HOUSE BILL NO. 1671
(As Sent to Governor)

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 REVISE THE DEFINITION OF THE TERM
6 "ELIGIBLE CHARITABLE ORGANIZATION"; TO REVISE CERTAIN PROVISIONS
7 REGARDING THE AMOUNT OF CREDIT THAT MAY BE UTILIZED BY A TAXPAYER
8 DURING A TAXABLE YEAR AND TO INCREASE THE AMOUNT OF CREDITS THAT
9 MAY BE ALLOCATED BY THE DEPARTMENT OF REVENUE UNDER THIS SECTION;
10 TO REVISE THE TAXPAYERS ELIGIBLE FOR AN AD VALOREM TAX CREDIT FOR
11 SUCH CONTRIBUTIONS; TO AMEND SECTION 27-7-22.39, MISSISSIPPI CODE
12 OF 1972, WHICH AUTHORIZES INCOME TAX CREDITS FOR VOLUNTARY CASH
13 CONTRIBUTIONS TO QUALIFYING CHARITABLE ORGANIZATIONS AND
14 QUALIFYING FOSTER CARE CHARITABLE ORGANIZATIONS, TO REVISE THE
15 AMOUNT OF CREDIT THAT A TAXPAYER IS ALLOWED TO CLAIM FOR SUCH A
16 VOLUNTARY CASH CONTRIBUTION; TO AUTHORIZE AN INCOME TAX CREDIT,
17 INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX CREDIT FOR
18 VOLUNTARY CASH CONTRIBUTIONS BY TAXPAYERS TO ELIGIBLE TRANSITIONAL
19 HOME ORGANIZATIONS; TO LIMIT THE AMOUNT OF THE TAX CREDIT; TO
20 PROVIDE THAT UNUSED PORTIONS OF A TAX CREDIT MAY BE CARRIED
21 FORWARD FOR FIVE CONSECUTIVE YEARS FROM THE CLOSE OF THE TAX YEAR
22 IN WHICH THE CREDIT WAS EARNED; TO PROVIDE THE CRITERIA THAT AN
23 ELIGIBLE TRANSITIONAL HOME ORGANIZATION MUST MEET IN ORDER FOR A
24 CONTRIBUTION TO THE ORGANIZATION TO QUALIFY FOR A TAX CREDIT
25 AUTHORIZED BY THIS ACT; TO AUTHORIZE AN INCOME TAX CREDIT,
26 INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX CREDIT FOR
27 VOLUNTARY CASH CONTRIBUTIONS BY TAXPAYERS TO ELIGIBLE CHARITABLE
28 ORGANIZATIONS; TO LIMIT THE AMOUNT OF THE TAX CREDIT; TO PROVIDE
29 THAT UNUSED PORTIONS OF A TAX CREDIT MAY BE CARRIED FORWARD FOR
30 FIVE CONSECUTIVE YEARS FROM THE CLOSE OF THE TAX YEAR IN WHICH THE
31 CREDIT WAS EARNED; TO PROVIDE THE CRITERIA THAT AN ELIGIBLE
32 CHARITABLE ORGANIZATION MUST MEET IN ORDER FOR A CONTRIBUTION TO
33 THE ORGANIZATION TO QUALIFY FOR A TAX CREDIT AUTHORIZED BY THIS
34 ACT; TO AUTHORIZE AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS
CLAIMING A FEDERAL INCOME TAX CREDIT FOR CERTAIN DEPENDENT CARE
EXPENSES; TO PROVIDE THE AMOUNT OF THE CREDIT; AND FOR RELATED
PURPOSES.

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

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

27-7-22.43. (1) This section shall be known and may be
cited as the "Pregnancy Resource Act."
(2) For the purposes of this section, the following words
and phrases shall have the meanings ascribed in this section
unless the context clearly indicates otherwise:

(a) "Department" means the Department of Revenue.
(b) "Eligible charitable organization" means an
organization that is exempt from federal income taxation under
Section 501(c)(3) of the Internal Revenue Code and is a pregnancy
resource center or crisis pregnancy center * * *. To be
considered an "eligible charitable organization" a pregnancy
resource center or crisis pregnancy center must meet the following
criteria:

(i) Certify that no more than twenty percent (20%)
of the contributions received under this section will be spent on
administrative purposes;

(ii) File annually with the Secretary of State the
organization's publicly available Internal Revenue Service
filings.

