

By: Representatives Lamar, Stamps

To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1530

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS IN THE AMOUNT OF \$4,490,000.00 TO PROVIDE MATCHING FUNDS FOR  
3 FEDERAL FUNDS FOR THE WATER POLLUTION CONTROL REVOLVING FUND; TO  
4 PROVIDE THAT NOT MORE THAN \$2,870,000.00 OF SUCH BONDS MAY BE  
5 ISSUED TO MATCH THE ANNUAL CLEAN WATER STATE REVOLVING FUND  
6 APPROPRIATIONS AND THAT NOT MORE THAN \$1,620,000.00 OF SUCH BONDS  
7 MAY BE ISSUED TO MATCH THE SUPPLEMENTAL INFRASTRUCTURE AND  
8 INVESTMENT JOBS ACT APPROPRIATIONS; TO AMEND SECTION 49-17-85,  
9 MISSISSIPPI CODE OF 1972, TO AUTHORIZE INTEREST AND INVESTMENT  
10 EARNINGS ON MONEY IN THE WATER POLLUTION CONTROL REVOLVING FUND TO  
11 BE UTILIZED TO PAY DEBT SERVICE ON THE BONDS AUTHORIZED TO BE  
12 ISSUED BY THIS ACT; TO BRING FORWARD SECTION 27-7-22.41,  
13 MISSISSIPPI CODE OF 1972, WHICH PROVIDES AN INCOME TAX CREDIT,  
14 INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX CREDIT FOR  
15 CONTRIBUTIONS MADE BY CERTAIN TAXPAYERS TO CERTAIN ELIGIBLE  
16 CHARITABLE ORGANIZATIONS, FOR THE PURPOSES OF POSSIBLE AMENDMENT;  
17 AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** (1) As used in this section, the following words  
20 shall have the meanings ascribed herein unless the context clearly  
21 requires otherwise:

22 (a) "Accreted value" of any bonds means, as of any date  
23 of computation, an amount equal to the sum of (i) the stated  
24 initial value of such bond, plus (ii) the interest accrued thereon  
25 from the issue date to the date of computation at the rate,



26 compounded semiannually, that is necessary to produce the  
27 approximate yield to maturity shown for bonds of the same  
28 maturity.

29 (b) "State" means the State of Mississippi.

30 (c) "Commission" means the State Bond Commission.

31 (2) (a) The Commission on Environmental Quality, at one  
32 time, or from time to time, may declare by resolution the  
33 necessity for issuance of general obligation bonds of the State of  
34 Mississippi to provide funds for the Water Pollution Control  
35 Revolving Fund established in Section 49-17-85, Mississippi Code  
36 of 1972. Upon the adoption of a resolution by the Commission on  
37 Environmental Quality declaring the necessity for the issuance of  
38 any part or all of the general obligation bonds authorized by this  
39 subsection, the Commission on Environmental Quality shall deliver  
40 a certified copy of its resolution or resolutions to the  
41 commission; however, the Commission on Environmental Quality shall  
42 declare the necessity for the issuance of bonds only in the amount  
43 necessary to match projected federal funds available through the  
44 following federal fiscal year from the annual Clean Water State  
45 Revolving Fund (CWSRF) appropriations and from the supplemental  
46 Infrastructure Investment and Jobs Act (IIJA) appropriations.  
47 Upon receipt of such resolution, the commission, in its  
48 discretion, may act as the issuing agent, prescribe the form of  
49 the bonds, determine the appropriate method for sale of the bonds,  
50 advertise for and accept bids or negotiate the sale of the bonds,



51 issue and sell the bonds so authorized to be sold, and do any and  
52 all other things necessary and advisable in connection with the  
53 issuance and sale of such bonds. The total amount of bonds issued  
54 under this section shall not exceed Four Million Four Hundred  
55 Ninety Thousand Dollars (\$4,490,000.00); however, not more than  
56 Two Million Eight Hundred Seventy Thousand Dollars (\$2,870,000.00)  
57 of such bonds may be issued to match the annual CWSRF  
58 appropriations and not more than One Million Six Hundred Twenty  
59 Thousand Dollars (\$1,620,000.00) of such bonds may be issued to  
60 match the supplemental IIJA appropriations.

61 (b) The proceeds of bonds issued pursuant to this  
62 subsection shall be deposited into the Water Pollution Control  
63 Revolving Fund created pursuant to Section 49-17-85, Mississippi  
64 Code of 1972.

