

By: Representatives Lamar, Anthony, Summers

To: Ways and Means

HOUSE BILL NO. 1985

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT AND AD VALOREM TAX  
 2 CREDIT FOR TAXPAYERS FOR EACH DEPENDENT CHILD RESIDING WITH HIS OR  
 3 HER PARENTS, LEGALLY MARRIED TO ONE ANOTHER; TO PROVIDE FOR THE  
 4 AMOUNT OF THE TAX CREDIT; TO BRING FORWARD SECTIONS 27-7-22,  
 5 27-7-22.3, 27-7-22.5, 27-7-22.7, 27-7-22.13, 27-7-22.15,  
 6 27-7-22.16, 27-7-22.17, 27-7-22.18, 27-7-22.19, 27-7-22.20,  
 7 27-7-22.21, 27-7-22.22, 27-7-22.23, 27-7-22.25, 27-7-22.27,  
 8 27-7-22.28, 27-7-22.29, 27-7-22.30, 27-7-22.31, 27-7-22.32,  
 9 27-7-22.33, 27-7-22.34, 27-7-22.35, 27-7-22.36, 27-7-22.37,  
 10 27-7-22.39, 27-7-22.40, 27-7-22.41, 27-7-22.42, 27-7-22.43,  
 11 27-7-22.44, 27-7-22.45, 27-7-22.46, 27-7-22.47, 27-7-22.48,  
 12 27-7-22.49, 27-7-205, 27-7-207, 27-7-209, 57-73-21, 57-73-23,  
 13 57-87-5, 57-87-7, 57-105-1, 57-10-409, 57-114-3, 57-114-7,  
 14 57-114-9, 57-115-3 AND 57-115-5, MISSISSIPPI CODE OF 1972, WHICH  
 15 AUTHORIZE VARIOUS TAX CREDITS, FOR THE PURPOSES OF POSSIBLE  
 16 AMENDMENT; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** (1) There shall be allowed as a credit against  
 19 the tax imposed by this chapter and against ad valorem taxes  
 20 assessed and levied on real property the annual amount of Five  
 21 Hundred Dollars (\$500.00) for each dependent child residing with  
 22 his or her parents, legally married to one another.

23 (2) A husband and wife who file separate returns for a  
 24 taxable year in which they could have filed a joint return may



25 each claim only one-half (1/2) of the tax credits allowed under  
26 this section that would have been allowed for a joint return.

27 (3) (a) A taxpayer shall apply for credits with the  
28 department on forms prescribed by the department. Within thirty  
29 (30) days after the receipt of an application, the department  
30 shall allocate credits based on the number of eligible children  
31 indicated in the application. However, if the department cannot  
32 allocate the full amount of credits certified in the application  
33 due to the limit on the aggregate amount of credits that may be  
34 awarded under this section in a calendar year, the department  
35 shall so notify the applicant within thirty (30) days with the  
36 amount of credits, if any, that may be allocated to the applicant  
37 in the calendar year. Upon final documentation being provided by  
38 the taxpayer, if the actual number of eligible children is lower  
39 than the number originally indicated by the taxpayer, the  
40 department shall adjust the tax credit allowed under this section.

41 (b) In the application to the department, the taxpayer  
42 shall certify the number of eligible dependent children residing  
43 in the taxpayer's household for more than half of the taxable year  
44 and shall include a notarized statement indicating the parents of  
45 the children are legally married to one another in the taxable  
46 year. An eligible dependent child is one (1) who has not attained  
47 the age of nineteen (19) years, otherwise qualifies for federal  
48 income tax purposes as a dependent of the taxpayer, and is a  
49 natural child of both of the legally married parent filers.



50           (c) For the purposes of using a tax credit against ad  
51 valorem taxes assessed and levied on real property, a taxpayer  
52 shall present to the appropriate tax collector the tax credit  
53 documentation provided to the taxpayer by the department, and the  
54 tax collector shall apply the tax credit against such ad valorem  
55 taxes. The tax collector shall forward the tax credit  
56 documentation to the department along with the amount of the tax  
57 credit applied against ad valorem taxes, and the department shall  
58 disburse funds to the tax collector for the amount of the tax  
59 credit applied against ad valorem taxes. Such payments by the  
60 department shall be made from current tax collections.

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

64           **SECTION 2.** If any one (1) or more provision, section,  
65 subsection, sentence, clause, phrase or word of this act or the  
66 application thereof to any person or circumstance is found to be  
67 unconstitutional, the same is hereby declared to be severable and  
68 the balance shall remain effective notwithstanding such  
69 unconstitutionality. The Legislature hereby declares that it  
70 would have passed each provision, section, subsection, sentence,  
71 clause, phrase or word thereof, irrespective of the fact that any  
72 one (1) or more provision, section, subsection, sentence, clause,  
73 phrase or word be declared unconstitutional.



