

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**Senate Bill No. 2335**

**BY: Committee**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

10           **SECTION 1.** Section 57-73-23, Mississippi Code of 1972, is  
11 amended as follows:  
12           57-73-23. A fifty percent (50%) income tax credit shall be  
13 granted to any employer providing dependent care for employees  
14 during the employee's work hours. Credit is applied to the net  
15 cost of any contract executed by the employer for \* \* \* a licensed  
16 or registered entity in the State of Mississippi to provide  
17 dependent care for employees; or, if the employer elects to  
18 provide dependent care itself, to expenses of dependent care  
19 staff, learning and recreational materials and equipment, and the



20 construction and maintenance of a facility in the State of  
21 Mississippi; or to the cost of any direct payment to a licensed or  
22 registered entity, in the name of and for the benefit of an  
23 employee residing in the State of Mississippi, for the sake of  
24 providing dependent care to the employee's children during the  
25 employee's working hours. Additional eligible expenses include  
26 net costs assumed by the employer which increase the quality,  
27 availability and affordability of dependent care in the community  
28 used by employees during the employee's work hours, including,  
29 where direct payments are made to a licensed or registered entity  
30 to provide dependent care for children of employees, expenses  
31 incurred in organizing and administering the direct payment  
32 program in the first year. The credit allowed may not exceed  
33 Three Thousand Dollars (\$3,000.00) for each participating employee  
34 per year. This cost is net of any reimbursement. A deduction  
35 shall not be allowed for any expenses which serve as the basis for  
36 an income tax credit. The credits allowed under this section  
37 shall not be used by any business enterprise or corporation other  
38 than the business enterprise actually qualifying for the credits.  
39 Where direct payments are made to a licensed or registered  
40 entity to provide dependent care for children of employees,  
41 employers must retain information concerning the licensed or  
42 registered entity's federal identification number and license or  
43 registration number, together with the payment amounts and the



44 name of the person in whose name and for whose benefit the  
45 payments were made.

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

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



69           Employers will be certified as eligible for the tax credit by  
70 the Mississippi Department of \* \* \* Revenue.

71           **SECTION 2.** This act shall take effect and be in force from  
72 and after July 1, 2023, and shall stand repealed on June 30, 2023.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1           AN ACT TO AMEND SECTION 57-73-23, MISSISSIPPI CODE OF 1972,  
2 TO ALLOW AN INCOME TAX CREDIT FOR AN EMPLOYER MAKING DIRECT  
3 PAYMENTS TO A LICENSED OR REGISTERED ENTITY FOR DEPENDENT CARE IN  
4 THE NAME OF AND FOR THE BENEFIT OF AN EMPLOYEE RESIDING IN  
5 MISSISSIPPI; TO SPECIFY THAT, IN THE CASE OF DEPENDENT CARE  
6 FACILITIES OPERATED BY AN EMPLOYER OR CONTRACTING WITH AN  
7 EMPLOYER, THE EXISTING CREDIT APPLIES WHEN THOSE FACILITIES ARE  
8 LOCATED IN THE STATE OF MISSISSIPPI; AND FOR RELATED PURPOSES.

