approved
582 company referred to herein shall be credited in the fiscal year of
583 the financing agreement in which the tax return of the approved
584 company is filed. The approved company shall not be required to
585 pay estimated tax payments under Section 27-7-319, Mississippi
586 Code of 1972.

587 (e) The financing agreement shall provide that:

588 (i) It may be assigned by the approved company
589 only upon the prior written consent of the corporation following
590 the adoption of a resolution by the corporation to such effect;
591 and



592 (ii) Upon the default by the approved company in
593 the obligation to render its annual payment, the corporation shall
594 have the right, at its option, to declare the financing agreement
595 in default and to accelerate the total of all annual payments that
596 are to be made or to terminate the financing agreement and cause
597 to be sold the economic development project at public or private
598 sale, or to pursue any other remedies available under the Uniform
599 Commercial Code, as from time to time amended, or otherwise
600 available in law or equity.

601 **SECTION 6.** Section 57-10-411, Mississippi Code of 1972, is
602 reenacted as follows:

603 57-10-411. Ninety (90) days after the filing of the tax
604 return of the approved company, the Department of Revenue shall
605 certify to the corporation the state income tax liability for the
606 preceding year of each approved company with respect to an
607 economic development project financed under Sections 57-10-401
608 through 57-10-445, and the amounts of any tax credits taken under
609 Sections 57-10-401 through 57-10-445.

610 **SECTION 7.** Section 57-10-413, Mississippi Code of 1972, is
611 reenacted as follows:

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



616 57-10-413. (1) The approved company may require that each
617 employee whose gross wages are equivalent to Five Dollars (\$5.00)
618 or more per hour, as a condition of employment, agrees to pay a
619 job development assessment fee not to exceed a certain percentage
620 of the gross wages of each such employee whose job was created as
621 a result of the economic development project, for the purpose of
622 retiring the bonds which fund the economic development project or
623 other indebtedness. The job development assessment fee shall not
624 exceed the following percentages of the gross wages of the
625 employee:

626 (a) Two percent (2%), if the gross wages of the
627 employee are equivalent to Five Dollars (\$5.00) or more per hour
628 but less than Seven Dollars (\$7.00) per hour;

629 (b) Four percent (4%), if the gross wages of the
630 employee are equivalent to Seven Dollars (\$7.00) or more per hour
631 but less than Nine Dollars (\$9.00) per hour; and

632 (c) Six percent (6%), if the gross wages of the
633 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

634 (2) Each employee so assessed shall be entitled to credits
635 against Mississippi income taxes as provided in Section 27-7-22.3.

636 (3) If an approved company shall elect to impose the
637 assessment as a condition of employment, it shall deduct the
638 assessment from each paycheck of each employee.

639 (4) Any approved company collecting an assessment as
640 provided in subsection (1) of this section shall make its payroll



641 books and records available to the corporation at such reasonable
642 times as the corporation shall request and shall file with the
643 corporation documentation respecting the assessment as the
644 corporation may require.

645 (5) Any assessment of the wages of employees of an approved
646 company in connection with their employment at an economic
647 development project under subsection (1) of this section shall
648 lapse on the date the bonds are retired.

649 **[In cases involving an economic development project for which**
650 **the Mississippi Business Finance Corporation has not issued bonds**
651 **for the purpose of financing the approved costs of such project**
652 **prior to July 1, 1994, but has issued bonds for such project prior**
653 **to July 1, 1997, or in cases involving an economic development**
654 **project which has been induced by a resolution of the Board of**
655 **Directors of the Mississippi Business Finance Corporation that has**
656 **been filed with the State Tax Commission prior to July 1, 1997,**
657 **this section shall read as follows:]**

658 57-10-413. (1) Except as otherwise provided for in
659 subsection (6) of this section, the approved company may require
660 that each employee whose gross wages are equivalent to Five
661 Dollars (\$5.00) or more per hour, as a condition of employment,
662 agrees to pay a job development assessment fee not to exceed a
663 certain percentage of the gross wages of each such employee whose
664 job was created as a result of the economic development project,
665 for the purpose of retiring the bonds which fund the economic



