

By: Representatives Gunn, Lamar, Felsher,
Williamson, Hopkins, Eubanks, Boyd (19th),
Miles

To: Ways and Means

HOUSE BILL NO. 1671

1 AN ACT TO AMEND SECTION 27-7-22.43, MISSISSIPPI CODE OF 1972,
2 WHICH PROVIDES AN INCOME TAX CREDIT, INSURANCE PREMIUM TAX CREDIT
3 AND AD VALOREM TAX CREDIT FOR CONTRIBUTIONS MADE BY CERTAIN
4 TAXPAYERS TO CERTAIN ELIGIBLE CHARITABLE ORGANIZATIONS UNDER THE
5 PREGNANCY RESOURCE ACT, TO INCREASE THE AMOUNT OF CREDITS THAT MAY
6 BE ALLOCATED BY THE DEPARTMENT OF REVENUE UNDER THIS SECTION; TO
7 REVISE THE TAXPAYERS ELIGIBLE FOR AN AD VALOREM TAX CREDIT FOR
8 SUCH CONTRIBUTIONS; TO AMEND SECTION 27-7-22.32, MISSISSIPPI CODE
9 OF 1972, WHICH AUTHORIZES AN INCOME TAX CREDIT FOR EXPENSES
10 INCURRED FOR THE ADOPTION OF A CHILD, TO INCREASE THE AMOUNT OF
11 THE CREDIT AND TO DELETE THE REVERTER ON THE PROVISION OF LAW THAT
12 INCREASES THE MAXIMUM AMOUNT OF THE TAX CREDIT FROM \$2,500 TO
13 \$5,000 PER CHILD AND THE PROVISION THAT AUTHORIZES AN INCOME TAX
14 CREDIT FOR A CHILD ADOPTED THROUGH THE MISSISSIPPI DEPARTMENT OF
15 CHILD PROTECTION SERVICES; TO AMEND SECTION 27-7-22.39,
16 MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES INCOME TAX CREDITS FOR
17 VOLUNTARY CASH CONTRIBUTIONS TO QUALIFYING CHARITABLE
18 ORGANIZATIONS AND QUALIFYING FOSTER CARE CHARITABLE ORGANIZATIONS,
19 TO REVISE THE AMOUNT OF CREDIT THAT A TAXPAYER IS ALLOWED TO CLAIM
20 FOR SUCH A VOLUNTARY CASH CONTRIBUTION; TO AMEND SECTION
21 27-7-22.41, MISSISSIPPI CODE OF 1972, WHICH PROVIDES AN INCOME TAX
22 CREDIT, INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX CREDIT FOR
23 CONTRIBUTIONS MADE BY CERTAIN TAXPAYERS TO CERTAIN ELIGIBLE
24 CHARITABLE ORGANIZATIONS, TO REVISE THE TAXPAYERS ELIGIBLE FOR AN
25 AD VALOREM TAX CREDIT FOR SUCH CONTRIBUTIONS; TO INCREASE THE
26 AMOUNT OF CREDITS THAT MAY BE ALLOCATED BY THE DEPARTMENT OF
27 REVENUE DURING A CALENDAR YEAR UNDER THIS SECTION; TO AUTHORIZE AN
28 INCOME TAX CREDIT, INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX
29 CREDIT FOR VOLUNTARY CASH CONTRIBUTIONS BY TAXPAYERS TO ELIGIBLE
30 TRANSITIONAL HOME ORGANIZATIONS; TO LIMIT THE AMOUNT OF THE TAX
31 CREDIT; TO PROVIDE THAT UNUSED PORTIONS OF A TAX CREDIT MAY BE
32 CARRIED FORWARD FOR FIVE CONSECUTIVE YEARS FROM THE CLOSE OF THE
33 TAX YEAR IN WHICH THE CREDIT WAS EARNED; TO PROVIDE THE CRITERIA
34 THAT AN ELIGIBLE TRANSITIONAL HOME ORGANIZATION MUST MEET IN ORDER



35 FOR A CONTRIBUTION TO THE ORGANIZATION TO QUALIFY FOR A TAX CREDIT
36 AUTHORIZED BY THIS ACT; TO AUTHORIZE AN INCOME TAX CREDIT,
37 INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX CREDIT FOR
38 VOLUNTARY CASH CONTRIBUTIONS BY TAXPAYERS TO ELIGIBLE CHARITABLE
39 ORGANIZATIONS; TO LIMIT THE AMOUNT OF THE TAX CREDIT; TO PROVIDE
40 THAT UNUSED PORTIONS OF A TAX CREDIT MAY BE CARRIED FORWARD FOR
41 FIVE CONSECUTIVE YEARS FROM THE CLOSE OF THE TAX YEAR IN WHICH THE
42 CREDIT WAS EARNED; TO PROVIDE THE CRITERIA THAT AN ELIGIBLE
43 CHARITABLE ORGANIZATION MUST MEET IN ORDER FOR A CONTRIBUTION TO
44 THE ORGANIZATION TO QUALIFY FOR A TAX CREDIT AUTHORIZED BY THIS
45 ACT; TO AUTHORIZE AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS
46 CLAIMING A FEDERAL INCOME TAX CREDIT FOR CERTAIN DEPENDENT CARE
47 EXPENSES; TO PROVIDE THE AMOUNT OF THE CREDIT; TO AUTHORIZE A
48 CREDIT AGAINST INCOME AND INSURANCE PREMIUM TAXES FOR VOLUNTARY
49 CASH CONTRIBUTIONS BY CERTAIN BUSINESS ENTERPRISES TO CERTAIN
50 TAX-EXEMPT ORGANIZATIONS PURCHASING, WAREHOUSING AND DELIVERING
51 FOOD DIRECTLY TO FOOD PANTRIES OR SOUP KITCHENS IN MORE THAN FIVE
52 MISSISSIPPI COUNTIES ON A MONTHLY BASIS; TO AUTHORIZE A CREDIT
53 AGAINST AD VALOREM TAXES ON REAL PROPERTY FOR SUCH CONTRIBUTIONS
54 BY CERTAIN BUSINESS ORGANIZATIONS NOT OPERATING AS CORPORATIONS;
55 TO LIMIT THE AMOUNT OF THE CREDIT; TO ALLOW EXCESS AMOUNTS OF THE
56 CREDIT TO BE CARRIED FORWARD FOR FIVE CONSECUTIVE YEARS; AND FOR
57 RELATED PURPOSES.

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

59 **SECTION 1.** Section 27-7-22.43, Mississippi Code of 1972, is
60 amended as follows:

61 27-7-22.43. (1) This section shall be known and may be
62 cited as the "Pregnancy Resource Act."

63 (2) For the purposes of this section, the following words
64 and phrases shall have the meanings ascribed in this section
65 unless the context clearly indicates otherwise:

66 (a) "Department" means the Department of Revenue.

67 (b) "Eligible charitable organization" means an
68 organization that is exempt from federal income taxation under
69 Section 501(c)(3) of the Internal Revenue Code and is a pregnancy
70 resource center or crisis pregnancy center eligible to receive



71 funding disbursed by the Choose Life Advisory Committee under
72 Section 27-19-56.70, 27-19-56.277 and/or 27-19-56.412.

73 (3) (a) The tax credit authorized in this section shall be
74 available only to a taxpayer who is a business enterprise engaged
75 in commercial, industrial or professional activities and operating
76 as a corporation, limited liability company, partnership or sole
77 proprietorship. Except as otherwise provided in this section, a
78 credit is allowed against the taxes imposed by Sections 27-7-5,
79 27-15-103, 27-15-109 and 27-15-123, for voluntary cash
80 contributions made by a taxpayer during the taxable year to an
81 eligible charitable organization. For calendar year 2022, for a
82 taxpayer that is not operating as a corporation, a credit is also
83 allowed against ad valorem taxes assessed and levied on real
84 property for voluntary cash contributions made by the taxpayer
85 during the taxable year to an eligible charitable organization.
86 From and after January 1, 2023, a credit is also allowed against
87 ad valorem taxes assessed and levied on real property for
88 voluntary cash contributions made by a taxpayer during the taxable
89 year to an eligible charitable organization. The amount of credit
90 that may be utilized by a taxpayer in a taxable year shall be
91 limited to (i) an amount not to exceed fifty percent (50%) of the
92 total tax liability of the taxpayer for the taxes imposed by such
93 sections of law and (ii) an amount not to exceed fifty percent
94 (50%) of the total tax liability of the taxpayer for ad valorem
95 taxes assessed and levied on real property. Any tax credit



96 claimed under this section but not used in any taxable year may be
97 carried forward for five (5) consecutive years from the close of
98 the tax year in which the credits were earned.

