

By: Representative Porter

To: Ways and Means

HOUSE BILL NO. 1638

1 AN ACT TO AUTHORIZE A STATE INCOME TAX CREDIT FOR TAXPAYERS
 2 THAT ARE GROCERS AND RESTAURANTS FOR A PERCENTAGE OF THE COST OF
 3 FOOD THAT IS PURCHASED BY THE TAXPAYER IN THE COURSE OF THE
 4 TAXPAYER'S BUSINESS, NOT SOLD BY THE TAXPAYER AND DONATED BY THE
 5 TAXPAYER TO ENTITIES IN THIS STATE SUCH AS HOMELESS SHELTERS,
 6 FOSTER CARE SHELTERS, DOMESTIC VIOLENCE SHELTERS, AND CHARITABLE
 7 ORGANIZATIONS THAT OPERATE FOOD BANKS, FOOD PANTRIES OR FOOD
 8 LINES; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** A credit is allowed against the tax imposed by
 11 this chapter to a taxpayer that is a grocer or restaurant located
 12 in this state in the amount of twenty percent (20%) of the cost of
 13 food that is (a) purchased by the taxpayer in the course of the
 14 taxpayer's business, (b) not sold by the taxpayer and (c) donated
 15 by the taxpayer, regardless of whether in prepared or unprepared
 16 form, to an entity in this state such as a homeless shelter,
 17 foster care shelter, domestic violence shelter, and/or charitable
 18 organization in this state that is exempt from federal income
 19 taxation under Section 501(c)(3) of the Internal Revenue Code and
 20 operates a food bank or food pantry or food lines. The tax credit
 21 shall not exceed the amount of tax imposed upon the taxpayer for



22 the taxable year reduced by the sum of all other credits allowable
23 to the taxpayer under this chapter, except credit for tax payments
24 made by or on behalf of the taxpayer. Any tax credit claimed
25 under this section but not used in a taxable year may be carried
26 forward for five (5) years from the close of the taxable year in
27 which the credit was earned.

28 **SECTION 2.** Section 1 of this act shall be codified as a new
29 section in Chapter 7, Title 27, Mississippi Code of 1972.

30 **SECTION 3.** Nothing in this act shall affect or defeat any
31 claim, assessment, appeal, suit, right or cause of action for
32 taxes due or accrued under the income tax laws before the date on
33 which this act becomes effective, whether such claims,
34 assessments, appeals, suits or actions have been begun before the
35 date on which this act becomes effective or are begun thereafter;
36 and the provisions of the income tax laws are expressly continued
37 in full force, effect and operation for the purpose of the
38 assessment, collection and enrollment of liens for any taxes due
39 or accrued and the execution of any warrant under such laws before
40 the date on which this act becomes effective, and for the
41 imposition of any penalties, forfeitures or claims for failure to
42 comply with such laws.

43 **SECTION 4.** This act shall take effect and be in force from
44 and after January 1, 2023.

