

By: Representative Lamar

To: Ways and Means

HOUSE BILL NO. 1162  
(As Sent to Governor)

1 AN ACT TO REENACT SECTIONS 27-7-22.7 AND 27-7-22.9,  
 2 MISSISSIPPI CODE OF 1972, WHICH PROVIDE AN INCOME TAX CREDIT FOR  
 3 INCOME TAXPAYERS THAT USE PORT FACILITIES AT STATE, COUNTY AND  
 4 MUNICIPAL PORTS FOR THE EXPORT OF CARGO AND REQUIRE THE  
 5 MISSISSIPPI DEVELOPMENT AUTHORITY TO REPORT ANNUALLY TO THE  
 6 LEGISLATURE REGARDING THE IMPACT OF SUCH TAX CREDIT; TO AMEND  
 7 SECTION 4, CHAPTER 492, LAWS OF 1994, AS LAST AMENDED BY SECTION  
 8 3, CHAPTER 321, LAWS OF 2019, TO EXTEND THE DATE OF THE REPEALER  
 9 ON SECTIONS 27-7-22.7 AND 27-7-22.9, MISSISSIPPI CODE OF 1972; TO  
 10 REENACT SECTION 27-7-22.25, MISSISSIPPI CODE OF 1972, WHICH  
 11 PROVIDES AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS THAT USE THE  
 12 AIRPORT FACILITIES AT PUBLIC AIRPORTS FOR CERTAIN CHARGES PAID BY  
 13 THE TAXPAYER ON THE EXPORT OR IMPORT OF CARGO; TO AMEND REENACTED  
 14 SECTION 27-7-22.25, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE  
 15 OF THE REPEALER ON THAT SECTION; TO REENACT SECTION 27-7-22.26,  
 16 MISSISSIPPI CODE OF 1972, WHICH REQUIRES THE MISSISSIPPI  
 17 DEVELOPMENT AUTHORITY TO REPORT ANNUALLY TO THE LEGISLATURE  
 18 REGARDING THE IMPACT OF SUCH INCOME TAX CREDIT; TO AMEND SECTION  
 19 3, CHAPTER 442, LAWS OF 2005, AS LAST AMENDED BY SECTION 6,  
 20 CHAPTER 321, LAWS OF 2019, TO EXTEND THE DATE OF THE REPEALER ON  
 21 SECTIONS 27-7-22.25 AND 27-7-22.26, MISSISSIPPI CODE OF 1972; AND  
 22 FOR RELATED PURPOSES.

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

24 **SECTION 1.** Section 27-7-22.7, Mississippi Code of 1972, is  
 25 reenacted as follows:

26 27-7-22.7. (1) As used in this section, the term "port"  
 27 means a state, county or municipal port or harbor established  
 28 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1



29 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
30 59-11-1 through 59-11-7.

31 (2) For any income taxpayer utilizing the port facilities at  
32 any port for the export of cargo that is loaded on a carrier  
33 calling at any such port, a credit against the taxes imposed  
34 pursuant to this chapter shall be allowed in the amounts provided  
35 in this section.

36 (3) Except as otherwise provided by subsection (5) of this  
37 section, the amount of the credit allowed pursuant to this section  
38 shall be the total of the following charges on export cargo paid  
39 by the corporation:

- 40 (a) Receiving into the port;
- 41 (b) Handling to a vessel; and
- 42 (c) Wharfage.

43 (4) The credit provided for in this section shall not exceed  
44 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
45 for the taxable year reduced by the sum of all other credits  
46 allowable to such taxpayer under this chapter, except credit for  
47 tax payments made by or on behalf of the taxpayer. Any unused  
48 portion of the credit may be carried forward for the succeeding  
49 five (5) years. The maximum cumulative credit that may be claimed  
50 by a taxpayer pursuant to this section and for the period of time  
51 beginning on January 1, 1994, and ending on December 31, 2005, is  
52 limited to One Million Two Hundred Thousand Dollars  
53 (\$1,200,000.00).



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

59 (6) The purpose of the tax credit provided for in this  
60 section is to promote the increased use of ports and related  
61 facilities in this state, particularly by those taxpayers which  
62 would not otherwise use such ports and related facilities without  
63 the benefit of such tax credit, and increase the number of port  
64 related jobs and other economic development benefits associated  
65 with the increased use of such ports and related facilities. It  
66 is the intent of the Legislature that in determining whether or  
67 not such tax credit will be continued in future years, the  
68 attainment of the purposes set forth in this subsection must be  
69 demonstrated by the material contained in the reports prepared by  
70 the Mississippi Development Authority under Section 27-7-22.9.

71 **SECTION 2.** Section 27-7-22.9, Mississippi Code of 1972, is  
72 reenacted as follows:

73 27-7-22.9. The Mississippi Development Authority shall  
74 report annually to the Legislature regarding the impact of the  
75 credit granted in Section 27-7-22.7 on shipping and economic  
76 growth. Each report shall show the overall annual increase on  
77 shipping at each port for the most recent year for which data is  
78 available and for each of the previous five (5) years. Each



79 report shall estimate the number of jobs created or retained at  
80 each port and in businesses related to port activity at each port  
81 since January 1, 1994, as compared to the number of similar jobs  
82 created during the ten (10) years preceding January 1, 1994. Each  
83 report shall state the net economic impact on the state as a  
84 result of the tax credit provided for in Section 27-7-22.7. The  
85 Mississippi Development Authority shall file a copy of the report  
86 with the Governor, the Secretary of the Senate, the Clerk of the  
87 House of Representatives and the Chairmen of the House Ways and  
88 Means Committee and the Senate Finance Committee of the  
89 Legislature on May 1 of each year. The Department of Revenue and  
90 all state, county and municipal ports shall cooperate with the  
91 Mississippi Development Authority in providing the information  
92 required in the annual reports.