666 development project or other indebtedness. The job development
667 assessment fee shall not exceed the following percentages of the
668 gross wages of the employee:

669 (a) Two percent (2%), if the gross wages of the
670 employee are equivalent to Five Dollars (\$5.00) or more per hour
671 but less than Seven Dollars (\$7.00) per hour;

672 (b) Four percent (4%), if the gross wages of the
673 employee are equivalent to Seven Dollars (\$7.00) or more per hour
674 but less than Nine Dollars (\$9.00) per hour; and

675 (c) Six percent (6%), if the gross wages of the
676 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

677 (2) Each employee so assessed shall be entitled to credits
678 against Mississippi income taxes as provided in Section 27-7-22.3.

679 (3) If an approved company shall elect to impose the
680 assessment as a condition of employment, it shall deduct the
681 assessment from each paycheck of each employee.

682 (4) Any approved company collecting an assessment as
683 provided in subsection (1) of this section shall make its payroll
684 books and records available to the corporation at such reasonable
685 times as the corporation shall request and shall file with the
686 corporation documentation respecting the assessment as the
687 corporation may require.

688 (5) Any assessment of the wages of employees of an approved
689 company in connection with their employment at an economic



690 development project under subsection (1) of this section shall
691 lapse on the date the bonds are retired.

692 (6) If an eligible company closes a facility in this state
693 and becomes an approved company under the provisions of Sections
694 57-10-401 through 57-10-449, only those jobs created in excess of
695 those that existed at the closed facility at the time of the
696 closure shall be eligible for the imposition of the job
697 development assessment fee. The Mississippi Business Finance
698 Corporation shall promulgate rules and regulations to govern the
699 determination of the number of jobs upon which the job development
700 assessment fee may be imposed.

701 **SECTION 8.** Section 57-10-415, Mississippi Code of 1972, is
702 reenacted as follows:

703 57-10-415. Every issue of bonds under Sections 57-10-401
704 through 57-10-445 shall be payable solely out of any revenues of
705 the corporation as provided in Sections 57-10-401 through
706 57-10-445. The bonds additionally may be secured by a pledge of
707 any grant, contribution or guarantee from the federal government
708 or any person or a pledge by the corporation of any revenues from
709 any source.

710 **SECTION 9.** Section 57-10-417, Mississippi Code of 1972, is
711 reenacted as follows:

712 57-10-417. The bonds issued by the corporation under
713 Sections 57-10-401 through 57-10-445 shall be limited obligations
714 of the corporation and shall not constitute a debt, liability or



715 general obligation of the state or any political subdivision
716 thereof (other than the corporation), or a pledge of the faith and
717 credit of the state or any political subdivision thereof (other
718 than the corporation), but shall be payable solely as provided by
719 the corporation under Sections 57-10-401 through 57-10-445. No
720 member or officer of the board of directors of the corporation nor
721 any person executing the bonds shall be liable personally on the
722 bonds by reason of the issuance thereof. Each bond issued under
723 Sections 57-10-401 through 57-10-445 shall contain on the face
724 thereof a statement that neither the state, nor any other
725 political subdivision thereof, shall be obligated to pay the same
726 or the interest thereon or other costs incident thereto except
727 from the revenue or money pledged by the corporation and that
728 neither the faith and credit nor the taxing power of the state or
729 any political subdivision thereof is pledged to the payment of the
730 principal of, or the interest on, such bond.

731 **SECTION 10.** Section 57-10-419, Mississippi Code of 1972, is
732 reenacted as follows:

733 57-10-419. (1) The corporation may issue in its own name,
734 from time to time, for the purpose of financing the approved costs
735 of an economic development project, its bonds and may pledge for
736 the payment thereof funds derived in respect of any financing
737 agreement or other arrangement entered into by the corporation and
738 an approved company under Sections 57-10-401 through 57-10-445.



