

By: Representatives Tullos, Smith

To: Public Utilities

HOUSE BILL NO. 618

1 AN ACT TO AMEND SECTION 57-87-7, MISSISSIPPI CODE OF 1972, TO  
2 INCREASE THE SPEED OF EQUIPMENT USED IN THE DEPLOYMENT OF  
3 BROADBAND TECHNOLOGIES FROM 384 KILOBITS PER SECOND TO A DOWNLOAD  
4 SPEED OF TWENTY-FIVE MEGABITS PER SECOND AND AN UPLOAD SPEED OF  
5 THREE MEGABITS PER SECOND REGARDING AD VALOREM TAX EXEMPTION; TO  
6 BRING FORWARD SECTION 57-73-21, MISSISSIPPI CODE OF 1972, FOR  
7 PURPOSES OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 57-87-7, Mississippi Code of 1972, is  
10 amended as follows:

11 57-87-7. Equipment used in the deployment of broadband  
12 technologies by a telecommunications enterprise (as defined in  
13 Section 57-73-21(14)), that is placed in service after June 30,  
14 2003, and before July 1, 2025, shall be exempt from ad valorem  
15 taxation for a period of ten (10) years after the date such  
16 equipment is placed in service. For purposes of this section,  
17 "equipment used in the deployment of broadband technologies"  
18 means \* \* \* that which provides service defined by the Federal  
19 Communications Commission (FCC) as high speed broadband. The  
20 current standard is twenty-five (25) megabits per second downlink



21 and three (3) megabits per second uplink. The revision of such  
22 FCC standard will require only equipment meeting the standard to  
23 be listed on the business personal property return for the tax  
24 year following the change.

25 Such ad valorem tax exemption is for the purpose of expanding  
26 fixed home and business broadband service into rural areas, and is  
27 available for Tier 2 and Tier 3 counties, as defined by the  
28 Mississippi Department of Revenue.

29 Qualifying companies shall provide one or more of the  
30 following services to qualifying counties: fiber, cable, DSL or  
31 fixed wireless access (FWA). Where companies provide both  
32 cellular telephone and FWA, only the equipment used specifically  
33 for FWA qualifies. The company shall list on the business  
34 personal property return, the location of each site providing FWA  
35 by E911 address in the county and the exempted equipment. The  
36 exemption shall be filed for qualifying sites operational by  
37 December 31 on the business personal property form as required.  
38 The maximum allowable FWA exemption shall be capped at thirty  
39 percent (30%) of the total asset cost (cellular and FWA) for each  
40 FWA site.

41 Broadband providers shall make subscriber lists available to  
42 the county tax assessor, upon request, for audit purposes to  
43 confirm the coverage and minimum speeds to assure qualification.  
44 Such information provided to the county tax assessor shall be  
45 considered confidential.



46           **SECTION 2.** Section 57-73-21, Mississippi Code of 1972, is  
47 brought forward as follows:

48           **[In cases involving business enterprises that received or**  
49 **applied for the job tax credit authorized by this section prior to**  
50 **January 1, 2005, this section shall read as follows:]**

51           57-73-21. (1) Annually by December 31, using the most  
52 current data available from the University Research Center,  
53 Mississippi Department of Employment Security and the United  
54 States Department of Commerce, the State Tax Commission shall rank  
55 and designate the state's counties as provided in this section.  
56 The twenty-eight (28) counties in this state having a combination  
57 of the highest unemployment rate and lowest per capita income for  
58 the most recent thirty-six-month period, with equal weight being  
59 given to each category, are designated Tier Three areas. The  
60 twenty-seven (27) counties in the state with a combination of the  
61 next highest unemployment rate and next lowest per capita income  
62 for the most recent thirty-six-month period, with equal weight  
63 being given to each category, are designated Tier Two areas. The  
64 twenty-seven (27) counties in the state with a combination of the  
65 lowest unemployment rate and the highest per capita income for the  
66 most recent thirty-six-month period, with equal weight being given  
67 to each category, are designated Tier One areas. Counties  
68 designated by the Tax Commission qualify for the appropriate tax  
69 credit for jobs as provided in subsections (2), (3) and (4) of  
70 this section. The designation by the Tax Commission is effective



71 for the tax years of permanent business enterprises which begin  
72 after the date of designation. For companies which plan an  
73 expansion in their labor forces, the Tax Commission shall  
74 prescribe certification procedures to ensure that the companies  
75 can claim credits in future years without regard to whether or not  
76 a particular county is removed from the list of Tier Three or Tier  
77 Two areas.