65 (3) The principal of and interest on the bonds authorized  
66 under this section shall be payable in the manner provided in this  
67 section. Such bonds shall bear such date or dates, be in such  
68 denomination or denominations, bear interest at such rate or rates  
69 (not to exceed the limits set forth in Section 75-17-101,  
70 Mississippi Code of 1972), be payable at such place or places  
71 within or without the State of Mississippi, shall mature  
72 absolutely at such time or times not to exceed twenty-five (25)  
73 years from date of issue, be redeemable before maturity at such  
74 time or times and upon such terms, with or without premium, shall  
75 bear such registration privileges, and shall be substantially in



76 such form, all as shall be determined by resolution of the  
77 commission.

78 (4) The bonds authorized by this section shall be signed by  
79 the chairman of the commission, or by his facsimile signature, and  
80 the official seal of the commission shall be affixed thereto,  
81 attested by the secretary of the commission. The interest  
82 coupons, if any, to be attached to such bonds may be executed by  
83 the facsimile signatures of such officers. Whenever any such  
84 bonds shall have been signed by the officials designated to sign  
85 the bonds who were in office at the time of such signing but who  
86 may have ceased to be such officers before the sale and delivery  
87 of such bonds, or who may not have been in office on the date such  
88 bonds may bear, the signatures of such officers upon such bonds  
89 and coupons shall nevertheless be valid and sufficient for all  
90 purposes and have the same effect as if the person so officially  
91 signing such bonds had remained in office until their delivery to  
92 the purchaser, or had been in office on the date such bonds may  
93 bear. However, notwithstanding anything herein to the contrary,  
94 such bonds may be issued as provided in the Registered Bond Act of  
95 the State of Mississippi.

96 (5) All bonds and interest coupons issued under the  
97 provisions of this section have all the qualities and incidents of  
98 negotiable instruments under the provisions of the Uniform  
99 Commercial Code, and in exercising the powers granted by this



100 section, the commission shall not be required to and need not  
101 comply with the provisions of the Uniform Commercial Code.

102 (6) The commission shall act as the issuing agent for the  
103 bonds authorized under this section, prescribe the form of the  
104 bonds, determine the appropriate method for sale of the bonds,  
105 advertise for and accept bids or negotiate the sale of the bonds,  
106 issue and sell the bonds so authorized to be sold, pay all fees  
107 and costs incurred in such issuance and sale, and do any and all  
108 other things necessary and advisable in connection with the  
109 issuance and sale of such bonds. The commission is authorized and  
110 empowered to pay the costs that are incident to the sale, issuance  
111 and delivery of the bonds authorized under this section from the  
112 proceeds derived from the sale of such bonds. The commission may  
113 sell such bonds on sealed bids at public sale or may negotiate the  
114 sale of the bonds for such price as it may determine to be for the  
115 best interest of the State of Mississippi. All interest accruing  
116 on such bonds so issued shall be payable semiannually or annually.

117 If the bonds are to be sold on sealed bids at public sale,  
118 notice of the sale of any such bonds shall be published at least  
119 one time, not less than ten (10) days before the date of sale, and  
120 shall be so published in one or more newspapers published or  
121 having a general circulation in the City of Jackson, Mississippi,  
122 selected by the commission.

123 The commission, when issuing any bonds under the authority of  
124 this section, may provide that bonds, at the option of the State



125 of Mississippi, may be called in for payment and redemption at the  
126 call price named therein and accrued interest on such date or  
127 dates named therein.

128 (7) The bonds issued under the provisions of this section  
129 are general obligations of the State of Mississippi, and for the  
130 payment thereof the full faith and credit of the State of  
131 Mississippi is irrevocably pledged. Interest and investment  
132 earnings on money in the Water Pollution Control Revolving Fund  
133 shall be utilized to pay the principal and interest on such bonds  
134 as they become due. If the interest and investment earnings of  
135 the fund and any funds appropriated by the Legislature are  
136 insufficient to pay the principal of and the interest on such  
137 bonds as they become due, then the deficiency shall be paid by the  
138 State Treasurer from any funds in the State Treasury not otherwise  
139 appropriated. All such bonds shall contain recitals on their  
140 faces substantially covering the provisions of this section.

