

By: Representative Powell

To: Ways and Means

HOUSE BILL NO. 855

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR TAXPAYERS WHO  
2 INCUR COSTS FOR THE CONSTRUCTION, ACQUISITION OR INSTALLATION OF A  
3 STORM SHELTER OR SAFE ROOM FOR CERTAIN MULTI-FAMILY RESIDENTIAL  
4 PROPERTY; TO PROVIDE THE AMOUNT OF THE TAX CREDIT; AND FOR RELATED  
5 PURPOSES.

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

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

10 (a) "Storm shelter" or "safe room" means a hardened  
11 structure that:

12 (i) Is designed to provide critical protection  
13 during extreme wind events,

14 (ii) Is internally or externally located in  
15 relation to the qualified property, and

16 (iii) Has been certified by an inspector employed  
17 or licensed by the State of Mississippi, or the county or  
18 municipality in which the qualified property is located as having  
19 been constructed in compliance with International Code Council



20 500/National Storm Shelter Association Standard for the Design and  
21 Construction of Storm Shelters and any applicable building code  
22 requirements.

23 (b) "Qualified property" means property that is:

24 (i) Owned by a taxpayer and located in the State  
25 of Mississippi,

26 (ii) Designated as R-2 Occupancy multi-family  
27 residential use, and

28 (iii) A property for which a certificate of  
29 occupancy has been issued.

30 (2) (a) Subject to the provisions of this section, a  
31 taxpayer who incurs costs for the construction, acquisition and/or  
32 installation of a storm shelter or safe room for qualified  
33 property shall be allowed a credit against the taxes imposed under  
34 this chapter. The credit shall be for an amount equal to the  
35 lesser of (i) fifty percent (50%) of the costs incurred by the  
36 taxpayer for a storm shelter or safe room that is used at a  
37 qualified property and placed in service during the taxable year  
38 for which a credit is claimed or (ii) Twenty Thousand Dollars  
39 (\$20,000.00) of such costs for such a storm shelter or safe room.  
40 However, the tax credit shall not exceed the amount of tax imposed  
41 upon the taxpayer for the taxable year reduced by the sum of all  
42 other credits allowable to the taxpayer under this chapter, except  
43 credit for tax payments made by or on behalf of the taxpayer. Any  
44 tax credit claimed under this section but not used in any taxable



45 year may be carried forward for five (5) consecutive years from  
46 the close of the tax year in which the credit was earned. The  
47 maximum aggregate amount of tax credits that may be allocated  
48 under this section in a calendar year shall not exceed Five  
49 Million Dollars (\$5,000,000.00).

50 (b) A taxpayer shall apply for credits under this  
51 section with the department on forms prescribed by the department.  
52 In the application the taxpayer shall certify to the department  
53 the dollar amount of the costs incurred or to be incurred during  
54 the calendar year. Within thirty (30) days after the receipt of  
55 an application, the department shall allocate credits based on the  
56 dollar amount of costs as certified in the application. However,  
57 if the department cannot allocate the full amount of credits  
58 certified in the application due to the limit on the aggregate  
59 amount of credits that may be allocated under this section in a  
60 calendar year, the department shall so notify the applicant within  
61 thirty (30) days with the amount of credits, if any, that may be  
62 allocated to the applicant in the calendar year. Once the  
63 department has allocated credits to a taxpayer, if the costs for  
64 which a credit is allocated have not been incurred as of the date  
65 of the allocation, then the costs must be incurred not later than  
66 sixty (60) days from the date of the allocation. If the costs are  
67 not incurred within such time period, the allocation shall be  
68 cancelled and returned to the department for reallocation. Upon  
69 final documentation of the costs, if the actual dollar amount of



70 the costs is lower than the amount estimated, the department shall  
71 adjust the tax credit allowed under this section.

72 (c) Costs for which a credit is claimed under this  
73 section may not be used as a deduction by the taxpayer for state  
74 income tax purposes.

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

77 **SECTION 3.** This act shall take effect and be in force from  
78 and after January 1, 2024.