99 (b) A contribution for which a credit is claimed under
100 this section may not be used as a deduction by the taxpayer for
101 state income tax purposes.

102 (4) Taxpayers taking a credit authorized by this section
103 shall provide the name of the eligible charitable organization and
104 the amount of the contribution to the department on forms provided
105 by the department.

106 (5) An eligible charitable organization shall provide the
107 department with a written certification that it meets all criteria
108 to be considered an eligible charitable organization. The
109 organization shall also notify the department of any changes that
110 may affect eligibility under this section.

111 (6) The eligible charitable organization's written
112 certification must be signed by an officer of the organization
113 under penalty of perjury. The written certification shall include
114 the following:

115 (a) Verification of the organization's status under
116 Section 501(c)(3) of the Internal Revenue Code;

117 (b) A statement that the organization does not provide,
118 pay for or provide coverage of abortions and does not financially
119 support any other entity that provides, pays for or provides
120 coverage of abortions;



121 (c) Any other information that the department requires
122 to administer this section.

123 (7) The department shall review each written certification
124 and determine whether the organization meets all the criteria to
125 be considered an eligible charitable organization and notify the
126 organization of its determination. The department may also
127 periodically request recertification from the organization. The
128 department shall compile and make available to the public a list
129 of eligible charitable organizations.

130 (8) Tax credits authorized by this section that are earned
131 by a partnership, limited liability company, S corporation or
132 other similar pass-through entity, shall be allocated among all
133 partners, members or shareholders, respectively, either in
134 proportion to their ownership interest in such entity or as the
135 partners, members or shareholders mutually agree as provided in an
136 executed document.

137 (9) (a) A taxpayer shall apply for credits with the
138 department on forms prescribed by the department. In the
139 application the taxpayer shall certify to the department the
140 dollar amount of the contributions made or to be made during the
141 calendar year. Within thirty (30) days after the receipt of an
142 application, the department shall allocate credits based on the
143 dollar amount of contributions as certified in the application.
144 However, if the department cannot allocate the full amount of
145 credits certified in the application due to the limit on the



146 aggregate amount of credits that may be awarded under this section
147 in a calendar year, the department shall so notify the applicant
148 within thirty (30) days with the amount of credits, if any, that
149 may be allocated to the applicant in the calendar year. Once the
150 department has allocated credits to a taxpayer, if the
151 contribution for which a credit is allocated has not been made as
152 of the date of the allocation, then the contribution must be made
153 not later than sixty (60) days from the date of the allocation.
154 If the contribution is not made within such time period, the
155 allocation shall be cancelled and returned to the department for
156 reallocation. Upon final documentation of the contributions, if
157 the actual dollar amount of the contributions is lower than the
158 amount estimated, the department shall adjust the tax credit
159 allowed under this section.

160 (b) For the purposes of using a tax credit against ad
161 valorem taxes assessed and levied on real property, a taxpayer
162 shall present to the appropriate tax collector the tax credit
163 documentation provided to the taxpayer by the Department of
164 Revenue, and the tax collector shall apply the tax credit against
165 such ad valorem taxes. The tax collector shall forward the tax
166 credit documentation to the Department of Revenue along with the
167 amount of the tax credit applied against ad valorem taxes, and the
168 department shall disburse funds to the tax collector for the
169 amount of the tax credit applied against ad valorem taxes. Such



170 payments by the Department of Revenue shall be made from current
171 tax collections.

172 (10) The aggregate amount of tax credits that may be
173 allocated by the department under this section during a calendar
174 year shall not exceed Three Million Five Hundred Thousand Dollars
175 (\$3,500,000.00). However, for calendar year 2023, and for each
176 calendar year thereafter, the aggregate amount of tax credits that
177 may be allocated by the department under this section during a
178 calendar year shall not exceed Ten Million Dollars
179 (\$10,000,000.00). For credits allocated during a calendar year
180 for contributions to eligible charitable organizations, no more
181 than fifty percent (50%) of such credits may be allocated for
182 contributions to a single eligible charitable organization.

183 **SECTION 2.** Section 27-7-22.32, Mississippi Code of 1972, is
184 amended as follows:

185 * * *

186 27-7-22.32. (1) (a) There shall be allowed as a credit
187 against the tax imposed by this chapter the amount of the
188 qualified adoption expenses paid or incurred, not to exceed Two
189 Thousand Five Hundred Dollars (\$2,500.00), for each dependent
190 child legally adopted by a taxpayer under the laws of this state
191 during calendar year 2006 or during any calendar year thereafter
192 through calendar year 2017, * * * not to exceed Five Thousand
193 Dollars (\$5,000.00) for each dependent child legally adopted by a
194 taxpayer under the laws of this state during any calendar year



195 thereafter through calendar year 2022, and not to exceed Ten
196 Thousand Dollars (\$10,000.00) for each dependent child legally
197 adopted by a taxpayer under the laws of this state during any
198 calendar year thereafter. A taxpayer claiming a credit under this
199 paragraph (a) may not claim a credit under paragraph (b) of this
200 subsection for the adoption of the same child.

201 (b) There shall be allowed as a credit against the tax
202 imposed by this chapter the amount of Five Thousand Dollars
203 (\$5,000.00) for each dependent child legally adopted by a taxpayer
204 under the laws of this state through the Mississippi Department of
205 Child Protection Services during calendar year 2018 or during any
206 calendar year thereafter through calendar year 2022, and the
207 amount of Ten Thousand Dollars (\$10,000.00) for each dependent
208 child legally adopted by a taxpayer under the laws of this state
209 through the Mississippi Department of Child Protection Services
210 during any calendar year thereafter. A taxpayer claiming a credit
211 under this paragraph (b) may not claim a credit under paragraph
212 (a) of this subsection for the adoption of the same child.

213 (2) The tax credit under this section may be claimed for the
214 taxable year in which the adoption becomes final under the laws of
215 this state. Any tax credit claimed under this section but not
216 used in any taxable year may be carried forward for the five (5)
217 succeeding tax years. A tax credit is allowed under this section
218 for any child for which an exemption is claimed during the same
219 taxable year under Section 27-7-21(e). For the purposes of this



220 section, the term "qualified adoption expenses" means and has the
221 same definition as that term has in 26 USCS * * * 23.

222 * * *

223 **SECTION 3.** Section 27-7-22.39, Mississippi Code of 1972, is
224 amended as follows:

225 27-7-22.39. (1) As used in this section:

226 (a) "Low-income residents" means persons whose
227 household income is less than one hundred fifty percent (150%) of
228 the federal poverty level.

229 (b) "Qualifying charitable organization" means a
230 charitable organization that is exempt from federal income
231 taxation under Section 501(c)(3) of the Internal Revenue Code or
232 is a designated community action agency that receives community
233 services block grant program monies pursuant to 42 USC 9901. The
234 organization must spend at least fifty percent (50%) of its budget
235 on services to residents of this state who receive temporary
236 assistance for needy families benefits or low-income residents of
237 this state and their households or to children who have a chronic
238 illness or physical, intellectual, developmental or emotional
239 disability who are residents of this state. A charitable
240 organization that is exempt from federal income tax under Section
241 501(c)(3) of the Internal Revenue Code and that meets all other
242 requirements of this paragraph except that it does not spend at
243 least fifty percent (50%) of its overall budget in Mississippi may
244 be a qualifying charitable organization if it spends at least



245 fifty percent (50%) of its Mississippi budget on services to
246 qualified individuals in Mississippi and it certifies to the
247 department that one hundred percent (100%) of the voluntary cash
248 contributions from the taxpayer will be spent on services to
249 qualified individuals in Mississippi. Taxpayers choosing to make
250 donations through an umbrella charitable organization that
251 collects donations on behalf of member charities shall designate
252 that the donation be directed to a member charitable organization
253 that would qualify under this section on a stand-alone basis.
254 Qualifying charitable organization does not include any entity
255 that provides, pays for or provides coverage of abortions or that
256 financially supports any other entity that provides, pays for or
257 provides coverage of abortions.