141 (8) Upon the issuance and sale of bonds under the provisions  
142 of this section, the commission shall transfer the proceeds of any  
143 such sale or sales to the Water Pollution Control Revolving Fund  
144 created in Section 49-17-85, Mississippi Code of 1972. After the  
145 transfer of the proceeds of any such sale or sales to the Water  
146 Pollution Control Revolving Fund, any investment earnings or  
147 interest earned on the proceeds of such bonds shall be deposited  
148 to the credit of the Water Pollution Control Revolving Fund and  
149 shall be used only for the purposes provided in Section 49-17-85,



150 Mississippi Code of 1972. The proceeds of such bonds shall be  
151 disbursed solely upon the order of the Commission on Environmental  
152 Quality under such restrictions, if any, as may be contained in  
153 the resolution providing for the issuance of the bonds.

154 (9) The bonds authorized under this section may be issued  
155 without any other proceedings or the happening of any other  
156 conditions or things other than those proceedings, conditions and  
157 things which are specified or required by this section. Any  
158 resolution providing for the issuance of bonds under the  
159 provisions of this section shall become effective immediately upon  
160 its adoption by the commission, and any such resolution may be  
161 adopted at any regular or special meeting of the commission by a  
162 majority of its members.

163 (10) The bonds authorized under the authority of this  
164 section may be validated in the Chancery Court of the First  
165 Judicial District of Hinds County, Mississippi, in the manner and  
166 with the force and effect provided by Chapter 13, Title 31,  
167 Mississippi Code of 1972, for the validation of county, municipal,  
168 school district and other bonds. The notice to taxpayers required  
169 by such statutes shall be published in a newspaper published or  
170 having a general circulation in the City of Jackson, Mississippi.

171 (11) Any holder of bonds issued under the provisions of this  
172 section or of any of the interest coupons pertaining thereto may,  
173 either at law or in equity, by suit, action, mandamus or other  
174 proceeding, protect and enforce any and all rights granted under



175 this section, or under such resolution, and may enforce and compel  
176 performance of all duties required by this section to be  
177 performed, in order to provide for the payment of bonds and  
178 interest thereon.

179 (12) All bonds issued under the provisions of this section  
180 shall be legal investments for trustees and other fiduciaries, and  
181 for savings banks, trust companies and insurance companies  
182 organized under the laws of the State of Mississippi, and such  
183 bonds shall be legal securities which may be deposited with and  
184 shall be received by all public officers and bodies of this state  
185 and all municipalities and political subdivisions for the purpose  
186 of securing the deposit of public funds.

187 (13) Bonds issued under the provisions of this section and  
188 income therefrom shall be exempt from all taxation in the State of  
189 Mississippi.

190 (14) The proceeds of the bonds issued under this section  
191 shall be used solely for the purposes therein provided, including  
192 the costs incident to the issuance and sale of such bonds.

193 (15) The State Treasurer is authorized, without further  
194 process of law, to certify to the Department of Finance and  
195 Administration the necessity for warrants, and the Department of  
196 Finance and Administration is authorized and directed to issue  
197 such warrants, in such amounts as may be necessary to pay when due  
198 the principal of, premium, if any, and interest on, or the  
199 accreted value of, all bonds issued under this section; and the





200 State Treasurer shall forward the necessary amount to the  
201 designated place or places of payment of such bonds in ample time  
202 to discharge such bonds, or the interest thereon, on the due dates  
203 thereof.

204 (16) This section shall be deemed to be full and complete  
205 authority for the exercise of the powers therein granted, but this  
206 section shall not be deemed to repeal or to be in derogation of  
207 any existing law of this state.

208 **SECTION 2.** Section 49-17-85, Mississippi Code of 1972, is  
209 amended as follows:

210 49-17-85. (1) There is established in the State Treasury a  
211 fund to be known as the "Water Pollution Control Revolving Fund,"  
212 which shall be administered by the commission acting through the  
213 department. The revolving fund may receive bond proceeds and  
214 funds appropriated or otherwise made available by the Legislature  
215 in any manner and funds from any other source, public or private.  
216 The revolving fund shall be maintained in perpetuity for the  
217 purposes established in this section.

218 (2) There is established in the State Treasury a fund to be  
219 known as the "Water Pollution Control Hardship Grants Fund," which  
220 shall be administered by the commission acting through the  
221 department. The grants fund shall be maintained in perpetuity for  
222 the purposes established in this section. Any interest earned on  
223 monies in the grants fund shall be credited to that fund.