78 (2) Permanent business enterprises primarily engaged in  
79 manufacturing, processing, warehousing, distribution, wholesaling  
80 and research and development, or permanent business enterprises  
81 designated by rule and regulation of the Mississippi Development  
82 Authority as air transportation and maintenance facilities, final  
83 destination or resort hotels having a minimum of one hundred fifty  
84 (150) guest rooms, recreational facilities that impact tourism,  
85 movie industry studios, telecommunications enterprises, data or  
86 information processing enterprises or computer software  
87 development enterprises or any technology intensive facility or  
88 enterprise, in counties designated by the Tax Commission as Tier  
89 Three areas are allowed a job tax credit for taxes imposed by  
90 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually  
91 for each net new full-time employee job for five (5) years  
92 beginning with years two (2) through six (6) after the creation of  
93 the job; however, if the permanent business enterprise is located  
94 in an area that has been declared by the Governor to be a disaster  
95 area and as a direct result of the disaster the permanent business



96 enterprise is unable to maintain the required number of jobs, the  
97 Chairman of the State Tax Commission may extend this time period  
98 for not more two (2) years. The number of new full-time jobs must  
99 be determined by comparing the monthly average number of full-time  
100 employees subject to the Mississippi income tax withholding for  
101 the taxable year with the corresponding period of the prior  
102 taxable year. Only those permanent businesses that increase  
103 employment by ten (10) or more in a Tier Three area are eligible  
104 for the credit. Credit is not allowed during any of the five (5)  
105 years if the net employment increase falls below ten (10). The  
106 Tax Commission shall adjust the credit allowed each year for the  
107 net new employment fluctuations above the minimum level of ten  
108 (10).

109 (3) Permanent business enterprises primarily engaged in  
110 manufacturing, processing, warehousing, distribution, wholesaling  
111 and research and development, or permanent business enterprises  
112 designated by rule and regulation of the Mississippi Development  
113 Authority as air transportation and maintenance facilities, final  
114 destination or resort hotels having a minimum of one hundred fifty  
115 (150) guest rooms, recreational facilities that impact tourism,  
116 movie industry studios, telecommunications enterprises, data or  
117 information processing enterprises or computer software  
118 development enterprises or any technology intensive facility or  
119 enterprise, in counties that have been designated by the Tax  
120 Commission as Tier Two areas are allowed a job tax credit for



121 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
122 (\$1,000.00) annually for each net new full-time employee job for  
123 five (5) years beginning with years two (2) through six (6) after  
124 the creation of the job; however, if the permanent business  
125 enterprise is located in an area that has been declared by the  
126 Governor to be a disaster area and as a direct result of the  
127 disaster the permanent business enterprise is unable to maintain  
128 the required number of jobs, the Chairman of the State Tax  
129 Commission may extend this time period for not more two (2) years.  
130 The number of new full-time jobs must be determined by comparing  
131 the monthly average number of full-time employees subject to  
132 Mississippi income tax withholding for the taxable year with the  
133 corresponding period of the prior taxable year. Only those  
134 permanent businesses that increase employment by fifteen (15) or  
135 more in Tier Two areas are eligible for the credit. The credit is  
136 not allowed during any of the five (5) years if the net employment  
137 increase falls below fifteen (15). The Tax Commission shall  
138 adjust the credit allowed each year for the net new employment  
139 fluctuations above the minimum level of fifteen (15).