(3) (a) The tax credit authorized in this section shall be
available only to a taxpayer who is a business enterprise engaged
in commercial, industrial or professional activities and operating
as a corporation, limited liability company, partnership or sole
proprietorship. Except as otherwise provided in this section, a
credit is allowed against the taxes imposed by Sections 27-7-5,
contributions made by a taxpayer during the taxable year to an
eligible charitable organization. For calendar year 2022, for a
taxpayer that is not operating as a corporation, a credit is also
allowed against ad valorem taxes assessed and levied on real
property for voluntary cash contributions made by the taxpayer
during the taxable year to an eligible charitable organization.
From and after January 1, 2023, a credit is also allowed against
ad valorem taxes assessed and levied on real property for
voluntary cash contributions made by a taxpayer during the taxable
year to an eligible charitable organization. The amount of credit
that may be utilized by a taxpayer in a taxable year shall be
limited to (i) an amount not to exceed fifty percent (50%) of the
total tax liability of the taxpayer for the taxes imposed by such
sections of law and (ii) an amount not to exceed fifty percent
(50%) of the total tax liability of the taxpayer for ad valorem
taxes assessed and levied on real property. Any tax credit
claimed under this section but not used in any taxable year may be
carried forward for five (5) consecutive years from the close of
the tax year in which the credits were earned.
(b) A contribution for which a credit is claimed under this section may not be used as a deduction by the taxpayer for state income tax purposes.

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

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

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

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

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

(c) Any other information that the department requires to administer this section.
(7) The department shall review each written certification and determine whether the organization meets all the criteria to be considered an eligible charitable organization and notify the organization of its determination. The department may also periodically request recertification from the organization. The department shall compile and make available to the public a list of eligible charitable organizations.

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

(9) (a) A taxpayer shall apply for credits with the department on forms prescribed by the department. In the application the taxpayer shall certify to the department the dollar amount of the contributions made or to be made during the calendar year. Within thirty (30) days after the receipt of an application, the department shall allocate credits based on the dollar amount of contributions as certified in the application. However, if the department cannot allocate the full amount of credits certified in the application due to the limit on the aggregate amount of credits that may be awarded under this section in a calendar year, the department shall so notify the applicant
within thirty (30) days with the amount of credits, if any, that
may be allocated to the applicant in the calendar year. Once the
department has allocated credits to a taxpayer, if the
contribution for which a credit is allocated has not been made as
of the date of the allocation, then the contribution must be made
not later than sixty (60) days from the date of the allocation.
If the contribution is not made within such time period, the
allocation shall be cancelled and returned to the department for
reallocation. Upon final documentation of the contributions, if
the actual dollar amount of the contributions is lower than the
amount estimated, the department shall adjust the tax credit
allowed under this section.

(b) For the purposes of using a tax credit against ad
valorem taxes assessed and levied on real property, a taxpayer
shall present to the appropriate tax collector the tax credit
documentation provided to the taxpayer by the Department of
Revenue, and the tax collector shall apply the tax credit against
such ad valorem taxes. The tax collector shall forward the tax
credit documentation to the Department of Revenue along with the
amount of the tax credit applied against ad valorem taxes, and the
department shall disburse funds to the tax collector for the
amount of the tax credit applied against ad valorem taxes. Such
payments by the Department of Revenue shall be made from current
tax collections.
(10) The aggregate amount of tax credits that may be
allocated by the department under this section during a calendar
year shall not exceed Three Million Five Hundred Thousand Dollars
($3,500,000.00). However, for calendar year 2023, and for each
calendar year thereafter, the aggregate amount of tax credits that
may be allocated by the department under this section during a
calendar year shall not exceed Ten Million Dollars
($10,000,000.00). For credits allocated during a calendar year
for contributions to eligible charitable organizations, no more
than **twenty-five percent (25%)** of such credits may be
allocated for contributions to a single eligible charitable
organization; however, credits not allocated before June 1, may be
allocated without regard to such restriction for the same calendar
year.