224           (3) The commission shall promulgate regulations for the  
225 administration of the revolving fund program, the hardship grants  
226 program and for related programs authorized under this section.  
227 The regulations shall be in accordance with the federal Water  
228 Quality Act of 1987, as amended, and regulations and guidance  
229 issued under that act. The commission may enter into  
230 capitalization grant agreements with the United States  
231 Environmental Protection Agency and may accept capitalization  
232 grant awards made under Title VI of the Water Quality Act of 1987,  
233 as amended.

234           (4) The commission shall establish a loan program which  
235 shall commence after October 1, 1988, to assist political  
236 subdivisions in the construction of water pollution control  
237 projects. Loans from the revolving fund may be made to political  
238 subdivisions as set forth in a loan agreement in amounts not  
239 exceeding one hundred percent (100%) of eligible project costs as  
240 established by the commission. Notwithstanding loan amount  
241 limitations set forth in Section 49-17-61, the commission may  
242 require local participation or funding from other sources, or  
243 otherwise limit the percentage of costs covered by loans from the  
244 revolving fund. The commission may establish a maximum amount for  
245 any loan in order to provide for broad and equitable participation  
246 in the program.

247           (5) The commission shall establish a hardship grants program  
248 for rural communities, which shall commence after July 1, 1997, to



249 assist severely economically disadvantaged small rural political  
250 subdivisions in the construction of water pollution control  
251 projects. The commission may receive and administer state or  
252 federal funds, or both, appropriated for the operation of this  
253 grants program and may take all actions necessary to implement the  
254 program in accordance with the federal hardship grants program.  
255 The hardship grants program shall operate in conjunction with the  
256 revolving loan program administered under this section.

257 (6) The commission shall act for the state in all matters  
258 and with respect to all determinations under Title VI of the  
259 federal Water Quality Act of 1987, as amended, and the federal  
260 Omnibus Appropriations and Recision Act of 1996.

261 (7) Except as otherwise provided in this section, the  
262 revolving fund may be used only:

263 (a) To make loans on the condition that:

264 (i) The loans are made at or below market interest  
265 rates, at terms not to exceed the maximum time allowed by federal  
266 law after project completion; the interest rate and term may vary  
267 from time to time and from loan to loan at the discretion of the  
268 commission;

269 (ii) Periodic principal and interest payments will  
270 commence when required by the commission but not later than one  
271 (1) year after project completion and all loans will be fully  
272 amortized when required by the commission but not later than the  
273 maximum time allowed by federal law after project completion;



274 (iii) The recipient of a loan will establish a  
275 dedicated source of revenue for repayment of loans;

276 (b) To buy or refinance the debt obligation of  
277 political subdivisions at or below market rates, where the debt  
278 obligations were incurred after March 7, 1985, and where the  
279 projects were constructed in compliance with applicable federal  
280 and state regulations;

281 (c) To guarantee, or purchase insurance for,  
282 obligations of political subdivisions where the action would  
283 improve credit market access or reduce interest rates;

284 (d) To provide loan guarantees for similar revolving  
285 funds established by municipalities or intermunicipal agencies;

286 (e) To earn interest on fund accounts;

287 (f) To establish nonpoint source pollution control  
288 management programs;

289 (g) To establish estuary conservation and management  
290 programs;

291 (h) For the reasonable costs of administering the  
292 revolving fund and conducting activities under this act, subject  
293 to the limitations established in Section 603(d)(7) of Title VI of  
294 the federal Clean Water Act, as amended, and subject to annual  
295 appropriation by the Legislature;

296 (i) In connection with the issuance, sale and purchase  
297 of bonds under Section 31-25-1 et seq., related to the funding of



298 projects, to provide security or a pledge of revenues for the  
299 repayment of the bonds; and

300 (j) To pay the principal and interest on bonds issued  
301 pursuant to Section 11 of Chapter 580, Laws of 2007, Section 1 of  
302 Chapter 492, Laws of 2008, Section 47 of Chapter 557, Laws of  
303 2009, Section 45 of Chapter 533, Laws of 2010, Section 3 of  
304 Chapter 480, Laws of 2011, Section 36 of Chapter 569, Laws of  
305 2013, Section 9 of Chapter 452, Laws of 2018, Section 1 of Chapter  
306 415, Laws of 2019, Section 16 of Chapter 492, Laws of 2020, \* \* \*  
307 Section 137 of Chapter 480, Laws of 2021, and Section 1 of this  
308 act, as they become due; however, only interest and investment  
309 earnings on money in the fund may be utilized for this purpose.