140 (4) Permanent business enterprises primarily engaged in  
141 manufacturing, processing, warehousing, distribution, wholesaling  
142 and research and development, or permanent business enterprises  
143 designated by rule and regulation of the Mississippi Development  
144 Authority as air transportation and maintenance facilities, final  
145 destination or resort hotels having a minimum of one hundred fifty



146 (150) guest rooms, recreational facilities that impact tourism,  
147 movie industry studios, telecommunications enterprises, data or  
148 information processing enterprises or computer software  
149 development enterprises or any technology intensive facility or  
150 enterprise, in counties designated by the Tax Commission as Tier  
151 One areas are allowed a job tax credit for taxes imposed by  
152 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually  
153 for each net new full-time employee job for five (5) years  
154 beginning with years two (2) through six (6) after the creation of  
155 the job; however, if the permanent business enterprise is located  
156 in an area that has been declared by the Governor to be a disaster  
157 area and as a direct result of the disaster the permanent business  
158 enterprise is unable to maintain the required number of jobs, the  
159 Chairman of the State Tax Commission may extend this time period  
160 for not more than two (2) years. The number of new full-time jobs  
161 must be determined by comparing the monthly average number of  
162 full-time employees subject to Mississippi income tax withholding  
163 for the taxable year with the corresponding period of the prior  
164 taxable year. Only those permanent businesses that increase  
165 employment by twenty (20) or more in Tier One areas are eligible  
166 for the credit. The credit is not allowed during any of the five  
167 (5) years if the net employment increase falls below twenty (20).  
168 The Tax Commission shall adjust the credit allowed each year for  
169 the net new employment fluctuations above the minimum level of  
170 twenty (20).



171           (5) In addition to the credits authorized in subsections  
172       (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)  
173       credit for each net new full-time employee or an additional One  
174       Thousand Dollars (\$1,000.00) credit for each net new full-time  
175       employee who is paid a salary, excluding benefits which are not  
176       subject to Mississippi income taxation, of at least one hundred  
177       twenty-five percent (125%) of the average annual wage of the state  
178       or an additional Two Thousand Dollars (\$2,000.00) credit for each  
179       net new full-time employee who is paid a salary, excluding  
180       benefits which are not subject to Mississippi income taxation, of  
181       at least two hundred percent (200%) of the average annual wage of  
182       the state, shall be allowed for any company establishing or  
183       transferring its national or regional headquarters from within or  
184       outside the State of Mississippi. A minimum of thirty-five (35)  
185       jobs must be created to qualify for the additional credit. The  
186       State Tax Commission shall establish criteria and prescribe  
187       procedures to determine if a company qualifies as a national or  
188       regional headquarters for purposes of receiving the credit awarded  
189       in this subsection. As used in this subsection, the average  
190       annual wage of the state is the most recently published average  
191       annual wage as determined by the Mississippi Department of  
192       Employment Security.

193           (6) In addition to the credits authorized in subsections  
194       (2), (3), (4) and (5), any job requiring research and development  
195       skills (chemist, engineer, etc.) shall qualify for an additional





196 One Thousand Dollars (\$1,000.00) credit for each net new full-time  
197 employee.

198 (7) In lieu of the tax credits provided in subsections (2)  
199 through (6), any commercial or industrial property owner which  
200 remediates contaminated property in accordance with Sections  
201 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
202 imposed by Section 27-7-5 equal to the amounts provided in  
203 subsection (2), (3) or (4) for each net new full-time employee job  
204 for five (5) years beginning with years two (2) through six (6)  
205 after the creation of the job. The number of new full-time jobs  
206 must be determined by comparing the monthly average number of  
207 full-time employees subject to Mississippi income tax withholding  
208 for the taxable year with the corresponding period of the prior  
209 taxable year. This subsection shall be administered in the same  
210 manner as subsections (2), (3) and (4), except the landowner shall  
211 not be required to increase employment by the levels provided in  
212 subsections (2), (3) and (4) to be eligible for the tax credit.

213 (8) Tax credits for five (5) years for the taxes imposed by  
214 Section 27-7-5 shall be awarded for additional net new full-time  
215 jobs created by business enterprises qualified under subsections  
216 (2), (3), (4), (5), (6) and (7) of this section. Except as  
217 otherwise provided, the Tax Commission shall adjust the credit  
218 allowed in the event of employment fluctuations during the  
219 additional five (5) years of credit.