93       **SECTION 3.** Section 4, Chapter 492, Laws of 1994, as amended  
94 by Section 3, Chapter 548, Laws of 1998, as amended by Section 3,  
95 Chapter 537, Laws of 2002, as amended by Section 3, Chapter 457,  
96 Laws of 2005, as amended by Section 3, Chapter 322, Laws of 2009,  
97 as amended by Section 3, Chapter 377, Laws of 2012, as amended by  
98 Section 3, Chapter 335, Laws of 2016, as amended by Section 3,  
99 Chapter 321, Laws of 2019, is amended as follows:

100       Section 4. This act shall take effect and be in force from  
101 and after January 1, 1994, and shall stand repealed from and after  
102 December 31, \* \* \* 2025.



103           **SECTION 4.** Section 27-7-22.25, Mississippi Code of 1972, is  
104 reenacted and amended as follows:

105           27-7-22.25. (1) As used in this section, the term "airport"  
106 means an airport established pursuant to Chapters 3 and 5, Title  
107 61, Mississippi Code of 1972.

108           (2) Subject to the provisions of this section, for any  
109 income taxpayer utilizing the facilities at any airport for the  
110 export or import of cargo that is unloaded from a carrier at any  
111 such airport, a credit against the taxes imposed pursuant to this  
112 chapter shall be allowed in the amounts provided in this section.  
113 In order to be eligible for the credit authorized under this  
114 section, a taxpayer must locate its United States headquarters in  
115 Mississippi on or after July 1, 2005, employ at least five (5) new  
116 permanent full-time employees who actually work at such  
117 headquarters and, after July 1, 2005, invest a minimum of Two  
118 Million Dollars (\$2,000,000.00), in the aggregate, in real  
119 property and/or personal property in Mississippi. For the  
120 purposes of this section, "full-time employee" shall mean an  
121 employee who works at least thirty-five (35) hours per week.

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

- 126                   (a) Receiving into the airport;
- 127                   (b) Aircraft marshalling or handling fees; and



128 (c) Aircraft landing fees.

129 (4) The credit provided for in this section shall not exceed  
130 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
131 for the taxable year reduced by the sum of all other credits  
132 allowable to such taxpayer under this chapter, except credit for  
133 tax payments made by or on behalf of the taxpayer. Any unused  
134 portion of the credit may be carried forward for the succeeding  
135 five (5) years. The maximum cumulative credit that may be claimed  
136 by a taxpayer under this section is limited to One Million Dollars  
137 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
138 more than twenty-five (25) permanent full-time employees at its  
139 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)  
140 if the taxpayer employs more than twenty-five (25), but not more  
141 than one hundred (100) permanent full-time employees at its  
142 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
143 if the taxpayer employs more than one hundred (100), but not more  
144 than two hundred (200) permanent full-time employees at its  
145 headquarters in Mississippi; and Four Million Dollars  
146 (\$4,000,000.00) if the taxpayer employs more than two hundred  
147 (200) permanent full-time employees at its headquarters in  
148 Mississippi.

149 (5) To obtain the credit provided for in this section, a  
150 taxpayer must provide to the Department of Revenue a statement  
151 from the governing authority of the airport certifying the amount



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

154 (6) Any taxpayer who is eligible, before July 1, \* \* \* 2025,  
155 for the credit provided for in this section, shall remain eligible  
156 for such credit after July 1, \* \* \* 2025, notwithstanding the  
157 repeal of this section.

158 **SECTION 5.** Section 27-7-22.26, Mississippi Code of 1972, is  
159 reenacted as follows:

160 27-7-22.26. The Mississippi Development Authority shall  
161 report annually to the Legislature regarding the impact of the  
162 credit granted in Section 27-7-22.25 on shipping and economic  
163 growth. Each report shall show the overall annual increase in  
164 shipping at each airport for the most recent year for which data  
165 is available and for each of the previous five (5) years. Each  
166 report shall estimate the number of jobs created or retained at  
167 each airport and in businesses related to airport activity at each  
168 airport since January 1, 2006, as compared to the number of  
169 similar jobs created during the ten (10) years preceding January  
170 1, 2006. Each report shall state the net economic impact on the  
171 state as a result of the tax credit provided for in Section  
172 27-7-22.25. The Mississippi Development Authority shall file a  
173 copy of the report with the Governor, the Secretary of the Senate,  
174 the Clerk of the House of Representatives and the Chairmen of the  
175 House Ways and Means Committee and the Senate Finance Committee of  
176 the Legislature on May 1 of each year. The Department of Revenue



177 and all state, regional, county and municipal airports shall  
178 cooperate with the Mississippi Development Authority in providing  
179 the information required in the annual reports.

180         **SECTION 6.** Section 3, Chapter 442, Laws of 2005, as amended  
181 by Section 3, Chapter 519, Laws of 2007, as amended by Section 3,  
182 Chapter 323, Laws of 2009, as amended by Section 6, Chapter 377,  
183 Laws of 2012, as amended by Section 6, Chapter 335, Laws of 2016,  
184 as amended by Section 6, Chapter 321, Laws of 2019, is amended as  
185 follows:

186         Section 3. Sections 1 and 2 of this act shall stand repealed  
187 from and after July 1, \* \* \* 2025.

188         **SECTION 7.** This act shall take effect and be in force from  
189 and after July 1, 2022.