**SECTION 2.** Section 27-7-22.39, Mississippi Code of 1972, is
amended as follows:

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

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

(b) "Qualifying charitable organization" means a
charitable organization that is exempt from federal income
taxation under Section 501(c)(3) of the Internal Revenue Code or
is a designated community action agency that receives community
services block grant program monies pursuant to 42 USC 9901. The
organization must spend at least fifty percent (50%) of its budget on services to residents of this state who receive temporary assistance for needy families benefits or low-income residents of this state and their households or to children who have a chronic illness or physical, intellectual, developmental or emotional disability who are residents of this state. A charitable organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and that meets all other requirements of this paragraph except that it does not spend at least fifty percent (50%) of its overall budget in Mississippi may be a qualifying charitable organization if it spends at least fifty percent (50%) of its Mississippi budget on services to qualified individuals in Mississippi and it certifies to the department that one hundred percent (100%) of the voluntary cash contributions from the taxpayer will be spent on services to qualified individuals in Mississippi. Taxpayers choosing to make donations through an umbrella charitable organization that collects donations on behalf of member charities shall designate that the donation be directed to a member charitable organization that would qualify under this section on a stand-alone basis. Qualifying charitable organization does not include any entity that provides, pays for or provides coverage of abortions or that financially supports any other entity that provides, pays for or provides coverage of abortions.
(c) "Qualifying foster care charitable organization" means a qualifying charitable organization that each operating year provides services to at least one hundred (100) qualified individuals in this state and spends at least fifty percent (50%) of its budget on services to qualified individuals in this state. A charitable organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and that meets all other requirements of this paragraph except that it does not spend at least fifty percent (50%) of its overall budget in Mississippi may be a qualifying foster care charitable organization if it spends at least fifty percent (50%) of its Mississippi budget on services to qualified individuals in Mississippi and it certifies to the department that one hundred percent (100%) of the voluntary cash contributions from the taxpayer will be spent on services to qualified individuals in Mississippi. For the purposes of this paragraph, "qualified individual" means a child in a foster care placement program established by the Department of Child Protection Services, a child placed under the Safe Families for Children model, or a child at significant risk of entering a foster care placement program established by the Department of Child Protection Services.

(d) "Services" means:

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

(ii) Job-training or education services or funding for parents, foster parents or guardians; or

(iii) Job-training or education services or funding provided as part of a foster care independent living program.

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

(* * *i) Through calendar year 2022, the lesser of Four Hundred Dollars ($400.00) or the amount of the contribution in any taxable year for a single individual or a head of household; and for calendar year 2023 and each calendar year thereafter, the lesser of One Thousand Two Hundred Dollars ($1,200.00) or the amount of the contribution in any taxable year for a single individual or a head of household.

(* * *ii) Through calendar year 2022, the lesser of Eight Hundred Dollars ($800.00) or the amount of the contribution in any taxable year for a married couple filing a joint return; and for calendar year 2023 and each calendar year thereafter, the lesser of Two Thousand Four Hundred Dollars ($2,400.00) or the amount of the contribution in any taxable year for a married couple filing a joint return.
amount of the contribution in any taxable year for a married
couple filing a joint return.

(b) From and after January 1, 2023, a credit is also
allowed against ad valorem taxes assessed and levied on real
property for voluntary cash contributions made by the individual
taxpayer during the taxable year to a qualifying charitable
organization, other than a qualifying foster care charitable
organization. The amount of credit that may be utilized by a
taxpayer in a taxable year shall be limited to an amount not to
exceed fifty percent (50%) of the total tax liability of the
taxpayer for ad valorem taxes assessed and levied on real
property. Any tax credit claimed under this paragraph but not
used in any taxable year may be carried forward for five (5)
consecutive years from the close of the tax year in which the
credits were earned.

(3) (a) A separate credit is allowed against the taxes
imposed by this chapter for voluntary cash contributions during
the taxable year to a qualifying foster care charitable
organization. A contribution to a qualifying foster care
charitable organization does not qualify for, and shall not be
included in, any credit amount under subsection (2) of this
section. If the voluntary cash contribution by the taxpayer is to
a qualifying foster care charitable organization, the credit shall
not exceed:
( ** *i) Through calendar year 2022, the lesser of Five Hundred Dollars ($500.00) or the amount of the contribution in any taxable year for a single individual or a head of household; and for calendar year 2023 and each calendar year thereafter, the lesser of One Thousand Five Hundred Dollars ($1,500.00) or the amount of the contribution in any taxable year for a single individual or a head of household.

( ** *ii) Through calendar year 2022, the lesser of One Thousand Dollars ($1,000.00) or the amount of the contribution in any taxable year for a married couple filing a joint return; and for calendar year 2023 and each calendar year thereafter, the lesser of Three Thousand Dollars ($3,000.00) or the amount of the contribution in any taxable year for a married couple filing a joint return.