220           (9)   (a)   The sale, merger, acquisition, reorganization,  
221 bankruptcy or relocation from one (1) county to another county  
222 within the state of any business enterprise may not create new  
223 eligibility in any succeeding business entity, but any unused job  
224 tax credit may be transferred and continued by any transferee of  
225 the business enterprise. The Tax Commission shall determine  
226 whether or not qualifying net increases or decreases have occurred  
227 or proper transfers of credit have been made and may require  
228 reports, promulgate regulations, and hold hearings as needed for  
229 substantiation and qualification.

230           (b)   This subsection shall not apply in cases in which a  
231 business enterprise has ceased operation, laid off all its  
232 employees and is subsequently acquired by another unrelated  
233 business entity that continues operation of the enterprise in the  
234 same or a similar type of business. In such a case the succeeding  
235 business entity shall be eligible for the credit authorized by  
236 this section unless the cessation of operation of the business  
237 enterprise was for the purpose of obtaining new eligibility for  
238 the credit.

239           (10) Any tax credit claimed under this section but not used  
240 in any taxable year may be carried forward for five (5) years from  
241 the close of the tax year in which the qualified jobs were  
242 established but the credit established by this section taken in  
243 any one (1) tax year must be limited to an amount not greater than  
244 fifty percent (50%) of the taxpayer's state income tax liability



245 which is attributable to income derived from operations in the  
246 state for that year. If the permanent business enterprise is  
247 located in an area that has been declared by the Governor to be a  
248 disaster area and as a direct result of the disaster the business  
249 enterprise is unable to use the existing carryforward, the  
250 Chairman of the State Tax Commission may extend the period that  
251 the credit may be carried forward for a period of time not to  
252 exceed two (2) years.

253 (11) No business enterprise for the transportation,  
254 handling, storage, processing or disposal of hazardous waste is  
255 eligible to receive the tax credits provided in this section.

256 (12) The credits allowed under this section shall not be  
257 used by any business enterprise or corporation other than the  
258 business enterprise actually qualifying for the credits.

259 (13) The tax credits provided for in this section shall be  
260 in addition to any tax credits described in Sections 57-51-13(b),  
261 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
262 action by the Mississippi Development Authority prior to July 1,  
263 1989, to any business enterprise determined prior to July 1, 1989,  
264 by the Mississippi Development Authority to be a qualified  
265 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
266 a qualified company as described in Section 57-53-1, as the case  
267 may be; however, from and after July 1, 1989, tax credits shall be  
268 allowed only under either this section or Sections 57-51-13(b),



269 57-53-1(1) (a) and Section 57-54-9(b) for each net new full-time  
270 employee.

271 (14) As used in this section, the term "telecommunications  
272 enterprises" means entities engaged in the creation, display,  
273 management, storage, processing, transmission or distribution for  
274 compensation of images, text, voice, video or data by wire or by  
275 wireless means, or entities engaged in the construction, design,  
276 development, manufacture, maintenance or distribution for  
277 compensation of devices, products, software or structures used in  
278 the above activities. Companies organized to do business as  
279 commercial broadcast radio stations, television stations or news  
280 organizations primarily serving in-state markets shall not be  
281 included within the definition of the term "telecommunications  
282 enterprises."

283 **[In cases involving business enterprises that apply for the**  
284 **job tax credit authorized by this section from and after January**  
285 **1, 2005, this section shall read as follows:]**

286 57-73-21. (1) Annually by December 31, using the most  
287 current data available from the University Research Center,  
288 Mississippi Department of Employment Security and the United  
289 States Department of Commerce, the Department of Revenue shall  
290 rank and designate the state's counties as provided in this  
291 section. The twenty-eight (28) counties in this state having a  
292 combination of the highest unemployment rate and lowest per capita  
293 income for the most recent thirty-six-month period, with equal



294 weight being given to each category, are designated Tier Three  
295 areas. The twenty-seven (27) counties in the state with a  
296 combination of the next highest unemployment rate and next lowest  
297 per capita income for the most recent thirty-six-month period,  
298 with equal weight being given to each category, are designated  
299 Tier Two areas. The twenty-seven (27) counties in the state with  
300 a combination of the lowest unemployment rate and the highest per  
301 capita income for the most recent thirty-six-month period, with  
302 equal weight being given to each category, are designated Tier One  
303 areas. Counties designated by the Department of Revenue qualify  
304 for the appropriate tax credit for jobs as provided in this  
305 section. The designation by the Department of Revenue is  
306 effective for the tax years of permanent business enterprises  
307 which begin after the date of designation. For companies which  
308 plan an expansion in their labor forces, the Department of Revenue  
309 shall prescribe certification procedures to ensure that the  
310 companies can claim credits in future years without regard to  
311 whether or not a particular county is removed from the list of  
312 Tier Three or Tier Two areas.