739 (2) In anticipation of the issuance of bonds, the
740 corporation may provide for the issuance, at one time or from time
741 to time, of bond anticipation notes. The principal of and the
742 interest on the notes shall be payable solely from the funds
743 herein provided for the payment. Any notes may be made payable
744 from the proceeds of bonds or renewal notes; or, if bond or
745 renewal note proceeds are not available, the notes may be paid
746 from any available revenues or assets of the corporation.

747 (3) The bonds issued under Sections 57-10-401 through
748 57-10-445 shall be authorized by a resolution of the corporation,
749 shall bear such date or dates, and shall mature at such time or
750 times as such resolution may provide, except that no bond shall
751 mature more than twenty-five (25) years from the date of issue.
752 Bonds which are not subject to taxation shall bear interest at
753 such rate or rates, be in such denominations, be in such form,
754 carry such registration privileges, be executed in such manner, be
755 payable in such medium of payment, at such place or places, and be
756 subject to such terms of redemption, including redemption before
757 maturity, as such resolution may provide. Except as expressly
758 provided otherwise in Sections 57-10-401 through 57-10-445, the
759 provisions of other laws of the state relating to the issuance of
760 revenue bonds shall not apply to bonds issued by the corporation.
761 As to bonds issued hereunder and designated as taxable bonds by
762 the corporation, any immunity to taxation by the United States
763 government of interest on such bonds or notes is hereby waived.



764 Bonds of the corporation may be sold by the corporation at public
765 or private sale, from time to time, and at such price or prices as
766 the corporation shall determine.

767 (4) The proceeds of any bonds shall be used solely for the
768 purposes for which issued and shall be disbursed in the manner and
769 under the restrictions, if any, that the corporation may provide
770 in the resolution authorizing the issuance of the bonds or in a
771 trust indenture securing the same.

772 (5) The principal and interest on the bonds issued by the
773 corporation shall be payable solely and only from proceeds derived
774 under a financing agreement and shall be secured solely by the
775 economic development project, the proceeds of the financing
776 agreement, and such other assets as may be available, but not
777 including revenues of the state.

778 (6) Before the preparation of definitive certificates
779 evidencing the bonds, the corporation may issue, under like
780 restrictions, interim receipts or temporary certificates, with or
781 without coupons, exchangeable for definitive certificates when the
782 certificates have been executed and are available for delivery.
783 The corporation may also provide for the replacement of any
784 certificates which become mutilated or are destroyed or lost.

785 **SECTION 11.** Section 57-10-421, Mississippi Code of 1972, is
786 reenacted as follows:

787 57-10-421. In addition to the requirements provided for in
788 Section 57-10-419, any resolution authorizing the issuance of



789 bonds under Sections 57-10-401 through 57-10-445 may contain
790 provisions as to:

791 (a) The setting aside of reserves or sinking funds and
792 the regulations and disposition thereof;

793 (b) Limitations on the issuance of additional bonds,
794 the terms upon which additional bonds may be issued and secured,
795 and the refunding of outstanding or other bonds;

796 (c) The procedure, if any, by which the terms of any of
797 the proceedings under which the bonds are being issued may be
798 amended or abrogated, the number or percentage of bondholders who
799 or which must consent thereto, and the manner in which the consent
800 may be given;

801 (d) The vesting in a trustee or trustees of such
802 property, rights, powers and duties in trust as the company may
803 determine, and limiting or abrogating the right of bondholders to
804 appoint a trustee or limiting the rights, powers and duties of the
805 trustee;

806 (e) Defining the act or omissions to act which shall
807 constitute a default and the obligations or duties of the
808 corporation to the holders of the bonds, and providing for the
809 rights and remedies of the holders of the bonds in the event of
810 default, which rights and remedies may include the general laws of
811 the state and other provisions of Sections 57-10-401 through
812 57-10-445; or



813 (f) Any other matter, of like or different character,
814 which in any way affects the security or protection of the holders
815 of the bonds.