258 (c) "Qualifying foster care charitable organization"
259 means a qualifying charitable organization that each operating
260 year provides services to at least one hundred (100) qualified
261 individuals in this state and spends at least fifty percent (50%)
262 of its budget on services to qualified individuals in this state.
263 A charitable organization that is exempt from federal income tax
264 under Section 501(c)(3) of the Internal Revenue Code and that
265 meets all other requirements of this paragraph except that it does
266 not spend at least fifty percent (50%) of its overall budget in
267 Mississippi may be a qualifying foster care charitable
268 organization if it spends at least fifty percent (50%) of its
269 Mississippi budget on services to qualified individuals in



270 Mississippi and it certifies to the department that one hundred
271 percent (100%) of the voluntary cash contributions from the
272 taxpayer will be spent on services to qualified individuals in
273 Mississippi. For the purposes of this paragraph, "qualified
274 individual" means a child in a foster care placement program
275 established by the Department of Child Protection Services, a
276 child placed under the Safe Families for Children model, or a
277 child at significant risk of entering a foster care placement
278 program established by the Department of Child Protection
279 Services.

280 (d) "Services" means:

281 (i) Cash assistance, medical care, child care,
282 food, clothing, shelter, and job-placement services or any other
283 assistance that is reasonably necessary to meet immediate basic
284 needs and that is provided and used in this state;

285 (ii) Job-training or education services or funding
286 for parents, foster parents or guardians; or (iii)
287 Job-training or education services or funding provided as part of
288 a foster care independent living program.

289 (2) (a) Except as provided in subsections (3) and (4) of
290 this section, a credit is allowed against the taxes imposed by
291 this chapter for voluntary cash contributions by the taxpayer
292 during the taxable year to a qualifying charitable organization,
293 other than a qualifying foster care charitable organization,
294 through calendar year 2022, not to exceed:



295 (* * *i) the lesser of Four Hundred Dollars (\$400.00)
296 or the amount of the contribution in any taxable year for a single
297 individual or a head of household.

298 (* * *ii) The lesser of Eight Hundred Dollars
299 (\$800.00) or the amount of the contribution in any taxable year
300 for a married couple filing a joint return.

301 (b) Except as provided in subsections (3) and (4) of
302 this section, from and after January 1, 2023, a credit is allowed
303 against the taxes imposed by this chapter for voluntary cash
304 contributions by the individual taxpayer during the taxable year
305 to a qualifying charitable organization, other than a qualifying
306 foster care charitable organization. A credit is also allowed
307 against ad valorem taxes assessed and levied on real property for
308 voluntary cash contributions made by the individual taxpayer
309 during the taxable year to a qualifying charitable organization,
310 other than a qualifying foster care charitable organization. The
311 amount of credit that may be utilized by a taxpayer in a taxable
312 year shall be limited to (i) an amount not to exceed fifty percent
313 (50%) of the total tax liability of the taxpayer for the taxes
314 imposed by this chapter and (ii) an amount not to exceed fifty
315 percent (50%) of the total tax liability of the taxpayer for ad
316 valorem taxes assessed and levied on real property. Any tax
317 credit claimed under this paragraph but not used in any taxable
318 year may be carried forward for five (5) consecutive years from
319 the close of the tax year in which the credits were earned.



320 (3) (a) A separate credit is allowed against the taxes
321 imposed by this chapter for voluntary cash contributions during
322 the taxable year to a qualifying foster care charitable
323 organization. A contribution to a qualifying foster care
324 charitable organization does not qualify for, and shall not be
325 included in, any credit amount under subsection (2) of this
326 section. If the voluntary cash contribution by the taxpayer is to
327 a qualifying foster care charitable organization, through calendar
328 year 2022, the credit shall not exceed:

329 (* * *i) the lesser of Five Hundred Dollars (\$500.00)
330 or the amount of the contribution in any taxable year for a single
331 individual or a head of household.

332 (* * *ii) The lesser of One Thousand Dollars
333 (\$1,000.00) or the amount of the contribution in any taxable year
334 for a married couple filing a joint return.

335 (b) From and after January 1, 2023, a separate credit
336 is allowed against the taxes imposed by this chapter for voluntary
337 cash contributions during the taxable year to a qualifying foster
338 care charitable organization. A credit is also allowed against ad
339 valorem taxes assessed and levied on real property for voluntary
340 cash contributions made by the individual taxpayer during the
341 taxable year to a qualifying foster care charitable organization.
342 The amount of credit that may be utilized by a taxpayer in a
343 taxable year shall be limited to (i) an amount not to exceed fifty
344 percent (50%) of the total tax liability of the taxpayer for the



345 taxes imposed by this chapter and (ii) an amount not to exceed
346 fifty percent (50%) of the total tax liability of the taxpayer for
347 ad valorem taxes assessed and levied on real property. Any tax
348 credit claimed under this paragraph but not used in any taxable
349 year may be carried forward for five (5) consecutive years from
350 the close of the tax year in which the credits were earned.

351 (4) Subsections (2) and (3) of this section provide separate
352 credits against taxes imposed by this chapter depending on the
353 recipients of the contributions. A taxpayer, including a married
354 couple filing a joint return, in the same taxable year, may either
355 or both:

356 (a) Contribute to a qualifying charitable organization,
357 other than a qualifying foster care charitable organization, and
358 claim a credit under subsection (2) of this section.

359 (b) Contribute to a qualifying foster care charitable
360 organization and claim a credit under subsection (3) of this
361 section.

362 (5) A husband and wife who file separate returns for a
363 taxable year in which they could have filed a joint return may
364 each claim only one-half (1/2) of the tax credit that would have
365 been allowed for a joint return.

366 (6) Except as otherwise provided in subsections (2) and (3)
367 of this section, if the allowable tax credit exceeds the taxes
368 otherwise due under this chapter on the claimant's income, or if
369 there are no taxes due under this chapter, the taxpayer may carry



370 forward the amount of the claim not used to offset the taxes under
371 this chapter for not more than five (5) consecutive taxable years'
372 income tax liability.

373 (7) The credit allowed by this section is in lieu of a
374 deduction pursuant to Section 170 of the Internal Revenue Code and
375 taken for state tax purposes.

376 (8) Taxpayers taking a credit authorized by this section
377 shall provide the name of the qualifying charitable organization
378 and the amount of the contribution to the department on forms
379 provided by the department.

380 (9) A qualifying charitable organization shall provide the
381 department with a written certification that it meets all criteria
382 to be considered a qualifying charitable organization. The
383 organization shall also notify the department of any changes that
384 may affect the qualifications under this section.

385 (10) The charitable organization's written certification
386 must be signed by an officer of the organization under penalty of
387 perjury. The written certification shall include the following:

388 (a) Verification of the organization's status under
389 Section 501(c)(3) of the Internal Revenue Code or verification
390 that the organization is a designated community action agency that
391 receives community services block grant program monies pursuant to
392 42 USC 9901.



393 (b) Financial data indicating the organization's budget
394 for the organization's prior operating year and the amount of that
395 budget spent on services to residents of this state who either:

396 (i) Receive temporary assistance for needy
397 families benefits;

398 (ii) Are low-income residents of this state;

399 (iii) Are children who have a chronic illness or
400 physical, intellectual, developmental or emotional disability; or

401 (iv) Are children in a foster care placement
402 program established by the Department of Child Protection
403 Services, children placed under the Safe Families for Children
404 model or children at significant risk of entering a foster care
405 placement program established by the Department of Child
406 Protection Services.

407 (c) A statement that the organization plans to continue
408 spending at least fifty percent (50%) of its budget on services to
409 residents of this state who receive temporary assistance for needy
410 families benefits, who are low-income residents of this state, who
411 are children who have a chronic illness or physical, intellectual,
412 developmental or emotional disability or who are children in a
413 foster care placement program established by the Department of
414 Child Protection Services, children placed under the Safe Families
415 for Children model or children at significant risk of entering a
416 foster care placement program established by the Department of
417 Child Protection Services. A charitable organization that is



418 exempt from federal income tax under Section 501(c)(3) of the
419 Internal Revenue Code and that meets all other requirements for a
420 qualifying charitable organization or qualifying foster care
421 charitable organization except that it does not spend at least
422 fifty percent (50%) of its overall budget in Mississippi shall
423 submit a statement that it spends at least fifty percent (50%) of
424 its Mississippi budget on services to qualified individuals in
425 Mississippi and that one hundred percent (100%) of the voluntary
426 cash contributions it receives from Mississippi taxpayers will be
427 spent on services to qualified individuals in Mississippi.

428 (d) In the case of a foster care charitable
429 organization, a statement that each operating year it provides
430 services to at least one hundred (100) qualified individuals in
431 this state.

432 (e) A statement that the organization does not provide,
433 pay for or provide coverage of abortions and does not financially
434 support any other entity that provides, pays for or provides
435 coverage of abortions.

436 (f) Any other information that the department requires
437 to administer this section.