(b) From and after January 1, 2023, a credit is also allowed against ad valorem taxes assessed and levied on real property for voluntary cash contributions made by the individual taxpayer during the taxable year to a qualifying foster care charitable organization. The amount of credit that may be utilized by a taxpayer in a taxable year shall be limited to an amount not to exceed fifty percent (50%) of the total tax liability of the taxpayer for ad valorem taxes assessed and levied on real property. Any tax credit claimed under this paragraph but not used in any taxable year may be carried forward for five (5)
consecutive years from the close of the tax year in which the
credits were earned.

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

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

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

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

(6) Except as otherwise provided in subsections (2) and (3) of this section, if the allowable tax credit exceeds the taxes otherwise due under this chapter on the claimant's income, or if there are no taxes due under this chapter, the taxpayer may carry forward the amount of the claim not used to offset the taxes under this chapter for not more than five (5) consecutive taxable years' income tax liability.
(7) The credit allowed by this section is in lieu of a deduction pursuant to Section 170 of the Internal Revenue Code and taken for state tax purposes.

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

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

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

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

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

(i) Receive temporary assistance for needy families benefits;
(ii) Are low-income residents of this state;

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

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

(c) A statement that the organization plans to continue spending at least fifty percent (50%) of its budget on services to residents of this state who receive temporary assistance for needy families benefits, who are low-income residents of this state, who are children who have a chronic illness or physical, intellectual, developmental or emotional disability or who are children in a foster care placement program established by the Department of Child Protection Services, children placed under the Safe Families for Children model or children at significant risk of entering a foster care placement program established by the Department of Child Protection Services. A charitable organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and that meets all other requirements for a qualifying charitable organization or qualifying foster care charitable organization except that it does not spend at least fifty percent (50%) of its overall budget in Mississippi shall
submit a statement that it spends at least fifty percent (50%) of its Mississippi budget on services to qualified individuals in Mississippi and that one hundred percent (100%) of the voluntary cash contributions it receives from Mississippi taxpayers will be spent on services to qualified individuals in Mississippi.

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

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

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

(11) The department shall review each written certification and determine whether the organization meets all the criteria to be considered a qualifying charitable organization and notify the organization of its determination. The department may also periodically request recertification from the organization. The department shall compile and make available to the public a list of the qualifying charitable organizations.

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

(13) A taxpayer shall apply for credits with the department
on forms prescribed by the department. In the application the
taxpayer shall certify to the department the dollar amount of the
contributions made or to be made during the calendar year. Within
thirty (30) days after the receipt of an application, the
department shall allocate credits based on the dollar amount of
contributions as certified in the application. However, if the
department cannot allocate the full amount of credits certified in
the application due to the limit on the aggregate amount of
credits that may be awarded under this section in a calendar year,
the department shall so notify the applicant within thirty (30)
days with the amount of credits, if any, that may be allocated to
the applicant in the calendar year. Once the department has
allocated credits to a taxpayer, if the contribution for which a
credit is allocated has not been made as of the date of the
allocation, then the contribution must be made not later than sixty (60) days from the date of the allocation. If the contribution is not made within such time period, the allocation shall be cancelled and returned to the department for reallocation. Upon final documentation of the contributions, if the actual dollar amount of the contributions is lower than the amount estimated, the department shall adjust the tax credit allowed under this section.

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

SECTION 3. (1) For the purposes of this section, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

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

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

"Eligible transitional home organization" does not include any entity that provides, pays for or provides coverage of abortions or that financially supports any other entity that provides, pays for or provides coverage of abortions.
"Eligible transitional home organization" does not include any entity that charges a fee for the services and/or benefits it provides as an eligible transitional home organization. The prohibition against charging a fee for services and/or benefits is limited to services and benefits the entity provides as an eligible transitional home organization and does not apply to any other services and/or benefits the entity may provide to persons not being served by the entity's transitional home services.

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

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

(2) (a) (i) The tax credit authorized in this subsection shall be available only to a taxpayer who is a business enterprise engaged in commercial, industrial or professional activities and operating as a corporation, limited liability company, partnership
or sole proprietorship. Except as otherwise provided in this
subsection, a credit is allowed against the taxes imposed by
cash contributions made by a taxpayer during the taxable year to
an eligible transitional home organization. A credit is also
allowed against ad valorem taxes assessed and levied on real
property for voluntary cash contributions made by the taxpayer
during the taxable year to an eligible transitional home
organization. The amount of credit that may be utilized by a
taxpayer in a taxable year shall be limited to an amount not to
exceed fifty percent (50%) of the total tax liability of the
taxpayer for the taxes imposed by such sections of law and an
amount not to exceed fifty percent (50%) of the total tax
liability of the taxpayer for ad valorem taxes assessed and levied
on real property. Any tax credit claimed under this subsection
but not used in any taxable year may be carried forward for five
(5) consecutive years from the close of the tax year in which the
credits were earned.