816 **SECTION 12.** Section 57-10-423, Mississippi Code of 1972, is
817 reenacted as follows:

818 57-10-423. Any pledge made by the corporation shall be valid
819 and binding from the time when the pledge was made. The revenues
820 or properties so pledged and thereafter received by the
821 corporation shall immediately be subject to the lien of such
822 pledge without any physical delivery thereof or further act, and
823 the lien of any such pledge shall be valid and binding as against
824 all parties having claims of any kind in tort, contract or
825 otherwise against the corporation, irrespective of whether the
826 parties have notice thereof. Neither the resolution nor any other
827 instrument by which a pledge is created need be recorded.

828 **SECTION 13.** Section 57-10-425, Mississippi Code of 1972, is
829 reenacted as follows:

830 57-10-425. The corporation, subject to the provisions in
831 proceedings relating to outstanding bonds as may then exist, may
832 purchase bonds out of any funds available therefor, which shall
833 thereupon be canceled, at any reasonable price which, if the bonds
834 are then redeemable, shall not exceed the redemption price (and
835 premium, if any) then applicable plus accrued interest to the
836 redemption date thereof.



837 **SECTION 14.** Section 57-10-427, Mississippi Code of 1972, is
838 reenacted as follows:

839 57-10-427. The bonds may be secured by an indenture by and
840 between the corporation and a corporate trustee which may be any
841 bank or other corporation having the power of a trust company or
842 any trust company within or without this state. Such indenture
843 may contain such provisions for protecting and enforcing the
844 rights and remedies of the bondholders as may be reasonable and
845 proper and not in violation of law, including covenants setting
846 forth the duties of the corporation in relation to the exercise of
847 its powers and the custody, safekeeping and application of all
848 money. The corporation may provide by the indenture for the
849 payment of the proceeds of the bonds and revenues to the trustee
850 under the indenture or other depository, and for the method of
851 disbursement thereof, with such safeguards and restrictions as the
852 corporation may determine. If the bonds shall be secured by an
853 indenture, the bondholders shall have no authority to appoint a
854 separate trustee to represent them.

855 **SECTION 15.** Section 57-10-429, Mississippi Code of 1972, is
856 reenacted as follows:

857 57-10-429. In the event that any of the members or officers
858 of the board of directors of the corporation shall cease to be
859 members or officers of the board prior to the delivery of any
860 bonds signed by them, their signatures or facsimiles thereof shall
861 nevertheless be valid and sufficient for all purposes, the same as



862 if such members or officers had remained in office until such
863 delivery.

864 **SECTION 16.** Section 57-10-431, Mississippi Code of 1972, is
865 reenacted as follows:

866 57-10-431. The corporation may create and establish such
867 funds and accounts as may be necessary or desirable for its
868 purposes under Sections 57-10-401 through 57-10-445.

869 **SECTION 17.** Section 57-10-433, Mississippi Code of 1972, is
870 reenacted as follows:

871 57-10-433. The corporation shall have the power to contract
872 with the holders of any of its bonds issued under Sections
873 57-10-401 through 57-10-445 as to the custody, collection,
874 securing, investment and payment of any money of the corporation,
875 and of any money held in trust or otherwise for the payment of
876 bonds, and to carry out such contract. Money held in trust or
877 otherwise for the payment of bonds or in any way to secure bonds
878 and deposits of money may be secured in the same manner as money
879 of the corporation, and all banks and trust companies are
880 authorized to give security for the deposits.

881 **SECTION 18.** Section 57-10-435, Mississippi Code of 1972, is
882 reenacted as follows:

883 57-10-435. Amendments to Sections 57-10-401 through
884 57-10-445, enacted after July 1, 1993, shall not limit the rights
885 vested in the corporation with respect to any agreements made
886 with, or remedies available to, the holders of bonds issued under



887 this article or Section 27-7-22.3 prior to the enactment of the
888 amendments until the bonds, together with all interest thereon,
889 and all costs and expenses in connection with any proceeding by or
890 on behalf of the holders, are fully met and discharged.