310 (8) The hardship grants program shall be used only to  
311 provide hardship grants consistent with the federal hardship  
312 grants program for rural communities, regulations and guidance  
313 issued by the United States Environmental Protection Agency,  
314 subsections (3) and (5) of this section and regulations  
315 promulgated and guidance issued by the commission under this  
316 section.

317 (9) The commission shall establish by regulation a system of  
318 priorities and a priority list of projects eligible for funding  
319 with loans from the revolving fund.

320 (10) The commission may provide a loan from the revolving  
321 fund only with respect to a project if that project is on the  
322 priority list established by the commission.



323           (11) The revolving fund shall be credited with all payments  
324 of principal and interest derived from the fund uses described in  
325 subsection (7) of this section. However, notwithstanding any  
326 other provision of law to the contrary, all or any portion of  
327 payments of principal and interest derived from the fund uses  
328 described in subsection (7) of this section may be designated or  
329 pledged for repayment of a loan as provided in Section 31-25-28 in  
330 connection with a loan from the Mississippi Development Bank.

331           (12) The commission may establish and collect fees to defray  
332 the reasonable costs of administering the revolving fund if it  
333 determines that the administrative costs will exceed the  
334 limitations established in Section 603(d)(7) of Title VI of the  
335 federal Clean Water Act, as amended. The administration fees may  
336 be included in loan amounts to political subdivisions for the  
337 purpose of facilitating payment to the commission. The fees may  
338 not exceed five percent (5%) of the loan amount.

339           (13) Except as otherwise provided in this section, the  
340 commission may, on a case-by-case basis and to the extent allowed  
341 by federal law, renegotiate the payment of principal and interest  
342 on loans made under this section to the six (6) most southern  
343 counties of the state covered by the Presidential Declaration of  
344 Major Disaster for the State of Mississippi (FEMA-1604-DR) dated  
345 August 29, 2005, and to political subdivisions located in such  
346 counties; however, the interest on the loans shall not be forgiven  
347 for a period of more than twenty-four (24) months and the maturity



348 of the loans shall not be extended for a period of more than  
349 forty-eight (48) months.

350 (14) The commission may, on a case-by-case basis and to the  
351 extent allowed by federal law, renegotiate the payment of  
352 principal and interest on loans made under this section to Hancock  
353 County as a result of coverage under the Presidential Declaration  
354 of Major Disaster for the State of Mississippi (FEMA-1604-DR)  
355 dated August 29, 2005, and to political subdivisions located in  
356 Hancock County.

357 **SECTION 3.** Section 27-7-22.41, Mississippi Code of 1972, is  
358 brought forward as follows:

359 27-7-22.41. (1) For the purposes of this section, the  
360 following words and phrases shall have the meanings ascribed in  
361 this section unless the context clearly indicates otherwise:

362 (a) "Department" means the Department of Revenue.

363 (b) "Eligible charitable organization" means an  
364 organization that is exempt from federal income taxation under  
365 Section 501(c)(3) of the Internal Revenue Code and is:

366 (i) Licensed by or under contract with the  
367 Mississippi Department of Child Protection Services and provides  
368 services for:

369 1. The prevention and diversion of children  
370 from custody with the Department of Child Protection Services,



371                   2. The safety, care and well-being of  
372 children in custody with the Department of Child Protection  
373 Services, or

374                   3. The express purpose of creating permanency  
375 for children through adoption; or

376                   (ii) Certified by the department as an educational  
377 services charitable organization and provides services to:

378                   1. Children in a foster care placement  
379 program established by the Department of Child Protection  
380 Services, children placed under the Safe Families for Children  
381 model, or children at significant risk of entering a foster care  
382 placement program established by the Department of Child  
383 Protection Services,

384                   2. Children who have a chronic illness  
385 or physical, intellectual, developmental or emotional disability,  
386 or

387                   3. Children eligible for free or reduced  
388 price meals programs under Section 37-11-7, or selected for  
389 participation in the Promise Neighborhoods Program sponsored by  
390 the U.S. Department of Education.

