

**Adopted
AMENDMENT NO 1 TO AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2335

BY: Representative McLean

1 **AMEND** by striking Section 1 of the bill and inserting in lieu
2 thereof the following:

3 **"SECTION 1.** Section 57-73-23, Mississippi Code of 1972, is
4 amended as follows:

5 57-73-23. (1) A * * * seventy-five percent (75%) income tax
6 credit shall be granted to any employer providing dependent care
7 for employees during the employee's work hours, and to any
8 employer who provides a child care stipend of at least six
9 thousand dollars (\$6,000.00) to only be used for child care during
10 the employee's work hours.

11 (2) In order for an employer who provides a child care
12 stipend under this section to be eligible for the tax credit, the
13 employer shall certify to the Mississippi Department of Revenue:



14 (a) The names of the employees receiving the stipend;

15 and

16 (b) The amount of the stipend received by each of those
17 employees; and

18 (c) The names, addresses, and taxpayer identification
19 numbers or social security numbers of the child care providers
20 paid by the employees with the child care stipend; and

21 (d) Such other information as may be required by the
22 Department of Revenue to ensure that credits under this section
23 are granted only to employers who provide stipends that are used
24 by the employees only for child care.

25 (3) For an employer providing dependent care itself and for
26 an employer contracting for dependent care for its employees
27 during the employee's work hours, the credit is applied to the net
28 cost of any contract executed by the employer for another entity
29 to provide dependent care; or, if the employer elects to provide
30 dependent care itself, to expenses of dependent care staff,
31 learning and recreational materials and equipment, and the
32 construction and maintenance of a facility; or if the employer
33 elects to provide a child care stipend, the credit is applied to
34 the amount of the stipend provided. Additional eligible expenses
35 include net costs assumed by the employer which increase the
36 quality, availability and affordability of dependent care in the
37 community used by employees during the employee's work hours.
38 This cost is net of any reimbursement. A deduction shall not be



39 allowed for any expenses which serve as the basis for an income
40 tax credit. The credits allowed under this section shall not be
41 used by any business enterprise or corporation other than the
42 business enterprise actually qualifying for the credits.

43 Credit may be carried forward for the five (5) successive
44 years if the amount allowable as credit exceeds income tax
45 liability in a tax year; however, thereafter, if the amount
46 allowable as a credit exceeds the tax liability, the amount of
47 excess shall not be refundable or carried forward to any other
48 taxable year.

49 The facility must have an average daily enrollment for the
50 taxable year of no less than six (6) children who are twelve (12)
51 years of age or less and be licensed according to the regulations
52 governing licensure of child care facilities in Mississippi; or
53 must serve five (5) or fewer children and/or elderly adults in a
54 family child care/elder care home approved by the Department of
55 Health for participation in the United States Department of
56 Agriculture child and adult nutrition program; or must serve
57 children over twelve (12) years of age but less than eighteen (18)
58 years of age in either a community-based facility or a facility at
59 the employment site; or must serve adult relatives of employees in
60 either a community-based elder care facility or a facility at the
61 employment site; or must serve children or adult dependents having
62 physical, emotional or mental disabilities in either a
63 community-based facility or a facility at the employment site.



64 Employers will be certified as eligible for the tax credit by
65 the * * * State Department of Health for programs serving children
66 twelve (12) years of age or younger and for programs serving
67 elderly adults and by the * * * Department of Revenue for programs
68 serving other dependents older than twelve (12) years of age."

69 **AMEND FURTHER** by striking the title and inserting in lieu
70 thereof the following:

71 "AN ACT TO AMEND SECTION 57-73-23, MISSISSIPPI CODE OF 1972,
72 WHICH AUTHORIZES AN INCOME TAX CREDIT FOR EMPLOYERS PROVIDING
73 DEPENDENT CARE FOR EMPLOYEES DURING WORK HOURS, TO INCREASE THE
74 AMOUNT OF THE TAX CREDIT; TO AUTHORIZE AN INCOME TAX CREDIT FOR
75 EMPLOYERS WHO PROVIDE A CHILD CARE STIPEND TO BE USED FOR CHILD
76 CARE DURING EMPLOYEES' WORK HOURS; AND FOR RELATED PURPOSES."