891 **SECTION 19.** Section 57-10-437, Mississippi Code of 1972, is
892 reenacted as follows:

893 57-10-437. All expenses incurred by the corporation in
894 carrying out the provisions of Sections 57-10-401 through
895 57-10-445 shall be payable solely from funds provided under
896 Sections 57-10-401 through 57-10-445, or other funds of the
897 corporation. Nothing in Sections 57-10-401 through 57-10-445
898 shall be construed to authorize the corporation to incur
899 indebtedness or liability on behalf of or payable by the state or
900 any other political subdivision thereof.

901 **SECTION 20.** Section 57-10-439, Mississippi Code of 1972, is
902 reenacted as follows:

903 57-10-439. (1) The corporation is hereby declared to be
904 performing a public function and to be a public body corporate and
905 a political subdivision of the state. Accordingly, the income,
906 including any profit made on the sale thereof from all bonds
907 issued by the corporation, shall at all times be exempt from all
908 taxation by the state or any political subdivision thereof. If,
909 after all indebtedness and other obligations of the corporation
910 are discharged, the corporation is dissolved, its remaining assets
911 shall inure to the benefit of the state.



912 (2) With the approval of the appropriate local taxing
913 authority, all mortgages or deeds of trust executed as security
914 therefor, all lease or purchase agreements made pursuant to the
915 provisions hereof, and all purchases required to establish the
916 industrial enterprise and financed by proceeds from bonds issued
917 under Sections 57-10-401 through 57-10-445, shall likewise be
918 exempt from all taxation in the State of Mississippi except the
919 contractors' tax imposed by Section 27-65-21 and the tax levied by
920 Section 27-65-24(1) (b), and except ad valorem taxes levied for
921 school district purposes. All projects and the revenue derived
922 therefrom from any lease thereof shall be exempt from all taxation
923 in the State of Mississippi, except the tax levied by Sections
924 27-65-21 and 27-65-24(1) (b), except the tax levied under Chapter
925 7, Title 27, Mississippi Code of 1972, and except ad valorem taxes
926 levied for school district purposes.

927 **SECTION 21.** Section 57-10-441, Mississippi Code of 1972, is
928 reenacted as follows:

929 57-10-441. The bonds issued by and under the authority of
930 Sections 57-10-401 through 57-10-445 by the corporation are
931 declared to be legal investments in which all public officers or
932 public bodies of the state, its political subdivisions, all
933 municipalities and municipal subdivisions, all insurance companies
934 and associations, and other persons carrying on insurance
935 business, all banks, bankers, banking associations, trust
936 companies, savings associations, including savings and loan



937 associations, building and loan associations, investment
938 companies, and other persons carrying on a banking business, all
939 administrators, guardians, executors, trustees and other
940 fiduciaries, and all other persons who are now or may later be
941 authorized to invest in bonds or in other obligations of the
942 state, may invest funds, including capital, in their control or
943 belonging to them. Such bonds are also hereby made securities
944 which may be deposited with and received by all public officers
945 and bodies of the state or any agency or political subdivision of
946 the state and all municipalities and public corporations for any
947 purpose for which the deposit of bonds or other obligations of the
948 state is now or may be later authorized by law.

949 **SECTION 22.** Section 57-10-443, Mississippi Code of 1972, is
950 reenacted as follows:

951 57-10-443. The corporation, within one hundred twenty (120)
952 days of the close of each fiscal year, shall submit an annual
953 report of its activities in regard to Sections 57-10-401 through
954 57-10-445 for the preceding year to the Governor. The Clerk of
955 the House of Representatives and the Secretary of the Senate each
956 shall receive a copy of the report by making a request for it to
957 the corporation. Each report shall set forth a complete operating
958 and financial statement in regard to Sections 57-10-401 through
959 57-10-445 for the corporation during the fiscal year it covers.