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

(iii) A contribution for which a credit is claimed
under this subsection may not be used as a deduction by the
taxpayer for state income tax purposes.
(b) Taxpayers taking a credit authorized by this subsection shall provide the name of the eligible transitional home organization and the amount of the contribution to the department on forms provided by the department.

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

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

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

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

(iii) Sufficient materials to document the program of the applicant that demonstrate that the applicant has and runs a program that offers structure, supervision, support, life skills, education and training as the eligible transitional home organization determines to be appropriate for each individual and/or family to achieve and/or maintain independence;
(iv) A statement that the organization does not charge a fee for services or benefits provided in whole or in part by its transitional housing program; and

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

(e) The department shall review each written certification and determine whether the organization meets all the criteria to be considered an eligible transitional home organization and notify the organization of its determination.

The department may also periodically request recertification from the organization. The department shall compile and make available to the public a list of eligible transitional home organizations.

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

(g) (i) A taxpayer shall apply for credits with the department on forms prescribed by the department. In the application the taxpayer shall certify to the department the dollar amount of the contributions made or to be made during the calendar year. Within thirty (30) days after the receipt of an application, the department shall allocate credits based on the
dollar amount of contributions as certified in the application. However, if the department cannot allocate the full amount of credits certified in the application due to the limit on the aggregate amount of credits that may be awarded under this subsection in a calendar year, the department shall so notify the applicant within thirty (30) days with the amount of credits, if any, that may be allocated to the applicant in the calendar year. Once the department has allocated credits to a taxpayer, if the contribution for which a credit is allocated has not been made as of the date of the allocation, then the contribution must be made not later than sixty (60) days from the date of the allocation. If the contribution is not made within such time period, the allocation shall be cancelled and returned to the department for reallocation. Upon final documentation of the contributions, if the actual dollar amount of the contributions is lower than the amount estimated, the department shall adjust the tax credit allowed under this subsection.

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

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

(3) (a) (i) Except as otherwise provided in this
subsection, a credit is allowed against the taxes imposed by this
chapter for voluntary cash contributions by an individual taxpayer
during the taxable year to an eligible transitional home
organization. A credit is also allowed against ad valorem taxes
assessed and levied on real property for voluntary cash
contributions made by an individual taxpayer during the taxable
year to an eligible transitional home organization. The amount of
credit that may be utilized by a taxpayer in a taxable year shall
be limited to an amount not to exceed fifty percent (50%) of the
total tax liability of the taxpayer for the taxes imposed by this
chapter and an amount not to exceed fifty percent (50%) of the
total tax liability of the taxpayer for ad valorem taxes assessed
and levied on real property. Any tax credit claimed under this subsection but not used in any taxable year may be carried forward for five (5) consecutive years from the close of the tax year in which the credits were earned.

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

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

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

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

(c) An eligible transitional home organization shall provide the department with a written certification that it meets all criteria to be considered an eligible transitional home organization. The organization shall also notify the department of any changes that may affect eligibility under this section.
The eligible transitional housing organization's written certification must be signed by an officer of the organization under penalty of perjury. The written certification shall include the following:

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

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

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

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

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

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

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

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

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

SECTION 4. (1) (a) For the purposes of this section, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

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

(ii) "Eligible charitable organization" means an organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code and spends at least
fifty percent (50%) of its budget on contracting or making other
agreements or arrangements with physicians and/or nurse
practitioners to provide health care services to low-income
residents of this state including those who are mothers and to
their households.

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

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

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

(v) "Physician" means an individual licensed to
practice medicine or osteopathic medicine under Section 73-25-1 et

(2) (a) (i) The tax credit authorized in this subsection
shall be available only to a taxpayer who is a business enterprise
engaged in commercial, industrial or professional activities and
operating as a corporation, limited liability company, partnership
or sole proprietorship. Except as otherwise provided in this
subsection, a credit is allowed against the taxes imposed by
Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary cash contributions made by a taxpayer during the taxable year to an eligible charitable organization. A credit is also allowed against ad valorem taxes assessed and levied on real property for voluntary cash contributions made by the taxpayer during the taxable year to an eligible charitable organization. The amount of credit that may be utilized by a taxpayer in a taxable year shall be limited to an amount not to exceed fifty percent (50%) of the total tax liability of the taxpayer for the taxes imposed by such sections of law and an amount not to exceed fifty percent (50%) of the total tax liability of the taxpayer for ad valorem taxes assessed and levied on real property. Any tax credit claimed under this subsection but not used in any taxable year may be carried forward for five (5) consecutive years from the close of the tax year in which the credits were earned. 