438 (11) The department shall review each written certification
439 and determine whether the organization meets all the criteria to
440 be considered a qualifying charitable organization and notify the
441 organization of its determination. The department may also
442 periodically request recertification from the organization. The



443 department shall compile and make available to the public a list
444 of the qualifying charitable organizations.

445 (12) The aggregate amount of tax credits that may be awarded
446 under this section in any calendar year shall not exceed Three
447 Million Dollars (\$3,000,000.00). However, for calendar year 2021,
448 and for each calendar year thereafter, the aggregate amount of tax
449 credits that may be awarded under this section in any calendar
450 year shall not exceed One Million Dollars (\$1,000,000.00). In
451 addition, any tax credits not awarded under this section before
452 June 1, 2020, may be allocated during calendar year 2020 under
453 Section 27-7-22.41 for contributions by taxpayers to eligible
454 charitable organizations described in Section
455 27-7-22.41(1)(b)(ii) as provided under such section,
456 notwithstanding any limitation on the percentage of tax credits
457 that may be allocated for such contributions.

458 (13) A taxpayer shall apply for credits with the department
459 on forms prescribed by the department. In the application the
460 taxpayer shall certify to the department the dollar amount of the
461 contributions made or to be made during the calendar year. Within
462 thirty (30) days after the receipt of an application, the
463 department shall allocate credits based on the dollar amount of
464 contributions as certified in the application. However, if the
465 department cannot allocate the full amount of credits certified in
466 the application due to the limit on the aggregate amount of
467 credits that may be awarded under this section in a calendar year,



468 the department shall so notify the applicant within thirty (30)
469 days with the amount of credits, if any, that may be allocated to
470 the applicant in the calendar year. Once the department has
471 allocated credits to a taxpayer, if the contribution for which a
472 credit is allocated has not been made as of the date of the
473 allocation, then the contribution must be made not later than
474 sixty (60) days from the date of the allocation. If the
475 contribution is not made within such time period, the allocation
476 shall be cancelled and returned to the department for
477 reallocation. Upon final documentation of the contributions, if
478 the actual dollar amount of the contributions is lower than the
479 amount estimated, the department shall adjust the tax credit
480 allowed under this section.

481 (14) This section shall be repealed from and after January
482 1, 2025.

483 **SECTION 4.** Section 27-7-22.41, Mississippi Code of 1972, is
484 amended as follows:

485 27-7-22.41. (1) For the purposes of this section, the
486 following words and phrases shall have the meanings ascribed in
487 this section unless the context clearly indicates otherwise:

488 (a) "Department" means the Department of Revenue.

489 (b) "Eligible charitable organization" means an
490 organization that is exempt from federal income taxation under
491 Section 501(c)(3) of the Internal Revenue Code and is:



492 (i) Licensed by or under contract with the
493 Mississippi Department of Child Protection Services and provides
494 services for:

495 1. The prevention and diversion of children
496 from custody with the Department of Child Protection Services,

497 2. The safety, care and well-being of
498 children in custody with the Department of Child Protection
499 Services, or

500 3. The express purpose of creating permanency
501 for children through adoption; or

502 (ii) Certified by the department as an educational
503 services charitable organization that is accredited by a regional
504 accrediting organization and provides services to:

505 1. Children in a foster care placement
506 program established by the Department of Child Protection
507 Services, children placed under the Safe Families for Children
508 model, or children at significant risk of entering a foster care
509 placement program established by the Department of Child
510 Protection Services,

511 2. Children who have a chronic illness or
512 physical, intellectual, developmental or emotional disability, or

513 3. Children eligible for free or reduced
514 price meals programs under Section 37-11-7, or selected for
515 participation in the Promise Neighborhoods Program sponsored by
516 the U.S. Department of Education.



517 (2) (a) The tax credit authorized in this section shall be
518 available only to a taxpayer who is a business enterprise engaged
519 in commercial, industrial or professional activities and operating
520 as a corporation, limited liability company, partnership or sole
521 proprietorship. Except as otherwise provided in this section, a
522 credit is allowed against the taxes imposed by Sections 27-7-5,
523 27-15-103, 27-15-109 and 27-15-123, for voluntary cash
524 contributions made by a taxpayer during the taxable year to an
525 eligible charitable organization. * * * For calendar year 2022,
526 for a taxpayer that is not operating as a corporation, a credit is
527 also allowed against ad valorem taxes assessed and levied on real
528 property for voluntary cash contributions made by the taxpayer
529 during the taxable year to an eligible charitable organization.
530 From and after January 1, 2023, a credit is also allowed against
531 ad valorem taxes assessed and levied on real property for
532 voluntary cash contributions made by the taxpayer during the
533 taxable year to an eligible charitable organization. The amount
534 of credit that may be utilized by a taxpayer in a taxable year
535 shall be limited to (i) an amount not to exceed fifty percent
536 (50%) of the total tax liability of the taxpayer for the taxes
537 imposed by such sections of law and (ii) an amount not to exceed
538 fifty percent (50%) of the total tax liability of the taxpayer for
539 ad valorem taxes assessed and levied on real property. Any tax
540 credit claimed under this section but not used in any taxable year



541 may be carried forward for five (5) consecutive years from the
542 close of the tax year in which the credits were earned.

543 (b) A contribution to an eligible charitable
544 organization for which a credit is claimed under this section does
545 not qualify for and shall not be included in any credit that may
546 be claimed under Section 27-7-22.39.

547 (c) A contribution for which a credit is claimed under
548 this section may not be used as a deduction by the taxpayer for
549 state income tax purposes.

550 (3) Taxpayers taking a credit authorized by this section
551 shall provide the name of the eligible charitable organization and
552 the amount of the contribution to the department on forms provided
553 by the department.

554 (4) An eligible charitable organization shall provide the
555 department with a written certification that it meets all criteria
556 to be considered an eligible charitable organization. An eligible
557 charitable organization must also provide the department with
558 written documented proof of its license and/or written contract
559 with the Mississippi Department of Child Protection Services. The
560 organization shall also notify the department of any changes that
561 may affect eligibility under this section.

562 (5) The eligible charitable organization's written
563 certification must be signed by an officer of the organization
564 under penalty of perjury. The written certification shall include
565 the following:



566 (a) Verification of the organization's status under
567 Section 501(c) (3) of the Internal Revenue Code;

568 (b) A statement that the organization does not provide,
569 pay for or provide coverage of abortions and does not financially
570 support any other entity that provides, pays for or provides
571 coverage of abortions;

572 (c) A statement that the funds generated from the tax
573 credit shall be used for educational resources, staff and
574 expenditures and/or other purposes described in this section.

575 (d) Any other information that the department requires
576 to administer this section.

577 (6) The department shall review each written certification
578 and determine whether the organization meets all the criteria to
579 be considered an eligible charitable organization and notify the
580 organization of its determination. The department may also
581 periodically request recertification from the organization. The
582 department shall compile and make available to the public a list
583 of eligible charitable organizations.

584 (7) Tax credits authorized by this section that are earned
585 by a partnership, limited liability company, S corporation or
586 other similar pass-through entity, shall be allocated among all
587 partners, members or shareholders, respectively, either in
588 proportion to their ownership interest in such entity or as the
589 partners, members or shareholders mutually agree as provided in an
590 executed document.



591 (8) (a) A taxpayer shall apply for credits with the
592 department on forms prescribed by the department. In the
593 application the taxpayer shall certify to the department the
594 dollar amount of the contributions made or to be made during the
595 calendar year. Within thirty (30) days after the receipt of an
596 application, the department shall allocate credits based on the
597 dollar amount of contributions as certified in the application.
598 However, if the department cannot allocate the full amount of
599 credits certified in the application due to the limit on the
600 aggregate amount of credits that may be awarded under this section
601 in a calendar year, the department shall so notify the applicant
602 within thirty (30) days with the amount of credits, if any, that
603 may be allocated to the applicant in the calendar year. Once the
604 department has allocated credits to a taxpayer, if the
605 contribution for which a credit is allocated has not been made as
606 of the date of the allocation, then the contribution must be made
607 not later than sixty (60) days from the date of the allocation.
608 If the contribution is not made within such time period, the
609 allocation shall be cancelled and returned to the department for
610 reallocation. Upon final documentation of the contributions, if
611 the actual dollar amount of the contributions is lower than the
612 amount estimated, the department shall adjust the tax credit
613 allowed under this section.

614 (b) A taxpayer who applied for a tax credit under this
615 section during calendar year 2020, but who was unable to be



616 awarded the credit due to the limit on the aggregate amount of
617 credits authorized for calendar year 2020, shall be given priority
618 for tax credits authorized to be allocated to taxpayers under this
619 section by Section 27-7-22.39.