960 **SECTION 23.** Section 57-10-445, Mississippi Code of 1972, is
961 reenacted as follows:



962 57-10-445. Nothing contained in Sections 57-10-401 through
963 57-10-445 is to be construed as a restriction or limitation upon
964 any powers which the corporation might otherwise have under any
965 other law of the state. Insofar as the provisions of Sections
966 57-10-401 through 57-10-445 are inconsistent with the provisions
967 of any other law, the provisions of Sections 57-10-401 through
968 57-10-445 shall be controlling, and the powers conferred by
969 Sections 57-10-401 through 57-10-445 shall be regarded as
970 supplemental and additional to powers conferred by any other laws.
971 No proceedings, notice or approval shall be required for the
972 issuance of any bonds or any instrument or the security therefor,
973 except as provided in Sections 57-10-401 through 57-10-445.

974 The provisions of Sections 57-10-401 through 57-10-445 shall
975 be liberally construed to accomplish the purposes of Sections
976 57-10-401 through 57-10-445.

977 The powers granted and the duties imposed in Sections
978 57-10-401 through 57-10-445 shall be construed to be independent
979 and severable. If any one or more sections, subsections,
980 sentences or parts of any of Sections 57-10-401 through 57-10-445
981 shall be adjudged unconstitutional or invalid, such adjudication
982 shall not affect, impair or invalidate the remaining provisions
983 thereof, but shall be confined in its operation to the specific
984 provisions so held unconstitutional or invalid.

985 **SECTION 24.** Section 57-10-447, Mississippi Code of 1972, is
986 reenacted as follows:



987 57-10-447. No elected or appointed official shall derive any
988 pecuniary benefit, directly or indirectly, as a result of such
989 elected or appointed official's duties under Sections 57-10-401
990 through 57-10-445. Any member of the Legislature, any elected or
991 appointed official, any member of the immediate family of a member
992 of the Legislature, or any partner or associate of such a member
993 of the Legislature or elected or appointed official, shall not
994 derive any income from the issuance of any bonds under Sections
995 57-10-401 through 57-10-445, contrary to the provisions of Section
996 109, Mississippi Constitution of 1890, or Article 3, Chapter 4,
997 Title 25, Mississippi Code of 1972. The provisions of this
998 section shall not apply to any person performing clerical or
999 administrative functions, which are other than legal services
1000 provided by an attorney, that are associated with the issuance of
1001 any bonds under Sections 57-10-401 through 57-10-445, such as the
1002 printing of bonds or other materials. Any person convicted of a
1003 violation of this section shall be punished by imprisonment for
1004 not less than one (1) year and not more than five (5) years and a
1005 fine of not less than Two Thousand Five Hundred Dollars
1006 (\$2,500.00) and not more than Ten Thousand Dollars (\$10,000.00).

1007 **SECTION 25.** Section 27-7-22.3, Mississippi Code of 1972, is
1008 reenacted as follows:

1009 **[In cases involving an economic development project for which**
1010 **the Mississippi Business Finance Corporation has issued bonds for**



1011 **the purpose of financing the approved costs of such project prior**
1012 **to July 1, 1994, this section shall read as follows:]**

1013 27-7-22.3. (1) For taxpayers who are required to pay a job
1014 assessment fee as provided in Section 57-10-413, there shall be
1015 allowed as a credit against the taxes imposed by this chapter, an
1016 amount equal to the amount of the job assessment fee imposed upon
1017 such taxpayer pursuant to Section 57-10-413. If the amount
1018 allowable as a credit exceeds the tax imposed by this article and
1019 Section 27-7-22.3, the amount of such excess shall not be
1020 refundable or carried forward to any other taxable year.