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

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

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

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

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

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

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

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

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

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

(g) (i) A taxpayer shall apply for credits with the department on forms prescribed by the department. In the application the taxpayer shall certify to the department the dollar amount of the contributions made or to be made during the calendar year. Within thirty (30) days after the receipt of an application, the department shall allocate credits based on the dollar amount of contributions as certified in the application. However, if the department cannot allocate the full amount of credits certified in the application due to the limit on the aggregate amount of credits that may be awarded under this subsection in a calendar year, the department shall so notify the applicant within thirty (30) days with the amount of credits, if any, that may be allocated to the applicant in the calendar year.

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

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

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

(3) (a) (i) Except as otherwise provided in this subsection, a credit is allowed against the taxes imposed by this
chapter for voluntary cash contributions by an individual taxpayer during the taxable year to an eligible charitable organization. A credit is also allowed against ad valorem taxes assessed and levied on real property for voluntary cash contributions made by the taxpayer during the taxable year to an eligible charitable organization. The amount of credit that may be utilized by a taxpayer in a taxable year shall be limited to an amount not to exceed fifty percent (50%) of the total tax liability of the taxpayer for the taxes imposed by this chapter and an amount not to exceed fifty percent (50%) of the total tax liability of the taxpayer for ad valorem taxes assessed and levied on real property. Any tax credit claimed under this subsection but not used in any taxable year may be carried forward for five (5) consecutive years from the close of the tax year in which the credits were earned.

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

(iii) A contribution to an eligible charitable organization for which a credit is claimed under this subsection does not qualify for and shall not be included in any credit that may be claimed under subsection (2) of this section.
(iv) A contribution for which a credit is claimed under this subsection may not be used as a deduction by the taxpayer for state income tax purposes.

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

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

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

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

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

(iii) Any other information that the department requires to administer this subsection.
(e) The department shall review each written certification and determine whether the organization meets all the criteria to be considered an eligible charitable organization and notify the organization of its determination. The department may also periodically request recertification from the organization. The department shall compile and make available to the public a list of eligible charitable organizations.

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

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

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

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

SECTION 5. (1) As used in this section, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:
(a) "Employment-related expenses" means and has the same definition as such term has in 26 USCS Section 21.

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

(2) Subject to the provisions of this section, any taxpayer allowed to claim a federal income tax credit under 26 USCS Section 21 for employment-related expenses incurred related to one (1) or more qualifying individuals shall be allowed a credit against the taxes imposed under this chapter in the manner prescribed in this section. The amount of the credit shall be equal to twenty-five percent (25%) of the amount of the federal income tax credit lawfully claimed by the taxpayer for such employment-related expenses on the taxpayer's federal income tax return. However, the amount of credit that may be utilized by a taxpayer in a taxable year shall be limited to an amount not to exceed the total tax liability of the taxpayer for the taxes imposed under this chapter. In order to claim the credit provided for in this section, a taxpayer must claim the federal income tax credit on the taxpayer's federal income tax return and have an adjusted gross income for such return of not more than Fifty Thousand Dollars ($50,000.00). A taxpayer must provide a copy of such return and any other information required by the department.

SECTION 6. Sections 3, 4, and 5 of this act shall be codified as new sections in Chapter 7, Title 27, Mississippi Code of 1972.
SECTION 7. Nothing in this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for taxes due or accrued under the income tax laws, insurance premium tax laws or ad valorem tax laws before the date on which this act becomes effective, whether such claims, assessments, appeals, suits or actions have been begun before the date on which this act becomes effective or are begun thereafter; and the provisions of the income tax laws, insurance premium tax laws and ad valorem tax laws are expressly continued in full force, effect and operation for the purpose of the assessment, collection and enrollment of liens for any taxes due or accrued and the execution of any warrant under such laws before the date on which this act becomes effective, and for the imposition of any penalties, forfeitures or claims for failure to comply with such laws.

SECTION 8. This act shall take effect and be in force from and after January 1, 2023.