620 (c) For the purposes of using a tax credit against ad
621 valorem taxes assessed and levied on real property, a taxpayer
622 shall present to the appropriate tax collector the tax credit
623 documentation provided to the taxpayer by the Department of
624 Revenue, and the tax collector shall apply the tax credit against
625 such ad valorem taxes. The tax collector shall forward the tax
626 credit documentation to the Department of Revenue along with the
627 amount of the tax credit applied against ad valorem taxes, and the
628 department shall disburse funds to the tax collector for the
629 amount of the tax credit applied against ad valorem taxes. Such
630 payments by the Department of Revenue shall be made from current
631 tax collections.

632 (9) The aggregate amount of tax credits that may be
633 allocated by the department under this section during a calendar
634 year shall not exceed Five Million Dollars (\$5,000,000.00), and
635 not more than fifty percent (50%) of tax credits allocated during
636 a calendar year may be allocated for contributions to eligible
637 charitable organizations described in subsection (1)(b)(ii) of
638 this section. However, for calendar year 2021, the aggregate
639 amount of tax credits that may be allocated by the department
640 under this section during a calendar year shall not exceed Ten



641 Million Dollars (\$10,000,000.00), for calendar year 2022, the
642 aggregate amount of tax credits that may be allocated by the
643 department under this section during a calendar year shall not
644 exceed Sixteen Million Dollars (\$16,000,000.00), * * * for
645 calendar year 2023, * * * the aggregate amount of tax credits that
646 may be allocated by the department under this section during a
647 calendar year shall not exceed Eighteen Million Dollars
648 (\$18,000,000.00), and for calendar year 2024, and for each
649 calendar year thereafter, the aggregate amount of tax credits that
650 may be allocated by the department under this section during a
651 calendar year shall not exceed Twenty-four Million Dollars
652 (\$24,000,000.00). For calendar year 2021, and for each calendar
653 year thereafter, fifty percent (50%) of the tax credits allocated
654 during a calendar year shall be allocated for contributions to
655 eligible charitable organizations described in subsection
656 (1)(b)(i) of this section and fifty percent (50%) of the tax
657 credits allocated during a calendar year shall be allocated for
658 contributions to eligible charitable organizations described in
659 subsection (1)(b)(ii) of this section. For calendar year 2021,
660 and for each calendar year thereafter, for credits allocated
661 during a calendar year for contributions to eligible charitable
662 organizations described in subsection (1)(b)(i) of this section,
663 no more than twenty-five percent (25%) of such credits may be
664 allocated for contributions to a single eligible charitable
665 organization. Except as otherwise provided in this section, for



666 calendar year 2021, and for each calendar year thereafter, for
667 credits allocated during a calendar year for contributions to
668 eligible charitable organizations described in subsection
669 (1)(b)(ii) of this section, no more than four and one-half percent
670 (4-1/2%) of such credits may be allocated for contributions to a
671 single eligible charitable organization.

672 **SECTION 5.** (1) For the purposes of this section, the
673 following words and phrases shall have the meanings ascribed in
674 this section unless the context clearly indicates otherwise:

675 (a) "Department" means the Department of Revenue.

676 (b) "Eligible transitional home organization" means an
677 organization that is exempt from federal income taxation under
678 Section 501(c)(3) of the Internal Revenue Code that provides
679 transitional housing for homeless persons age twenty-five (25) and
680 under, homeless families and/or homeless and/or referred unwed
681 pregnant women.

682 "Eligible transitional home organization" does not include
683 any entity that provides, pays for or provides coverage of
684 abortions or that financially supports any other entity that
685 provides, pays for or provides coverage of abortions.

686 "Eligible transitional home organization" does not include
687 any entity that charges a fee for the services and/or benefits it
688 provides as an eligible transitional home organization. The
689 prohibition against charging a fee for services and/or benefits is
690 limited to services and benefits the entity provides as an



691 eligible transitional home organization and does not apply to any
692 other services and/or benefits the entity may provide to persons
693 not being served by the entity's transitional home services.

694 (c) "Transitional housing" means temporary housing the
695 purpose of which is to provide homeless persons age twenty-five
696 (25) and under, homeless families and/or homeless and/or referred
697 unwed pregnant women with temporary shelter and facilitate their
698 movement to permanent housing within an amount of time that the
699 eligible transitional home organization determines to be
700 appropriate.

701 "Transitional housing" includes a program designed by the
702 eligible transitional home organization that offers structure,
703 supervision, support, life skills, education and training as the
704 eligible transitional home organization determines to be
705 appropriate for each individual and/or family to achieve and/or
706 maintain independence.

707 (2) (a) (i) The tax credit authorized in this subsection
708 shall be available only to a taxpayer who is a business enterprise
709 engaged in commercial, industrial or professional activities and
710 operating as a corporation, limited liability company, partnership
711 or sole proprietorship. Except as otherwise provided in this
712 subsection, a credit is allowed against the taxes imposed by
713 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary
714 cash contributions made by a taxpayer during the taxable year to
715 an eligible transitional home organization. A credit is also



716 allowed against ad valorem taxes assessed and levied on real
717 property for voluntary cash contributions made by the taxpayer
718 during the taxable year to an eligible transitional home
719 organization. The amount of credit that may be utilized by a
720 taxpayer in a taxable year shall be limited to an amount not to
721 exceed fifty percent (50%) of the total tax liability of the
722 taxpayer for the taxes imposed by such sections of law and an
723 amount not to exceed fifty percent (50%) of the total tax
724 liability of the taxpayer for ad valorem taxes assessed and levied
725 on real property. Any tax credit claimed under this subsection
726 but not used in any taxable year may be carried forward for five
727 (5) consecutive years from the close of the tax year in which the
728 credits were earned.

729 (ii) A contribution to an eligible transitional
730 home organization for which a credit is claimed under this
731 subsection does not qualify for and shall not be included in any
732 credit that may be claimed under subsection (3) of this section.

733 (iii) A contribution for which a credit is claimed
734 under this subsection may not be used as a deduction by the
735 taxpayer for state income tax purposes.

736 (b) Taxpayers taking a credit authorized by this
737 subsection shall provide the name of the eligible transitional
738 home organization and the amount of the contribution to the
739 department on forms provided by the department.



740 (c) An eligible transitional home organization shall
741 provide the department with a written certification that it meets
742 all criteria to be considered an eligible transitional home
743 organization. The organization shall also notify the department
744 of any changes that may affect eligibility under this section.

745 (d) The eligible transitional home organization's
746 written certification must be signed by an officer of the
747 organization under penalty of perjury. The written certification
748 shall include the following:

749 (i) Verification of the organization's status
750 under Section 501(c)(3) of the Internal Revenue Code;

751 (ii) Information about the facilities that
752 demonstrate the applicant's ability to provide housing for
753 homeless persons age twenty-five (25) and under, homeless
754 families, and/or homeless and/or referred unwed pregnant women;

755 (iii) Sufficient materials to document the program
756 of the applicant that demonstrate that the applicant has and runs
757 a program that offers structure, supervision, support, life
758 skills, education and training as the eligible transitional home
759 organization determines to be appropriate for each individual
760 and/or family to achieve and/or maintain independence;

761 (iv) A statement that the organization does not
762 charge a fee for services or benefits provided in whole or in part
763 by its transitional housing program; and



764 (v) Any other information that the department
765 requires to administer this section.

766 (e) The department shall review each written
767 certification and determine whether the organization meets all the
768 criteria to be considered an eligible transitional home
769 organization and notify the organization of its determination.
770 The department may also periodically request recertification from
771 the organization. The department shall compile and make available
772 to the public a list of eligible transitional home organizations.

773 (f) Tax credits authorized by this subsection that are
774 earned by a partnership, limited liability company, S corporation
775 or other similar pass-through entity, shall be allocated among all
776 partners, members or shareholders, respectively, either in
777 proportion to their ownership interest in such entity or as the
778 partners, members or shareholders mutually agree as provided in an
779 executed document.