313 (2) Permanent business enterprises in counties designated by  
314 the Department of Revenue as Tier Three areas are allowed a job  
315 tax credit for taxes imposed by Section 27-7-5 equal to ten  
316 percent (10%) of the payroll of the enterprise for net new  
317 full-time employee jobs for five (5) years beginning with years  
318 two (2) through six (6) after the creation of the minimum number



319 of jobs required by this subsection; however, if the permanent  
320 business enterprise is located in an area that has been declared  
321 by the Governor to be a disaster area and as a direct result of  
322 the disaster the permanent business enterprise is unable to  
323 maintain the required number of jobs, the Commissioner of Revenue  
324 may extend this time period for not more than two (2) years. The  
325 number of new full-time jobs must be determined by comparing the  
326 monthly average number of full-time employees subject to the  
327 Mississippi income tax withholding for the taxable year with the  
328 corresponding period of the prior taxable year. Only those  
329 permanent business enterprises that increase employment by ten  
330 (10) or more in a Tier Three area are eligible for the credit.  
331 Credit is not allowed during any of the five (5) years if the net  
332 employment increase falls below ten (10). The Department of  
333 Revenue shall adjust the credit allowed each year for the net new  
334 employment fluctuations above the minimum level of ten (10).  
335 Medical cannabis establishments as defined in the Mississippi  
336 Medical Cannabis Act shall not be eligible for the tax credit  
337 authorized in this subsection (2).

338 (3) Permanent business enterprises in counties that have  
339 been designated by the Department of Revenue as Tier Two areas are  
340 allowed a job tax credit for taxes imposed by Section 27-7-5 equal  
341 to five percent (5%) of the payroll of the enterprise for net new  
342 full-time employee jobs for five (5) years beginning with years  
343 two (2) through six (6) after the creation of the minimum number



344 of jobs required by this subsection; however, if the permanent  
345 business enterprise is located in an area that has been declared  
346 by the Governor to be a disaster area and as a direct result of  
347 the disaster the permanent business enterprise is unable to  
348 maintain the required number of jobs, the Commissioner of Revenue  
349 may extend this time period for not more than two (2) years. The  
350 number of new full-time jobs must be determined by comparing the  
351 monthly average number of full-time employees subject to  
352 Mississippi income tax withholding for the taxable year with the  
353 corresponding period of the prior taxable year. Only those  
354 permanent business enterprises that increase employment by fifteen  
355 (15) or more in Tier Two areas are eligible for the credit. The  
356 credit is not allowed during any of the five (5) years if the net  
357 employment increase falls below fifteen (15). The Department of  
358 Revenue shall adjust the credit allowed each year for the net new  
359 employment fluctuations above the minimum level of fifteen (15).  
360 Medical cannabis establishments as defined in the Mississippi  
361 Medical Cannabis Act shall not be eligible for the tax credit  
362 authorized in this subsection (3).

363 (4) Permanent business enterprises in counties designated by  
364 the Department of Revenue as Tier One areas are allowed a job tax  
365 credit for taxes imposed by Section 27-7-5 equal to two and  
366 one-half percent (2.5%) of the payroll of the enterprise for net  
367 new full-time employee jobs for five (5) years beginning with  
368 years two (2) through six (6) after the creation of the minimum