1021 (2) For any approved company as defined in Section
1022 57-10-401, there shall be allowed against the taxes imposed by
1023 this chapter on the income of the approved company generated by or
1024 arising out of the economic development project (as defined in
1025 Section 57-10-401), a credit in an amount not to exceed the total
1026 debt service paid under a financing agreement entered into under
1027 Section 57-10-409. The tax credit allowed in this subsection
1028 shall not exceed the amount of taxes due the State of Mississippi.

1029 **[In cases involving an economic development project for which**
1030 **the Mississippi Business Finance Corporation has not issued bonds**
1031 **for the purpose of financing the approved costs of such project**
1032 **prior to July 1, 1994, but has issued bonds for such project prior**
1033 **to July 1, 1997, or in cases involving an economic development**
1034 **project which has been induced by a resolution of the Board of**
1035 **Directors of the Mississippi Business Finance Corporation that has**



1036 **been filed with the State Tax Commission prior to July 1, 1997,**
1037 **this section shall read as follows:]**

1038 27-7-22.3. (1) For taxpayers who are required to pay a job
1039 assessment fee as provided in Section 57-10-413, there shall be
1040 allowed as a credit against the taxes imposed by this chapter, an
1041 amount equal to the amount of the job assessment fee imposed upon
1042 such taxpayer pursuant to Section 57-10-413. If the amount
1043 allowable as a credit exceeds the tax imposed by this article and
1044 Section 27-7-22.3, the amount of such excess shall not be
1045 refundable or carried forward to any other taxable year.

1046 (2) For any approved company as defined in Section
1047 57-10-401, there shall be allowed against the taxes imposed by
1048 this chapter on the income of the approved company generated by or
1049 arising out of the economic development project (as defined in
1050 Section 57-10-401), a credit in an amount not to exceed the total
1051 debt service paid under a financing agreement entered into under
1052 Section 57-10-409. The tax credit allowed in this subsection
1053 shall not exceed the amount of taxes due the State of Mississippi.
1054 The amount of income of the approved company generated by or
1055 arising out of the economic development project shall be
1056 determined by a formula adopted by the Mississippi Business
1057 Finance Corporation.

1058 **[In cases involving an economic development project for which**
1059 **the Mississippi Business Finance Corporation has not issued bonds**
1060 **for the purpose of financing the approved costs of such project**



1061 prior to July 1, 1997, or in cases involving an economic
1062 development project which has not been induced by a resolution of
1063 the Board of Directors of the Mississippi Business Finance
1064 Corporation that has been filed with the State Tax Commission
1065 prior to July 1, 1997, this section shall read as follows:]

1066 27-7-22.3. For any approved company as defined in Section
1067 57-10-401, there shall be allowed against the taxes imposed by
1068 this chapter on the income of the approved company generated by or
1069 arising out of the economic development project (as defined in
1070 Section 57-10-401), a credit in an amount not to exceed the total
1071 debt service paid under a financing agreement entered into under
1072 Section 57-10-409; provided, however, that the tax credit allowed
1073 in this subsection shall not exceed eighty percent (80%) of the
1074 amount of taxes due the State of Mississippi prior to the
1075 application of the credit. To the extent that financing agreement
1076 annual payments exceed the amount of the credit authorized
1077 pursuant to this section in any taxable year, such excess payment
1078 may be recouped from excess credits in succeeding years not to
1079 exceed three (3) years following the date upon which the credit
1080 was earned. The amount of income of the approved company
1081 generated by or arising out of the economic development project
1082 shall be determined by a formula adopted by the Mississippi
1083 Business Finance Corporation.

1084 **SECTION 26.** Section 57-10-449, Mississippi Code of 1972, is
1085 amended as follows:



1086 57-10-449. Sections 57-10-401 through * * * 57-10-447 and
1087 27-7-22.3 shall be repealed from and after October 1, * * * 2025.

1088 **SECTION 27.** This act shall take effect and be in force from
1089 and after July 1, 2022.

