

By: Representative McLean

To: Ways and Means

HOUSE BILL NO. 1921

1 AN ACT TO AMEND SECTION 57-73-23, MISSISSIPPI CODE OF 1972,  
 2 WHICH AUTHORIZES AN INCOME TAX CREDIT FOR EMPLOYERS PROVIDING  
 3 DEPENDENT CARE FOR EMPLOYEES DURING WORK HOURS AND FOR EMPLOYERS  
 4 THAT PROVIDE A CHILD CARE STIPEND TO BE USED FOR CHILD CARE DURING  
 5 EMPLOYEES' WORK HOURS, TO INCREASE THE AMOUNT OF THE TAX CREDIT;  
 6 AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 57-73-23, Mississippi Code of 1972, is  
 9 amended as follows:

10 57-73-23. (1) A \* \* \* seventy-five percent (75%) income tax  
 11 credit shall be granted to any employer providing dependent care  
 12 for employees during the employee's work hours, and to any  
 13 employer who provides a child care stipend of at least Six  
 14 Thousand Dollars (\$6,000.00) to a licensed or registered entity  
 15 providing dependent child care in the State of Mississippi for an  
 16 employee's children during the employee's work hours.

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



20 (a) The names of the employees on whose behalf the  
21 stipend is paid; \* \* \*

22 (b) The amount of the stipend paid on behalf of each of  
23 those employees;

24 (c) The licensed or registered entity receiving the  
25 child care stipend from the employer on behalf of the employee,  
26 including the entity's federal identification number and license  
27 and registration number; and

28 (d) Such other information as may be required by the  
29 Department of Revenue to ensure that credits under this section  
30 are granted only to employers who provide stipends to a licensed  
31 or registered entity providing dependent care in the State of  
32 Mississippi for an employee's children during the employee's work  
33 hours.

34 (3) For an employer contracting with a licensed or  
35 registered entity to provide dependent care for its employees  
36 during the employee's work hours, the credit is applied to the net  
37 cost of any contract executed by the employer for another entity  
38 to provide dependent care; or, if the employer elects to provide  
39 dependent care itself, the credit is applied to expenses of  
40 dependent care staff, learning and recreational materials and  
41 equipment, and the construction and maintenance of a facility; or,  
42 if the employer elects to provide a child care stipend to a  
43 licensed or registered entity providing dependent care in the  
44 State of Mississippi for the employee's children during the



45 employee's work hours, the credit is applied to the amount of the  
46 stipend provided. Additional eligible expenses include net costs  
47 assumed by the employer which increase the quality, availability  
48 and affordability of dependent care in the community used by  
49 employees during the employee's work hours. This cost is net of  
50 any reimbursement. A deduction shall not be allowed for any  
51 expenses which serve as the basis for an income tax credit. The  
52 credits allowed under this section shall not be used by any  
53 business enterprise or corporation other than the business  
54 enterprise actually qualifying for the credits.

55 Credit may be carried forward for the five (5) successive  
56 years if the amount allowable as credit exceeds income tax  
57 liability in a tax year; however, thereafter, if the amount  
58 allowable as a credit exceeds the tax liability, the amount of  
59 excess shall not be refundable or carried forward to any other  
60 taxable year.

61 The facility must have an average daily enrollment for the  
62 taxable year of no less than six (6) children who are twelve (12)  
63 years of age or less and be licensed according to the regulations  
64 governing licensure of child care facilities in Mississippi; or  
65 must serve five (5) or fewer children and/or elderly adults in a  
66 family child care/elder care home approved by the Department of  
67 Health for participation in the United States Department of  
68 Agriculture child and adult nutrition program; or must serve  
69 children over twelve (12) years of age but less than eighteen (18)



70 years of age in either a community-based facility or a facility at  
71 the employment site; or must serve adult relatives of employees in  
72 either a community-based elder care facility or a facility at the  
73 employment site; or must serve children or adult dependents having  
74 physical, emotional or mental disabilities in either a  
75 community-based facility or a facility at the employment site.

76 Employers will be certified as eligible for the tax credit by  
77 the State Department of Health for programs serving children  
78 twelve (12) years of age or younger and for programs serving  
79 elderly adults and by the Department of Revenue for programs  
80 serving other dependents older than twelve (12) years of age.

81 **SECTION 2.** Nothing in this act shall affect or defeat any  
82 claim, assessment, appeal, suit, right or cause of action for  
83 taxes due or accrued under the income tax laws before the date on  
84 which this act becomes effective, whether such claims,  
85 assessments, appeals, suits or actions have been begun before the  
86 date on which this act becomes effective or are begun thereafter;  
87 and the provisions of the income tax laws are expressly continued  
88 in full force, effect and operation for the purpose of the  
89 assessment, collection and enrollment of liens for any taxes due  
90 or accrued and the execution of any warrant under such laws before  
91 the date on which this act becomes effective, and for the  
92 imposition of any penalties, forfeitures or claims for failure to  
93 comply with such laws.



94           **SECTION 3.** This act shall take effect and be in force from  
95 and after January 1, 2024.

