

By: Representative Cockerham

To: Ways and Means

HOUSE BILL NO. 1268

1 AN ACT TO AMEND SECTION 27-7-22.32, MISSISSIPPI CODE OF 1972,
2 WHICH AUTHORIZES AN INCOME TAX CREDIT FOR EXPENSES INCURRED FOR
3 THE ADOPTION OF A CHILD, TO INCREASE THE AMOUNT OF THE CREDIT AND
4 TO EXTEND THE DATE OF THE REVERTER ON THE PROVISION OF LAW THAT
5 INCREASES THE MAXIMUM AMOUNT OF THE TAX CREDIT AND THE PROVISION
6 THAT AUTHORIZES AN INCOME TAX CREDIT FOR A CHILD ADOPTED THROUGH
7 THE MISSISSIPPI DEPARTMENT OF CHILD PROTECTION SERVICES; AND FOR
8 RELATED PURPOSES.

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

10 **SECTION 1.** Section 27-7-22.32, Mississippi Code of 1972, is
11 amended as follows:

12 **[Through December 31, * * * 2026, this section shall read as**
13 **follows:]**

14 27-7-22.32. (1) (a) There shall be allowed as a credit
15 against the tax imposed by this chapter the amount of the
16 qualified adoption expenses paid or incurred, not to exceed Two
17 Thousand Five Hundred Dollars (\$2,500.00), for each dependent
18 child legally adopted by a taxpayer under the laws of this state
19 during calendar year 2006 or during any calendar year thereafter
20 through calendar year 2017, * * * not to exceed Five Thousand
21 Dollars (\$5,000.00) for each dependent child legally adopted by a



22 taxpayer under the laws of this state during any calendar year
23 thereafter through calendar year 2022, and not to exceed Seven
24 Thousand Five Hundred Dollars (\$7,500.00) for each dependent child
25 legally adopted by a taxpayer under the laws of this state during
26 any calendar year thereafter. A taxpayer claiming a credit under
27 this paragraph (a) may not claim a credit under paragraph (b) of
28 this subsection for the adoption of the same child.

29 (b) There shall be allowed as a credit against the tax
30 imposed by this chapter the amount of Five Thousand Dollars
31 (\$5,000.00) for each dependent child legally adopted by a taxpayer
32 under the laws of this state through the Mississippi Department of
33 Child Protection Services during calendar year 2018 or during any
34 calendar year thereafter through calendar year 2022, and the
35 amount of Seven Thousand Five Hundred Dollars (\$7,500.00) for each
36 dependent child legally adopted by a taxpayer under the laws of
37 this state through the Mississippi Department of Child Protection
38 Services during any calendar year thereafter. A taxpayer claiming
39 a credit under this paragraph (b) may not claim a credit under
40 paragraph (a) of this subsection for the adoption of the same
41 child.

42 (2) The tax credit under this section may be claimed for the
43 taxable year in which the adoption becomes final under the laws of
44 this state. Any tax credit claimed under this section but not
45 used in any taxable year may be carried forward for the five (5)
46 succeeding tax years. A tax credit is allowed under this section



47 for any child for which an exemption is claimed during the same
48 taxable year under Section 27-7-21(e). For the purposes of this
49 section, the term "qualified adoption expenses" means and has the
50 same definition as that term has in 26 USCS * * * 23.

51 **[From and after January 1, * * * 2027, this section shall**
52 **read as follows:]**

53 27-7-22.32. There shall be allowed as a credit against the
54 tax imposed by this chapter the amount of the qualified adoption
55 expenses paid or incurred, not to exceed Two Thousand Five Hundred
56 Dollars (\$2,500.00), for each dependent child legally adopted by a
57 taxpayer under the laws of this state during calendar year 2006 or
58 during any calendar year thereafter. The tax credit under this
59 section may be claimed for the taxable year in which the adoption
60 becomes final under the laws of this state. Any tax credit
61 claimed under this section but not used in any taxable year may be
62 carried forward for the three (3) succeeding tax years. A tax
63 credit is allowed under this section for any child for which an
64 exemption is claimed during the same taxable year under Section
65 27-7-21(e). For the purposes of this section, the term "qualified
66 adoption expenses" means and has the same definition as that term
67 has in 26 USCS * * * 23.

68 **SECTION 2.** Nothing in this act shall affect or defeat any
69 claim, assessment, appeal, suit, right or cause of action for
70 taxes due or accrued under the income tax laws before the date on
71 which this act becomes effective, whether such claims,



72 assessments, appeals, suits or actions have been begun before the
73 date on which this act becomes effective or are begun thereafter;
74 and the provisions of the income tax laws are expressly continued
75 in full force, effect and operation for the purpose of the
76 assessment, collection and enrollment of liens for any taxes due
77 or accrued and the execution of any warrant under such laws before
78 the date on which this act becomes effective, and for the
79 imposition of any penalties, forfeitures or claims for failure to
80 comply with such laws.

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