391           (2) (a) The tax credit authorized in this section shall be  
392 available only to a taxpayer who is a business enterprise engaged  
393 in commercial, industrial or professional activities and operating  
394 as a corporation, limited liability company, partnership or sole  
395 proprietorship. Except as otherwise provided in this section, a





396 credit is allowed against the taxes imposed by Sections 27-7-5,  
397 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
398 contributions made by a taxpayer during the taxable year to an  
399 eligible charitable organization. From and after January 1, 2022,  
400 for a taxpayer that is not operating as a corporation, a credit is  
401 also allowed against ad valorem taxes assessed and levied on real  
402 property for voluntary cash contributions made by the taxpayer  
403 during the taxable year to an eligible charitable organization.  
404 The amount of credit that may be utilized by a taxpayer in a  
405 taxable year shall be limited to (i) an amount not to exceed fifty  
406 percent (50%) of the total tax liability of the taxpayer for the  
407 taxes imposed by such sections of law and (ii) an amount not to  
408 exceed fifty percent (50%) of the total tax liability of the  
409 taxpayer for ad valorem taxes assessed and levied on real  
410 property. Any tax credit claimed under this section but not used  
411 in any taxable year may be carried forward for five (5)  
412 consecutive years from the close of the tax year in which the  
413 credits were earned.

414 (b) A contribution to an eligible charitable  
415 organization for which a credit is claimed under this section does  
416 not qualify for and shall not be included in any credit that may  
417 be claimed under Section 27-7-22.39.

418 (c) A contribution for which a credit is claimed under  
419 this section may not be used as a deduction by the taxpayer for  
420 state income tax purposes.



421 (3) Taxpayers taking a credit authorized by this section  
422 shall provide the name of the eligible charitable organization and  
423 the amount of the contribution to the department on forms provided  
424 by the department.

425 (4) An eligible charitable organization shall provide the  
426 department with a written certification that it meets all criteria  
427 to be considered an eligible charitable organization. An eligible  
428 charitable organization must also provide the department with  
429 written documented proof of its license and/or written contract  
430 with the Mississippi Department of Child Protection Services. The  
431 organization shall also notify the department of any changes that  
432 may affect eligibility under this section.

433 (5) The eligible charitable organization's written  
434 certification must be signed by an officer of the organization  
435 under penalty of perjury. The written certification shall include  
436 the following:

437 (a) Verification of the organization's status under  
438 Section 501(c)(3) of the Internal Revenue Code;

439 (b) A statement that the organization does not provide,  
440 pay for or provide coverage of abortions and does not financially  
441 support any other entity that provides, pays for or provides  
442 coverage of abortions;

443 (c) Any other information that the department requires  
444 to administer this section.



445           (6) The department shall review each written certification  
446 and determine whether the organization meets all the criteria to  
447 be considered an eligible charitable organization and notify the  
448 organization of its determination. The department may also  
449 periodically request recertification from the organization. The  
450 department shall compile and make available to the public a list  
451 of eligible charitable organizations.

452           (7) Tax credits authorized by this section that are earned  
453 by a partnership, limited liability company, S corporation or  
454 other similar pass-through entity, shall be allocated among all  
455 partners, members or shareholders, respectively, either in  
456 proportion to their ownership interest in such entity or as the  
457 partners, members or shareholders mutually agree as provided in an  
458 executed document.

459           (8) (a) A taxpayer shall apply for credits with the  
460 department on forms prescribed by the department. In the  
461 application the taxpayer shall certify to the department the  
462 dollar amount of the contributions made or to be made during the  
463 calendar year. Within thirty (30) days after the receipt of an  
464 application, the department shall allocate credits based on the  
465 dollar amount of contributions as certified in the application.  
466 However, if the department cannot allocate the full amount of  
467 credits certified in the application due to the limit on the  
468 aggregate amount of credits that may be awarded under this section  
469 in a calendar year, the department shall so notify the applicant



470 within thirty (30) days with the amount of credits, if any, that  
471 may be allocated to the applicant in the calendar year. Once the  
472 department has allocated credits to a taxpayer, if the  
473 contribution for which a credit is allocated has not been made as  
474 of the date of the allocation, then the contribution must be made  
475 not later than sixty (60) days from the date of the allocation.  
476 If the contribution is not made within such time period, the  
477 allocation shall be cancelled and returned to the department for  
478 reallocation. Upon final documentation of the contributions, if  
479 the actual dollar amount of the contributions is lower than the  
480 amount estimated, the department shall adjust the tax credit  
481 allowed under this section.

