

By: Representatives Yancey, Bain, Barnett,
Deweese, Guice, Newman, Roberson, Shanks,
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To: Ways and Means

HOUSE BILL NO. 1681

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR A TAXPAYER
2 CLAIMING A HOMESTEAD EXEMPTION WHO ALSO OWNS CLASS II PROPERTY
3 THAT WOULD QUALIFY AS CLASS I PROPERTY IF THE TAXPAYER HAD CLAIMED
4 A VALID HOMESTEAD EXEMPTION ON THE PROPERTY; TO PROVIDE FOR THE
5 AMOUNT OF THE INCOME TAX CREDIT AUTHORIZED BY THIS ACT; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** (1) A taxpayer claiming an exemption under
9 Section 27-33-75 who also owns eligible property, and has ad
10 valorem tax liability on such property, is allowed a credit
11 against the taxes imposed under this chapter. The amount of the
12 credit shall be equal to the difference between the taxpayer's ad
13 valorem tax liability on the eligible property and what the
14 taxpayer's ad valorem tax liability on the eligible property would
15 have been if the property had been assessed as Class I property.
16 However, the tax credit provided in this section shall not exceed
17 the amount of tax imposed upon the taxpayer for the taxable year
18 reduced by the sum of all other credits allowable to the taxpayer
19 under this chapter, except credit for tax payments made by or on
20 behalf of the taxpayer. Any tax credit claimed under this section



21 but not used in any taxable year may be carried forward for five
22 (5) consecutive years from the close of the tax year in which the
23 credit was earned. For the purposes of this section, "eligible
24 property" means Class II property owned by a taxpayer and used by
25 the taxpayer for residential purposes and which would qualify for
26 an exemption under Section 27-33-75 if the taxpayer had claimed a
27 valid exemption on the property under Section 27-33-75.

28 (2) Any amount of ad valorem taxes paid by a taxpayer that
29 is applied toward the tax credit allowed in this section may not
30 be used as a deduction by the taxpayer for state income tax
31 purposes.

32 **SECTION 2.** Nothing in this act shall affect or defeat any
33 claim, assessment, appeal, suit, right or cause of action for
34 taxes due or accrued under the income tax laws before the date on
35 which this act becomes effective, whether such claims,
36 assessments, appeals, suits or actions have been begun before the
37 date on which this act becomes effective or are begun thereafter;
38 and the provisions of the income tax laws are expressly continued
39 in full force, effect and operation for the purpose of the
40 assessment, collection and enrollment of liens for any taxes due
41 or accrued and the execution of any warrant under such laws before
42 the date on which this act becomes effective, and for the
43 imposition of any penalties, forfeitures or claims for failure to
44 comply with such laws.



45 **SECTION 3.** Section 1 of this act shall be codified as a new
46 section in Chapter 7, Title 27, Mississippi Code of 1972.

47 **SECTION 4.** This act shall take effect and be in force from
48 and after January 1, 2022.