780 (g) (i) A taxpayer shall apply for credits with the
781 department on forms prescribed by the department. In the
782 application the taxpayer shall certify to the department the
783 dollar amount of the contributions made or to be made during the
784 calendar year. Within thirty (30) days after the receipt of an
785 application, the department shall allocate credits based on the
786 dollar amount of contributions as certified in the application.
787 However, if the department cannot allocate the full amount of
788 credits certified in the application due to the limit on the



789 aggregate amount of credits that may be awarded under this
790 subsection in a calendar year, the department shall so notify the
791 applicant within thirty (30) days with the amount of credits, if
792 any, that may be allocated to the applicant in the calendar year.
793 Once the department has allocated credits to a taxpayer, if the
794 contribution for which a credit is allocated has not been made as
795 of the date of the allocation, then the contribution must be made
796 not later than sixty (60) days from the date of the allocation.
797 If the contribution is not made within such time period, the
798 allocation shall be cancelled and returned to the department for
799 reallocation. Upon final documentation of the contributions, if
800 the actual dollar amount of the contributions is lower than the
801 amount estimated, the department shall adjust the tax credit
802 allowed under this subsection.

803 (ii) For the purposes of using a tax credit
804 against ad valorem taxes assessed and levied on real property, a
805 taxpayer shall present to the appropriate tax collector the tax
806 credit documentation provided to the taxpayer by the Department of
807 Revenue, and the tax collector shall apply the tax credit against
808 such ad valorem taxes. The tax collector shall forward the tax
809 credit documentation to the Department of Revenue along with the
810 amount of the tax credit applied against ad valorem taxes, and the
811 department shall disburse funds to the tax collector for the
812 amount of the tax credit applied against ad valorem taxes. Such



813 payments by the Department of Revenue shall be made from current
814 tax collections.

815 (h) The aggregate amount of tax credits that may be
816 allocated by the department under this subsection during a
817 calendar year shall not exceed Ten Million Dollars
818 (\$10,000,000.00). For credits allocated during a calendar year
819 for contributions to eligible transitional home organizations, no
820 more than twenty-five percent (25%) of such credits may be
821 allocated for contributions to a single eligible transitional home
822 organization.

823 (3) (a) (i) Except as otherwise provided in this
824 subsection, a credit is allowed against the taxes imposed by this
825 chapter for voluntary cash contributions by an individual taxpayer
826 during the taxable year to an eligible transitional home
827 organization. A credit is also allowed against ad valorem taxes
828 assessed and levied on real property for voluntary cash
829 contributions made by an individual taxpayer during the taxable
830 year to an eligible transitional home organization. The amount of
831 credit that may be utilized by a taxpayer in a taxable year shall
832 be limited to an amount not to exceed fifty percent (50%) of the
833 total tax liability of the taxpayer for the taxes imposed by this
834 chapter and an amount not to exceed fifty percent (50%) of the
835 total tax liability of the taxpayer for ad valorem taxes assessed
836 and levied on real property. Any tax credit claimed under this
837 subsection but not used in any taxable year may be carried forward



838 for five (5) consecutive years from the close of the tax year in
839 which the credits were earned.

840 (ii) A husband and wife who file separate returns
841 for a taxable year in which they could have filed a joint return
842 may each claim only one-half (1/2) of the tax credit that would
843 have been allowed for a joint return.

844 (iii) A contribution to an eligible transitional
845 home organization for which a credit is claimed under this
846 subsection does not qualify for and shall not be included in any
847 credit that may be claimed under subsection (2) of this section.

848 (iv) A contribution for which a credit is claimed
849 under this subsection may not be used as a deduction by the
850 taxpayer for state income tax purposes.

851 (b) Taxpayers taking a credit authorized by this
852 subsection shall provide the name of the eligible transitional
853 home organization and the amount of the contribution to the
854 department on forms provided by the department.

855 (c) An eligible transitional home organization shall
856 provide the department with a written certification that it meets
857 all criteria to be considered an eligible transitional home
858 organization. The organization shall also notify the department
859 of any changes that may affect eligibility under this section.

860 (d) The eligible transitional housing organization's
861 written certification must be signed by an officer of the



862 organization under penalty of perjury. The written certification
863 shall include the following:

864 (i) Verification of the organization's status
865 under Section 501(c)(3) of the Internal Revenue Code;

866 (ii) Information about the facilities that
867 demonstrate the applicant's ability to provide housing for
868 homeless persons age twenty-five (25) and under, homeless
869 families, and/or homeless and/or referred unwed pregnant women;

870 (iii) Sufficient materials to document the program
871 of the applicant that demonstrate that the applicant has and runs
872 a program that offers structure, supervision, support, life
873 skills, education and training as the eligible transitional home
874 organization determines to be appropriate for each individual
875 and/or family to achieve and/or maintain independence;

876 (iv) A statement that the organization does not
877 charge a fee for services or benefits provided in whole or in part
878 by its transitional housing program; and

879 (v) Any other information that the department
880 requires to administer this section.

881 (e) The department shall review each written
882 certification and determine whether the organization meets all the
883 criteria to be considered an eligible transitional home
884 organization and notify the organization of its determination.
885 The department may also periodically request recertification from



886 the organization. The department shall compile and make available
887 to the public a list of eligible transitional home organizations.

888 (f) (i) A taxpayer shall apply for credits with the
889 department on forms prescribed by the department. In the
890 application the taxpayer shall certify to the department the
891 dollar amount of the contributions made or to be made during the
892 calendar year. Within thirty (30) days after the receipt of an
893 application, the department shall allocate credits based on the
894 dollar amount of contributions as certified in the application.
895 However, if the department cannot allocate the full amount of
896 credits certified in the application due to the limit on the
897 aggregate amount of credits that may be awarded under this
898 subsection in a calendar year, the department shall so notify the
899 applicant within thirty (30) days with the amount of credits, if
900 any, that may be allocated to the applicant in the calendar year.
901 Once the department has allocated credits to a taxpayer, if the
902 contribution for which a credit is allocated has not been made as
903 of the date of the allocation, then the contribution must be made
904 not later than sixty (60) days from the date of the allocation.
905 If the contribution is not made within such time period, the
906 allocation shall be cancelled and returned to the department for
907 reallocation. Upon final documentation of the contributions, if
908 the actual dollar amount of the contributions is lower than the
909 amount estimated, the department shall adjust the tax credit
910 allowed under this subsection.



911 (ii) For the purposes of using a tax credit
912 against ad valorem taxes assessed and levied on real property, a
913 taxpayer shall present to the appropriate tax collector the tax
914 credit documentation provided to the taxpayer by the Department of
915 Revenue, and the tax collector shall apply the tax credit against
916 such ad valorem taxes. The tax collector shall forward the tax
917 credit documentation to the Department of Revenue along with the
918 amount of the tax credit applied against ad valorem taxes, and the
919 department shall disburse funds to the tax collector for the
920 amount of the tax credit applied against ad valorem taxes. Such
921 payments by the Department of Revenue shall be made from current
922 tax collections.

923 (g) The aggregate amount of tax credits that may be
924 allocated by the department under this subsection during a
925 calendar year shall not exceed One Million Dollars
926 (\$1,000,000.00).

927 **SECTION 6.** (1) (a) For the purposes of this section, the
928 following words and phrases shall have the meanings ascribed in
929 this section unless the context clearly indicates otherwise:

930 (i) "Department" means the Department of Revenue.

931 (ii) "Eligible charitable organization" means an
932 organization that is exempt from federal income taxation under
933 Section 501(c)(3) of the Internal Revenue Code and spends at least
934 fifty percent (50%) of its budget on contracting or making other
935 agreements or arrangements with physicians and/or nurse



936 practitioners to provide health care services to low-income
937 residents of this state including those who are mothers and to
938 their households.

939 "Eligible charitable organization" does not include any
940 entity that provides, pays for or provides coverage of abortions
941 or that financially supports any other entity that provides, pays
942 for or provides coverage of abortions.

943 (iii) "Low-income residents" means persons whose
944 household income does not exceed one hundred eighty-five percent
945 (185%) of the federal poverty level converted to a modified
946 adjusted gross income equivalent standard.

947 (iv) "Nurse practitioner" means a nurse
948 practitioner certified under Section 73-15-20, Mississippi Code of
949 1972.

950 (v) "Physician" means an individual licensed to
951 practice medicine or osteopathic medicine under Section 73-25-1 et
952 seq., Mississippi Code of 1972.

953 (2) (a) (i) The tax credit authorized in this subsection
954 shall be available only to a taxpayer who is a business enterprise
955 engaged in commercial, industrial or professional activities and
956 operating as a corporation, limited liability company, partnership
957 or sole proprietorship. Except as otherwise provided in this
958 subsection, a credit is allowed against the taxes imposed by
959 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary
960 cash contributions made by a taxpayer during the taxable year to



961 an eligible charitable organization. A credit is also allowed
962 against ad valorem taxes assessed and levied on real property for
963 voluntary cash contributions made by the taxpayer during the
964 taxable year to an eligible charitable organization. The amount
965 of credit that may be utilized by a taxpayer in a taxable year
966 shall be limited to an amount not to exceed fifty percent (50%) of
967 the total tax liability of the taxpayer for the taxes imposed by
968 such sections of law and an amount not to exceed fifty percent
969 (50%) of the total tax liability of the taxpayer for ad valorem
970 taxes assessed and levied on real property. Any tax credit
971 claimed under this subsection but not used in any taxable year may
972 be carried forward for five (5) consecutive years from the close
973 of the tax year in which the credits were earned.

