

By: Representative Lamar

To: Ways and Means

HOUSE BILL NO. 1169
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-7-45, MISSISSIPPI CODE OF 1972, TO
2 PROVIDE THAT IF ANY OFFICER OR EMPLOYEE OF THE STATE OR A
3 POLITICAL SUBDIVISION THEREOF DOES NOT PAY STATE INCOME TAX BY
4 AUGUST 15 AFTER SUCH INCOME TAX BECOMES DUE AND PAYABLE, THE
5 OFFICER OR EMPLOYEE MAY ELECT TO HAVE TWENTY-FIVE PERCENT, INSTEAD
6 OF THE FULL AMOUNT, OF HIS WAGES, SALARY OR OTHER COMPENSATION
7 WITHHELD AND PAID TO THE DEPARTMENT OF REVENUE IN SATISFACTION OF
8 SUCH INCOME TAX, INTEREST AND PENALTY, IF ANY, UNTIL PAID IN FULL;
9 TO AMEND SECTION 7-7-43, MISSISSIPPI CODE OF 1972, IN CONFORMITY
10 THERETO; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 27-7-45, Mississippi Code of 1972, is
13 amended as follows:

14 27-7-45. (1) The tax levied by this article shall be paid
15 when the return is due except as hereinafter provided.

16 (2) (a) If any officer or employee of the State of
17 Mississippi, or any political subdivision thereof, * * * is in
18 arrears in child support payments for thirty (30) days after such
19 payments become due and payable, his wages, salary or other
20 compensation shall be withheld and paid to the * * * Department of
21 Human Services * * * in satisfaction of * * * any child support
22 arrearage until paid in full. This provision shall apply to any



23 installments of * * * child support due, after the first
24 installment, to require payment of the entire balance of child
25 support * * * due, plus interest and penalty, if any, before an
26 officer or employee of the State of Mississippi, or any political
27 subdivision thereof, is eligible to draw any salary or other
28 emoluments of office. * * * The Department of Human Services is
29 required to furnish the officer's or the employee's employer, or
30 other appropriate officer of the State of Mississippi or its
31 political subdivision, as the case may be, with notice that child
32 support payments have not been made. This notice shall serve as a
33 lien or attachment upon any salary or compensation due any
34 employee or officer, disregard of this notice creating personal
35 liability against such officer for the full amount * * * due, plus
36 interest and penalty. * * * Regardless of the amount designated
37 in the Department of Human Service's notice for withholding and
38 regardless of other fees imposed or amounts withheld pursuant to
39 this section, the payor shall not deduct from the income of the
40 officer or employee in excess of the amounts allowed under Section
41 303(b) of the Consumer Credit Protection Act, being 15 USCS 1673,
42 as amended.

43 (b) If any officer or employee of the State of
44 Mississippi, or any political subdivision thereof, does not pay
45 his or her state income tax on or before August 15 after such
46 income tax becomes due and payable, his or her wages, salary or
47 other compensation shall be withheld and paid to the Department of



48 Revenue in satisfaction of such income tax, interest and penalty,
49 if any, until paid in full, unless the officer or employee elects
50 under this paragraph (b) to have a lesser amount withheld. This
51 provision shall apply to any installments of income tax after the
52 first installment, to require payment of the entire balance of tax
53 due, plus interest and penalty, if any. The Commissioner of
54 Revenue is required to furnish the State Fiscal Officer, chancery
55 clerk, city clerk or other appropriate fiscal officer of a
56 political subdivision, as the case may be, with notice that income
57 taxes have not been paid. This notice shall serve as a lien or
58 attachment upon any salary or compensation due any employee or
59 officer, disregard of this notice creating personal liability
60 against such officer for the full amount of the income tax due,
61 plus interest and penalty. Upon receipt of such notice from the
62 Commissioner of Revenue, the State Fiscal Officer, chancery clerk,
63 city clerk or other appropriate fiscal officer of a political
64 subdivision, as the case may be, shall notify the officer or
65 employee of such nonpayment of income taxes and allow the officer
66 or employee to elect to have twenty-five percent (25%), instead of
67 the full amount, of his or her wages withheld and paid to the
68 Department of Revenue in satisfaction of such income tax, interest
69 and penalty, if any, until paid in full. If the officer or
70 employee does not make such an election, then his or her wages,
71 salary or other compensation shall be withheld and paid to the
72 Department of Revenue in satisfaction of such income tax, interest



73 and penalty, if any, until paid in full. The Department of
74 Revenue, in its discretion, may waive the provisions of this
75 paragraph (b) on behalf of any public officer or employee in the
76 event of an extended personal illness, an extended illness in his
77 or her immediate family or other emergency.

78 (3) The tax or child support payment may be paid with
79 uncertified check during such time and under such regulations as
80 the commissioner or the Department of Human Services shall
81 prescribe, but if the check so received is not paid by the bank on
82 which it is drawn, the officer or employee for whom such check is
83 tendered shall remain liable for the payment of the tax, child
84 support payment and for all penalties, the same as if such check
85 had not been tendered.

86 (4) If a corporation is subject to LIFO recapture pursuant
87 to Section 1363(d) of the Code, then:

88 (a) Any increase in the tax imposed by Section 27-7-5
89 by reason of the inclusion of the LIFO recapture amount in its
90 income shall be payable in four (4) equal installments;

91 (b) The first installment shall be paid on or before
92 the due date (determined without regard to extensions) for filing
93 the return for the first taxable year for which the corporation
94 was subject to the LIFO recapture;

95 (c) The three (3) succeeding installments shall be paid
96 on or before the due date (determined without regard to



97 extensions) for filing the corporation's return for the three (3)
98 succeeding taxable years; and

99 (d) For purposes of computing interest on
100 underpayments, the last three (3) installments shall not be
101 considered underpayments until after the payment due date
102 specified above.

103 (5) For purposes of this section, a political subdivision
104 includes, but is not limited to, a county or separate school
105 district, institution of higher learning, state college or
106 university, or state community college.

107 (6) The tax levied by this article and paid by a business
108 enterprise located in a redevelopment project area under Sections
109 57-91-1 through 57-91-11 shall be deposited into the Redevelopment
110 Project Incentive Fund created in Section 57-91-9.

111 **SECTION 2.** Section 7-7-43, Mississippi Code of 1972, is
112 amended as follows:

113 7-7-43. (1) Except as otherwise provided in this section,
114 the State Fiscal Officer, any chancery or city clerk, or the
115 fiscal officer of any county or separate school district,
116 institution of higher learning, state college, university or state
117 community college, shall not issue any warrant upon any allowance
118 made to, or claim in favor of, any person, his agent, or assignee
119 who shall be indebted to the state, or against whom there shall be
120 any balance appearing in favor of the state; but such officer



121 shall allow such debtor a credit on his account for such allowance
122 or claim.

123 (2) For state tax claims, the * * * Commissioner of Revenue
124 is required to furnish the appropriate fiscal officer with notice
125 that state taxes have not been paid. This notice shall serve as a
126 stop order or order for the lesser amount provided in Section
127 27-7-45(2)(b), as the case may be, upon any allowance made to, or
128 claim in favor of, any person, his agent, or assignee who shall be
129 indebted to the state, or any political subdivision thereof, or
130 against whom there shall be any balance appearing in favor of the
131 state or any political subdivision thereof. Disregard of the
132 order notice shall create a personal liability against such fiscal
133 officer for the full amount of state taxes due, plus interest and
134 penalty.

135 **SECTION 3.** This act shall take effect and be in force from
136 and after July 1, 2023.