369 number of jobs required by this subsection; however, if the  
370 permanent business enterprise is located in an area that has been  
371 declared by the Governor to be a disaster area and as a direct  
372 result of the disaster the permanent business enterprise is unable  
373 to maintain the required number of jobs, the Commissioner of  
374 Revenue may extend this time period for not more than two (2)  
375 years. The number of new full-time jobs must be determined by  
376 comparing the monthly average number of full-time employees  
377 subject to Mississippi income tax withholding for the taxable year  
378 with the corresponding period of the prior taxable year. Only  
379 those permanent business enterprises that increase employment by  
380 twenty (20) or more in Tier One areas are eligible for the credit.  
381 The credit is not allowed during any of the five (5) years if the  
382 net employment increase falls below twenty (20). The Department  
383 of Revenue shall adjust the credit allowed each year for the net  
384 new employment fluctuations above the minimum level of twenty  
385 (20). Medical cannabis establishments as defined in the  
386 Mississippi Medical Cannabis Act shall not be eligible for the tax  
387 credit authorized in this subsection (4).

388 (5) (a) In addition to the other credits authorized in this  
389 section, an additional Five Hundred Dollars (\$500.00) credit for  
390 each net new full-time employee or an additional One Thousand  
391 Dollars (\$1,000.00) credit for each net new full-time employee who  
392 is paid a salary, excluding benefits which are not subject to  
393 Mississippi income taxation, of at least one hundred twenty-five





394 percent (125%) of the average annual wage of the state or an  
395 additional Two Thousand Dollars (\$2,000.00) credit for each net  
396 new full-time employee who is paid a salary, excluding benefits  
397 which are not subject to Mississippi income taxation, of at least  
398 two hundred percent (200%) of the average annual wage of the  
399 state, shall be allowed for any company establishing or  
400 transferring its national or regional headquarters from within or  
401 outside the State of Mississippi. A minimum of twenty (20) jobs  
402 must be created to qualify for the additional credit. The  
403 Department of Revenue shall establish criteria and prescribe  
404 procedures to determine if a company qualifies as a national or  
405 regional headquarters for purposes of receiving the credit awarded  
406 in this paragraph (a). As used in this paragraph (a), the average  
407 annual wage of the state is the most recently published average  
408 annual wage as determined by the Mississippi Department of  
409 Employment Security. Medical cannabis establishments as defined  
410 in the Mississippi Medical Cannabis Act shall not be eligible for  
411 the tax credit authorized in this paragraph (a).

412 (b) In addition to the other credits authorized in this  
413 section, an additional Five Hundred Dollars (\$500.00) credit for  
414 each net new full-time employee or an additional One Thousand  
415 Dollars (\$1,000.00) credit for each net new full-time employee who  
416 is paid a salary, excluding benefits which are not subject to  
417 Mississippi income taxation, of at least one hundred twenty-five  
418 percent (125%) of the average annual wage of the state or an



419 additional Two Thousand Dollars (\$2,000.00) credit for each net  
420 new full-time employee who is paid a salary, excluding benefits  
421 which are not subject to Mississippi income taxation, of at least  
422 two hundred percent (200%) of the average annual wage of the  
423 state, shall be allowed for any company expanding or making  
424 additions after January 1, 2013, to its national or regional  
425 headquarters within the State of Mississippi. A minimum of twenty  
426 (20) new jobs must be created to qualify for the additional  
427 credit. The Department of Revenue shall establish criteria and  
428 prescribe procedures to determine if a company qualifies as a  
429 national or regional headquarters for purposes of receiving the  
430 credit awarded in this paragraph (b). As used in this paragraph  
431 (b), the average annual wage of the state is the most recently  
432 published average annual wage as determined by the Mississippi  
433 Department of Employment Security. Medical cannabis  
434 establishments as defined in the Mississippi Medical Cannabis Act  
435 shall not be eligible for the tax credit authorized in this  
436 paragraph (b).

437 (6) In addition to the other credits authorized in this  
438 section, any job requiring research and development skills  
439 (chemist, engineer, etc.) shall qualify for an additional One  
440 Thousand Dollars (\$1,000.00) credit for each net new full-time  
441 employee. Medical cannabis establishments as defined in the  
442 Mississippi Medical Cannabis Act shall not be eligible for the tax  
443 credit authorized in this subsection (6).