974 (ii) A contribution to an eligible charitable
975 organization for which a credit is claimed under this subsection
976 does not qualify for and shall not be included in any credit that
977 may be claimed under subsection (3) of this section.

978 (iii) A contribution for which a credit is claimed
979 under this subsection may not be used as a deduction by the
980 taxpayer for state income tax purposes.

981 (b) Taxpayers taking a credit authorized by this
982 subsection shall provide the name of the eligible charitable
983 organization and the amount of the contribution to the department
984 on forms provided by the department.



985 (c) An eligible charitable organization shall provide
986 the department with a written certification that it meets all
987 criteria to be considered an eligible charitable organization.
988 The organization shall also notify the department of any changes
989 that may affect eligibility under this subsection.

990 (d) The eligible charitable organization's written
991 certification must be signed by an officer of the organization
992 under penalty of perjury. The written certification shall include
993 the following:

994 (i) Verification of the organization's status
995 under Section 501(c)(3) of the Internal Revenue Code;

996 (ii) A statement that the organization does not
997 provide, pay for or provide coverage of abortions and does not
998 financially support any other entity that provides, pays for or
999 provides coverage of abortions;

1000 (iii) Any other information that the department
1001 requires to administer this subsection.

1002 (e) The department shall review each written
1003 certification and determine whether the organization meets all the
1004 criteria to be considered an eligible charitable organization and
1005 notify the organization of its determination. The department may
1006 also periodically request recertification from the organization.
1007 The department shall compile and make available to the public a
1008 list of eligible charitable organizations.



1009 (f) Tax credits authorized by this subsection that are
1010 earned by a partnership, limited liability company, S corporation
1011 or other similar pass-through entity, shall be allocated among all
1012 partners, members or shareholders, respectively, either in
1013 proportion to their ownership interest in such entity or as the
1014 partners, members or shareholders mutually agree as provided in an
1015 executed document.

1016 (g) (i) A taxpayer shall apply for credits with the
1017 department on forms prescribed by the department. In the
1018 application the taxpayer shall certify to the department the
1019 dollar amount of the contributions made or to be made during the
1020 calendar year. Within thirty (30) days after the receipt of an
1021 application, the department shall allocate credits based on the
1022 dollar amount of contributions as certified in the application.
1023 However, if the department cannot allocate the full amount of
1024 credits certified in the application due to the limit on the
1025 aggregate amount of credits that may be awarded under this
1026 subsection in a calendar year, the department shall so notify the
1027 applicant within thirty (30) days with the amount of credits, if
1028 any, that may be allocated to the applicant in the calendar year.
1029 Once the department has allocated credits to a taxpayer, if the
1030 contribution for which a credit is allocated has not been made as
1031 of the date of the allocation, then the contribution must be made
1032 not later than sixty (60) days from the date of the allocation.
1033 If the contribution is not made within such time period, the



1034 allocation shall be cancelled and returned to the department for
1035 reallocation. Upon final documentation of the contributions, if
1036 the actual dollar amount of the contributions is lower than the
1037 amount estimated, the department shall adjust the tax credit
1038 allowed under this subsection.

1039 (ii) For the purposes of using a tax credit
1040 against ad valorem taxes assessed and levied on real property, a
1041 taxpayer shall present to the appropriate tax collector the tax
1042 credit documentation provided to the taxpayer by the Department of
1043 Revenue, and the tax collector shall apply the tax credit against
1044 such ad valorem taxes. The tax collector shall forward the tax
1045 credit documentation to the Department of Revenue along with the
1046 amount of the tax credit applied against ad valorem taxes, and the
1047 department shall disburse funds to the tax collector for the
1048 amount of the tax credit applied against ad valorem taxes. Such
1049 payments by the Department of Revenue shall be made from current
1050 tax collections.

1051 (h) The aggregate amount of tax credits that may be
1052 allocated by the department under this subsection during a
1053 calendar year shall not exceed Three Million Dollars
1054 (\$3,000,000.00).

1055 (3) (a) (i) Except as otherwise provided in this
1056 subsection, a credit is allowed against the taxes imposed by this
1057 chapter for voluntary cash contributions by an individual taxpayer
1058 during the taxable year to an eligible charitable organization. A



1059 credit is also allowed against ad valorem taxes assessed and
1060 levied on real property for voluntary cash contributions made by
1061 the taxpayer during the taxable year to an eligible charitable
1062 organization. The amount of credit that may be utilized by a
1063 taxpayer in a taxable year shall be limited to an amount not to
1064 exceed fifty percent (50%) of the total tax liability of the
1065 taxpayer for the taxes imposed by this chapter and an amount not
1066 to exceed fifty percent (50%) of the total tax liability of the
1067 taxpayer for ad valorem taxes assessed and levied on real
1068 property. Any tax credit claimed under this subsection but not
1069 used in any taxable year may be carried forward for five (5)
1070 consecutive years from the close of the tax year in which the
1071 credits were earned.

1072 (ii) A husband and wife who file separate returns
1073 for a taxable year in which they could have filed a joint return
1074 may each claim only one-half (1/2) of the tax credit that would
1075 have been allowed for a joint return.

1076 (iii) A contribution to an eligible charitable
1077 organization for which a credit is claimed under this subsection
1078 does not qualify for and shall not be included in any credit that
1079 may be claimed under subsection (2) of this section.

1080 (iv) A contribution for which a credit is claimed
1081 under this subsection may not be used as a deduction by the
1082 taxpayer for state income tax purposes.



1083 (b) Taxpayers taking a credit authorized by this
1084 subsection shall provide the name of the eligible charitable
1085 organization and the amount of the contribution to the department
1086 on forms provided by the department.

1087 (c) An eligible charitable organization shall provide
1088 the department with a written certification that it meets all
1089 criteria to be considered an eligible charitable organization.
1090 The organization shall also notify the department of any changes
1091 that may affect eligibility under this subsection.

1092 (d) The eligible charitable organization's written
1093 certification must be signed by an officer of the organization
1094 under penalty of perjury. The written certification shall include
1095 the following:

1096 (i) Verification of the organization's status
1097 under Section 501(c)(3) of the Internal Revenue Code;

1098 (ii) A statement that the organization does not
1099 provide, pay for or provide coverage of abortions and does not
1100 financially support any other entity that provides, pays for or
1101 provides coverage of abortions;

1102 (iii) Any other information that the department
1103 requires to administer this subsection.

1104 (e) The department shall review each written
1105 certification and determine whether the organization meets all the
1106 criteria to be considered an eligible charitable organization and
1107 notify the organization of its determination. The department may



1108 also periodically request recertification from the organization.
1109 The department shall compile and make available to the public a
1110 list of eligible charitable organizations.

1111 (f) (i) A taxpayer shall apply for credits with the
1112 department on forms prescribed by the department. In the
1113 application the taxpayer shall certify to the department the
1114 dollar amount of the contributions made or to be made during the
1115 calendar year. Within thirty (30) days after the receipt of an
1116 application, the department shall allocate credits based on the
1117 dollar amount of contributions as certified in the application.
1118 However, if the department cannot allocate the full amount of
1119 credits certified in the application due to the limit on the
1120 aggregate amount of credits that may be awarded under this
1121 subsection in a calendar year, the department shall so notify the
1122 applicant within thirty (30) days with the amount of credits, if
1123 any, that may be allocated to the applicant in the calendar year.
1124 Once the department has allocated credits to a taxpayer, if the
1125 contribution for which a credit is allocated has not been made as
1126 of the date of the allocation, then the contribution must be made
1127 not later than sixty (60) days from the date of the allocation.
1128 If the contribution is not made within such time period, the
1129 allocation shall be cancelled and returned to the department for
1130 reallocation. Upon final documentation of the contributions, if
1131 the actual dollar amount of the contributions is lower than the



1132 amount estimated, the department shall adjust the tax credit
1133 allowed under this subsection.