482 (b) A taxpayer who applied for a tax credit under this  
483 section during calendar year 2020, but who was unable to be  
484 awarded the credit due to the limit on the aggregate amount of  
485 credits authorized for calendar year 2020, shall be given priority  
486 for tax credits authorized to be allocated to taxpayers under this  
487 section by Section 27-7-22.39.

488 (c) For the purposes of using a tax credit against ad  
489 valorem taxes assessed and levied on real property, a taxpayer  
490 shall present to the appropriate tax collector the tax credit  
491 documentation provided to the taxpayer by the Department of  
492 Revenue, and the tax collector shall apply the tax credit against  
493 such ad valorem taxes. The tax collector shall forward the tax  
494 credit documentation to the Department of Revenue along with the



495 amount of the tax credit applied against ad valorem taxes, and the  
496 department shall disburse funds to the tax collector for the  
497 amount of the tax credit applied against ad valorem taxes. Such  
498 payments by the Department of Revenue shall be made from current  
499 tax collections.

500 (9) The aggregate amount of tax credits that may be  
501 allocated by the department under this section during a calendar  
502 year shall not exceed Five Million Dollars (\$5,000,000.00), and  
503 not more than fifty percent (50%) of tax credits allocated during  
504 a calendar year may be allocated for contributions to eligible  
505 charitable organizations described in subsection (1)(b)(ii) of  
506 this section. However, for calendar year 2021, the aggregate  
507 amount of tax credits that may be allocated by the department  
508 under this section during a calendar year shall not exceed Ten  
509 Million Dollars (\$10,000,000.00), and for calendar year 2022, and  
510 for each calendar year thereafter, the aggregate amount of tax  
511 credits that may be allocated by the department under this section  
512 during a calendar year shall not exceed Sixteen Million Dollars  
513 (\$16,000,000.00). For calendar year 2021, and for each calendar  
514 year thereafter, fifty percent (50%) of the tax credits allocated  
515 during a calendar year shall be allocated for contributions to  
516 eligible charitable organizations described in subsection  
517 (1)(b)(i) of this section and fifty percent (50%) of the tax  
518 credits allocated during a calendar year shall be allocated for  
519 contributions to eligible charitable organizations described in



520 subsection (1)(b)(ii) of this section. For calendar year 2022,  
521 and for each calendar year thereafter, of the amount of tax  
522 credits that may be allocated for contributions to eligible  
523 charitable organizations described in subsection (1)(b)(ii) of  
524 this section, fifteen percent (15%) of the tax credits shall be  
525 available solely for allocation for contributions to eligible  
526 charitable organizations described in subsection (1)(b)(ii)2;  
527 however, any such tax credits not allocated before April 1 of a  
528 calendar year may be allocated for contributions to eligible  
529 charitable organizations described in subsection (1)(b)(ii)1 of  
530 this section. For calendar year 2021, and for each calendar year  
531 thereafter, for credits allocated during a calendar year for  
532 contributions to eligible charitable organizations described in  
533 subsection (1)(b)(i) of this section, no more than twenty-five  
534 percent (25%) of such credits may be allocated for contributions  
535 to a single eligible charitable organization. Except as otherwise  
536 provided in this section, for calendar year 2021, and for each  
537 calendar year thereafter, for credits allocated during a calendar  
538 year for contributions to eligible charitable organizations  
539 described in subsection (1)(b)(ii) of this section, no more than  
540 five percent (5%) of such credits may be allocated for  
541 contributions to a single eligible charitable organization.  
542 However, for calendar year 2022, of the additional amount of tax  
543 credits authorized under this section, as amended by Chapter 480,  
544 Laws of 2021, for allocation for contributions to eligible



545 charitable organizations described in subsection (1)(b)(ii) of  
546 this section, Two Million Dollars (\$2,000,000.00) of the tax  
547 credits shall be available solely for allocation for contributions  
548 to Magnolia Speech School; however, any such tax credits not  
549 allocated before April 1, 2022, may be allocated for contributions  
550 to eligible charitable organizations described in subsection  
551 (1)(b)(ii) of this section.

552         **SECTION 4.** This act shall take effect and be in force from  
553 and after July 1, 2022, and shall stand repealed on June 30, 2022.