444 (7) (a) In addition to the other credits authorized in this  
445 section, any company that transfers or relocates its national or  
446 regional headquarters to the State of Mississippi from outside the  
447 State of Mississippi may receive a tax credit in an amount equal  
448 to the actual relocation costs paid by the company. A minimum of  
449 twenty (20) jobs must be created in order to qualify for the  
450 additional credit authorized under this subsection. Relocation  
451 costs for which a credit may be awarded shall be determined by the  
452 Department of Revenue and shall include those nondepreciable  
453 expenses that are necessary to relocate headquarters employees to  
454 the national or regional headquarters, including, but not limited  
455 to, costs such as travel expenses for employees and members of  
456 their households to and from Mississippi in search of homes and  
457 moving expenses to relocate furnishings, household goods and  
458 personal property of the employees and members of their  
459 households. Medical cannabis establishments as defined in the  
460 Mississippi Medical Cannabis Act shall not be eligible for the tax  
461 credit authorized in this subsection (7).

462 (b) The tax credit authorized under this subsection  
463 shall be applied for the taxable year in which the relocation  
464 costs are paid. The maximum cumulative amount of tax credits that  
465 may be claimed by all taxpayers claiming a credit under this  
466 subsection in any one (1) state fiscal year shall not exceed One  
467 Million Dollars (\$1,000,000.00), exclusive of credits that might  
468 be carried forward from previous taxable years. A company may not



469 receive a credit for the relocation of an employee more than one  
470 (1) time in a twelve-month period for that employee.

471 (c) The Department of Revenue shall establish criteria  
472 and prescribe procedures to determine if a company creates the  
473 required number of jobs and qualifies as a national or regional  
474 headquarters for purposes of receiving the credit awarded in this  
475 subsection. A company desiring to claim a credit under this  
476 subsection must submit an application for such credit with the  
477 Department of Revenue in a manner prescribed by the department.

478 (d) In order to participate in the provisions of this  
479 section, a company must certify to the Mississippi Department of  
480 Revenue that it complies with the equal pay provisions of the  
481 federal Equal Pay Act of 1963, the Americans with Disabilities Act  
482 of 1990 and the fair pay provisions of the Civil Rights Act of  
483 1964.

484 (e) This subsection shall stand repealed on July 1,  
485 2025.

486 (8) In lieu of the other tax credits provided in this  
487 section, any commercial or industrial property owner which  
488 remediates contaminated property in accordance with Sections  
489 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
490 imposed by Section 27-7-5 equal to the percentage of payroll  
491 provided in subsection (2), (3) or (4) of this section for net new  
492 full-time employee jobs for five (5) years beginning with years  
493 two (2) through six (6) after the creation of the jobs. The



494 number of new full-time jobs must be determined by comparing the  
495 monthly average number of full-time employees subject to  
496 Mississippi income tax withholding for the taxable year with the  
497 corresponding period of the prior taxable year. This subsection  
498 shall be administered in the same manner as subsections (2), (3)  
499 and (4), except the landowner shall not be required to increase  
500 employment by the levels provided in subsections (2), (3) and (4)  
501 to be eligible for the tax credit.

502           (9) (a) Tax credits for five (5) years for the taxes  
503 imposed by Section 27-7-5 shall be awarded for increases in the  
504 annual payroll for net new full-time jobs created by business  
505 enterprises qualified under this section. The Department of  
506 Revenue shall adjust the credit allowed in the event of payroll  
507 fluctuations during the additional five (5) years of credit.

508           (b) Tax credits for five (5) years for the taxes  
509 imposed by Section 27-7-5 shall be awarded for additional net new  
510 full-time jobs created by business enterprises qualified under  
511 subsections (5) and (6) of this section and for additional  
512 relocation costs paid by companies qualified under subsection (7)  
513 of this section. The Department of Revenue shall adjust the  
514 credit allowed in the event of employment fluctuations during the  
515 additional five (5) years of credit.

516           (10) (a) The sale, merger, acquisition, reorganization,  
517 bankruptcy or relocation from one (1) county to another county  
518 within the state of any business enterprise may not create new



519 eligibility in any succeeding business entity, but any unused job  
520 tax credit may be transferred and continued by any transferee of  
521 the business enterprise. The Department of Revenue shall  
522 determine whether or not qualifying net increases or decreases  
523 have occurred or proper transfers of credit have been made and may  
524 require reports, promulgate regulations, and hold hearings as  
525 needed for substantiation and qualification.