1134 (ii) For the purposes of using a tax credit
1135 against ad valorem taxes assessed and levied on real property, a
1136 taxpayer shall present to the appropriate tax collector the tax
1137 credit documentation provided to the taxpayer by the Department of
1138 Revenue, and the tax collector shall apply the tax credit against
1139 such ad valorem taxes. The tax collector shall forward the tax
1140 credit documentation to the Department of Revenue along with the
1141 amount of the tax credit applied against ad valorem taxes, and the
1142 department shall disburse funds to the tax collector for the
1143 amount of the tax credit applied against ad valorem taxes. Such
1144 payments by the Department of Revenue shall be made from current
1145 tax collections.

1146 (g) The aggregate amount of tax credits that may be
1147 allocated by the department under this subsection during a
1148 calendar year shall not exceed One Million Dollars
1149 (\$1,000,000.00).

1150 **SECTION 7.** (1) As used in this section, the following words
1151 and phrases shall have the meanings ascribed in this section
1152 unless the context clearly indicates otherwise:

1153 (a) "Employment-related expenses" means and has the
1154 same definition as such term has in 26 USCS Section 21.

1155 (b) "Qualifying individual" means and has the same
1156 definition as such term has in 26 USCS Section 21(b)(1)(A).



1157 (2) Subject to the provisions of this section, any taxpayer
1158 allowed to claim a federal income tax credit under 26 USCS Section
1159 21 for employment-related expenses incurred related to one (1) or
1160 more qualifying individuals shall be allowed a credit against the
1161 taxes imposed under this chapter in the manner prescribed in this
1162 section. The amount of the credit shall be equal to fifty percent
1163 (50%) of the amount of the federal income tax credit lawfully
1164 claimed by the taxpayer for such employment-related expenses on
1165 the taxpayer's federal income tax return. However, the amount of
1166 credit that may be utilized by a taxpayer in a taxable year shall
1167 be limited to an amount not to exceed the total tax liability of
1168 the taxpayer for the taxes imposed under this chapter. In order
1169 to claim the credit provided for in this section, a taxpayer must
1170 claim the federal income tax credit on the taxpayer's federal
1171 income tax return and have an adjusted gross income for such
1172 return of not more than Fifty Thousand Dollars (\$50,000.00). A
1173 taxpayer must provide a copy of such return and any other
1174 information required by the department.

1175 **SECTION 8.** (1) For the purposes of this section, the
1176 following words and phrases shall have the meanings ascribed in
1177 this section unless the context clearly indicates otherwise:

1178 (a) "Department" means the Department of Revenue.

1179 (b) "Eligible charitable organization" means an
1180 organization that is exempt from federal income taxation under
1181 Section 501(c)(3) of the Internal Revenue Code and is purchasing,



1182 warehousing and delivering food directly to food pantries or soup
1183 kitchens in more than five (5) Mississippi counties on a monthly
1184 basis.

1185 (2) (a) The tax credit authorized in this section shall be
1186 available only to a taxpayer that is a business enterprise engaged
1187 in commercial, industrial or professional activities and operating
1188 as a corporation, limited liability company, partnership or sole
1189 proprietorship. Except as otherwise provided in this section, a
1190 credit is allowed against the taxes imposed by Sections 27-7-5,
1191 27-15-103, 27-15-109 and 27-15-123, for voluntary cash
1192 contributions made by a taxpayer during the taxable year to an
1193 eligible charitable organization. A credit is also allowed
1194 against ad valorem taxes assessed and levied on real property for
1195 voluntary cash contributions made by the taxpayer during the
1196 taxable year to an eligible charitable organization. The amount
1197 of credit that may be utilized by a taxpayer in a taxable year
1198 shall be limited to (i) an amount not to exceed fifty percent
1199 (50%) of the total tax liability of the taxpayer for the taxes
1200 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123,
1201 and (ii) an amount not to exceed fifty percent (50%) of the total
1202 tax liability of the taxpayer for ad valorem taxes assessed and
1203 levied on real property. Any credit claimed under this section
1204 but not used in the tax year in which it was earned may be carried
1205 forward for five (5) consecutive years from the close of the tax
1206 year in which it was earned.



1207 (b) A contribution for which a credit is claimed under
1208 this section may not be used as a deduction by the taxpayer for
1209 state income tax purposes.

1210 (3) A taxpayer taking a credit authorized by this section
1211 shall provide the name of the eligible charitable organization and
1212 the amount of the contribution to the department on forms provided
1213 by the department.

1214 (4) To be considered an eligible charitable organization
1215 under this section, an organization shall provide the department
1216 with a written certification that it meets all criteria. The
1217 organization shall also notify the department of any changes that
1218 may affect eligibility under this section.

1219 (5) The eligible charitable organization's written
1220 certification must be signed by an officer of the organization
1221 under penalty of perjury. The written certification shall include
1222 the following:

1223 (a) Verification of the organization's status under
1224 Section 501(c)(3) of the Internal Revenue Code;

1225 (b) A statement that the organization will use the
1226 contribution only for the purchasing of food and will deliver the
1227 food to food pantries and soup kitchens in the state; and

1228 (c) Any other information that the department requires
1229 in order to administer this section.

1230 (6) The department shall review each written certification
1231 and determine whether the organization meets all the criteria to



1232 be considered an eligible charitable organization and shall notify
1233 the organization of its determination. The department may also
1234 periodically request recertification from the organization. The
1235 department shall compile and make available to the public a list
1236 of eligible charitable organizations.

1237 (7) Tax credits authorized by this section that are earned
1238 by a partnership, limited liability company, S corporation or
1239 other similar pass-through entity, shall be allocated among all
1240 partners, members or shareholders, respectively, either in
1241 proportion to their ownership interest in such entity or as the
1242 partners, members or shareholders mutually agree as provided in an
1243 executed document.

1244 (8) (a) A taxpayer shall apply for credits with the
1245 department on forms prescribed by the department. In the
1246 application, the taxpayer shall certify to the department the
1247 dollar amount of the contributions made or to be made during the
1248 calendar year. Within thirty (30) days after the receipt of an
1249 application, the department shall allocate credits based on the
1250 dollar amount of contributions as certified in the application.
1251 However, if the department cannot allocate the full amount of
1252 credits certified in the application due to the limit on the
1253 aggregate amount of credits that may be awarded under this section
1254 in a calendar year, the department shall so notify the applicant
1255 within thirty (30) days with the amount of credits, if any, that
1256 may be allocated to the applicant in the calendar year. Once the



1257 department has allocated credits to a taxpayer, if the
1258 contribution for which a credit is allocated has not been made as
1259 of the date of the allocation, then the contribution must be made
1260 not later than sixty (60) days from the date of the allocation.
1261 If the contribution is not made within such time period, the
1262 allocation shall be cancelled and returned to the department for
1263 reallocation. Upon final documentation of the contribution, if
1264 the actual dollar amount of the contribution is lower than the
1265 amount estimated, the department shall adjust the tax credit
1266 allowed under this section.

1267 (b) For the purposes of using a tax credit against ad
1268 valorem taxes assessed and levied on real property, a taxpayer
1269 shall present to the appropriate tax collector the tax credit
1270 documentation provided to the taxpayer by the department, and the
1271 tax collector shall apply the tax credit against such ad valorem
1272 taxes. The tax collector shall forward the tax credit
1273 documentation to the department along with the amount of the tax
1274 credit applied against ad valorem taxes, and the department shall
1275 disburse funds to the tax collector for the amount of the tax
1276 credit applied against ad valorem taxes. Such payments by the
1277 department shall be made from current tax collections.

1278 (9) The aggregate amount of tax credits that may be
1279 allocated by the department under this section during a calendar
1280 year shall not exceed One Million Dollars (\$1,000,000.00).



1281 **SECTION 9.** Sections 5, 6, 7 and 8 of this act shall be
1282 codified as new sections in Chapter 7, Title 27, Mississippi Code
1283 of 1972.

1284 **SECTION 10.** Nothing in this act shall affect or defeat any
1285 claim, assessment, appeal, suit, right or cause of action for
1286 taxes due or accrued under the income tax laws, insurance premium
1287 tax laws or ad valorem tax laws before the date on which this act
1288 becomes effective, whether such claims, assessments, appeals,
1289 suits or actions have been begun before the date on which this act
1290 becomes effective or are begun thereafter; and the provisions of
1291 the income tax laws, insurance premium tax laws and ad valorem tax
1292 laws are expressly continued in full force, effect and operation
1293 for the purpose of the assessment, collection and enrollment of
1294 liens for any taxes due or accrued and the execution of any
1295 warrant under such laws before the date on which this act becomes
1296 effective, and for the imposition of any penalties, forfeitures or
1297 claims for failure to comply with such laws.

1298 **SECTION 11.** This act shall take effect and be in force from
1299 and after January 1, 2023.