526 (b) This subsection shall not apply in cases in which a  
527 business enterprise has ceased operation, laid off all its  
528 employees and is subsequently acquired by another unrelated  
529 business entity that continues operation of the enterprise in the  
530 same or a similar type of business. In such a case the succeeding  
531 business entity shall be eligible for the credit authorized by  
532 this section unless the cessation of operation of the business  
533 enterprise was for the purpose of obtaining new eligibility for  
534 the credit.

535 (11) Any tax credit claimed under this section but not used  
536 in any taxable year may be carried forward for five (5) years from  
537 the close of the tax year in which the qualified jobs were  
538 established and/or headquarters relocation costs paid, as  
539 applicable, but the credit established by this section taken in  
540 any one (1) tax year must be limited to an amount not greater than  
541 fifty percent (50%) of the taxpayer's state income tax liability  
542 which is attributable to income derived from operations in the  
543 state for that year. If the permanent business enterprise is



544 located in an area that has been declared by the Governor to be a  
545 disaster area and as a direct result of the disaster the business  
546 enterprise is unable to use the existing carryforward, the  
547 Commissioner of Revenue may extend the period that the credit may  
548 be carried forward for a period of time not to exceed two (2)  
549 years.

550 (12) No business enterprise for the transportation,  
551 handling, storage, processing or disposal of hazardous waste is  
552 eligible to receive the tax credits provided in this section.

553 (13) The credits allowed under this section shall not be  
554 used by any business enterprise or corporation other than the  
555 business enterprise actually qualifying for the credits.

556 (14) As used in this section:

557 (a) "Business enterprises" means entities primarily  
558 engaged in:

559 (i) Manufacturing, processing, warehousing,  
560 warehousing activities, distribution, wholesaling and research and  
561 development, or

562 (ii) Permanent business enterprises designated by  
563 rule and regulation of the Mississippi Development Authority as  
564 air transportation and maintenance facilities, final destination  
565 or resort hotels having a minimum of one hundred fifty (150) guest  
566 rooms, recreational facilities that impact tourism, movie industry  
567 studios, telecommunications enterprises, data or information



568 processing enterprises or computer software development  
569 enterprises or any technology intensive facility or enterprise.

570 (b) "Telecommunications enterprises" means entities  
571 engaged in the creation, display, management, storage, processing,  
572 transmission or distribution for compensation of images, text,  
573 voice, video or data by wire or by wireless means, or entities  
574 engaged in the construction, design, development, manufacture,  
575 maintenance or distribution for compensation of devices, products,  
576 software or structures used in the above activities. Companies  
577 organized to do business as commercial broadcast radio stations,  
578 television stations or news organizations primarily serving  
579 in-state markets shall not be included within the definition of  
580 the term "telecommunications enterprises."

581 (c) "Warehousing activities" means entities that  
582 establish or expand facilities that service and support multiple  
583 retail or wholesale locations within and outside the state.  
584 Warehousing activities may be performed solely to support the  
585 primary activities of the entity, and credits generated shall  
586 offset the income of the entity based on an apportioned ratio of  
587 payroll for warehouse employees of the entity to total Mississippi  
588 payroll of the entity that includes the payroll of retail  
589 employees of the entity.

590 (15) The tax credits provided for in this section shall be  
591 in addition to any tax credits described in Sections 57-51-13(b),  
592 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official





593 action by the Mississippi Development Authority prior to July 1,  
594 1989, to any business enterprise determined prior to July 1, 1989,  
595 by the Mississippi Development Authority to be a qualified  
596 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
597 a qualified company as described in Section 57-53-1, as the case  
598 may be; however, from and after July 1, 1989, tax credits shall be  
599 allowed only under either this section or Sections 57-51-13(b),  
600 57-53-1(1) (a) and Section 57-54-9(b) for each net new full-time  
601 employee.

602 (16) A business enterprise that chooses to receive job  
603 training assistance pursuant to Section 57-1-451 shall not be  
604 eligible for the tax credits provided for in this section.

605 **SECTION 3.** This act shall take effect and be in force from  
606 and after July 1, 2024.