74           **SECTION 3.** Section 27-7-22, Mississippi Code of 1972, is  
75 brought forward as follows:

76           27-7-22. (1) For any qualified business, as defined in  
77 Section 57-51-5, which is located in a county, or portion thereof,  
78 designated as an enterprise zone pursuant to Title 57, Chapter 51,  
79 Mississippi Code of 1972, there shall be allowed as a credit  
80 against the tax imposed by this chapter, an amount equal to One  
81 Thousand Dollars (\$1,000.00) per net full-time employee as  
82 determined by the average annual employment of the business  
83 reported to the Employment Security Commission. Such credit shall  
84 be allowed annually to each qualified business for a period not to  
85 exceed ten (10) years. If the amount allowable as a credit  
86 exceeds the tax imposed by this chapter, the amount of such excess  
87 shall not be refundable or carried forward to any other taxable  
88 year.

89           For the purpose of determining the credit allowed to a  
90 qualified business which is an existing trade or business having  
91 expanded its buildings and facilities, the number of net full-time  
92 employees shall be the difference between the average annual  
93 employment of such business before and after such expansion.

94           If the Mississippi Enterprise Zone Act is repealed, any  
95 qualified business which had been granted a tax credit under this  
96 subsection prior to the date of such repeal shall be entitled to  
97 such tax credit until the period for which it was granted expires.



98           (2) For any qualified business, as defined in Section  
99 57-54-5, there shall be allowed as a credit against the tax  
100 imposed by this chapter, an amount equal to One Thousand Dollars  
101 (\$1,000.00) per net full-time employee as determined by the  
102 average annual employment of the business reported to the  
103 Employment Security Commission. Such credit shall be allowed  
104 annually to each qualified business for a period not to exceed ten  
105 (10) years. If the amount allowable as a credit exceeds the tax  
106 imposed by this chapter, the amount of such excess shall not be  
107 refundable or carried forward to any other taxable year.

108           For the purpose of determining the credit allowed to a  
109 qualified business which is an existing trade or business having  
110 expanded its buildings and facilities, the number of net full-time  
111 employees shall be the difference between the average annual  
112 employment of such business before and after such expansion.

113           If the Mississippi Advanced Technology Initiative Act is  
114 repealed, any qualified business which had been granted a tax  
115 credit under this subsection prior to the date of such repeal  
116 shall be entitled to such tax credit until the period for which it  
117 was granted expires.

118           (3) For any qualified company, certified as such by the  
119 Mississippi Board of Economic Development under Section 57-53-1,  
120 there shall be allowed as a credit against the tax imposed by this  
121 chapter, an amount equal to One Thousand Dollars (\$1,000.00) per  
122 net full-time employee in this state, provided there is a minimum



123 of seventy-five (75) net full-time employees, as determined by the  
124 average annual employment of the company in this state reported to  
125 the Employment Security Commission. Such credit shall be allowed  
126 annually to each qualified company for a period not to exceed ten  
127 (10) years. If the amount allowable as a credit exceeds the tax  
128 imposed by this chapter, the amount of such excess shall not be  
129 refundable or carried forward to any other taxable year.

130 For the purpose of determining the credit allowed to a  
131 qualified company which has expanded its existing buildings and  
132 facilities, the number of net full-time employees shall be the  
133 difference between the average annual employment of such company  
134 before and after such expansion.

135 (4) For any qualified business or industry which is  
136 certified as such by the Mississippi Board of Economic Development  
137 pursuant to the Mississippi Flexible Tax Incentive Act and awarded  
138 any mFlex tax incentive amount for such qualified business's or  
139 industry's qualified economic development project, there shall be  
140 allowed as a credit against the tax imposed by this chapter, an  
141 amount prescribed by, and subject to, the Mississippi Flexible Tax  
142 Incentive Act.

143 **SECTION 4.** Section 27-7-22.3, Mississippi Code of 1972, is  
144 brought forward as follows:

145 **[In cases involving an economic development project for which**  
146 **the Mississippi Business Finance Corporation has issued bonds for**



147 **the purpose of financing the approved costs of such project prior**  
148 **to July 1, 1994, this section shall read as follows:]**

149 27-7-22.3. (1) For taxpayers who are required to pay a job  
150 assessment fee as provided in Section 57-10-413, there shall be  
151 allowed as a credit against the taxes imposed by this chapter, an  
152 amount equal to the amount of the job assessment fee imposed upon  
153 such taxpayer pursuant to Section 57-10-413. If the amount  
154 allowable as a credit exceeds the tax imposed by this article and  
155 Section 27-7-22.3, the amount of such excess shall not be  
156 refundable or carried forward to any other taxable year.

157 (2) For any approved company as defined in Section  
158 57-10-401, there shall be allowed against the taxes imposed by  
159 this chapter on the income of the approved company generated by or  
160 arising out of the economic development project (as defined in  
161 Section 57-10-401), a credit in an amount not to exceed the total  
162 debt service paid under a financing agreement entered into under  
163 Section 57-10-409. The tax credit allowed in this subsection  
164 shall not exceed the amount of taxes due the State of Mississippi.

165 **[In cases involving an economic development project for which**  
166 **the Mississippi Business Finance Corporation has not issued bonds**  
167 **for the purpose of financing the approved costs of such project**  
168 **prior to July 1, 1994, but has issued bonds for such project prior**  
169 **to July 1, 1997, or in cases involving an economic development**  
170 **project which has been induced by a resolution of the Board of**  
171 **Directors of the Mississippi Business Finance Corporation that has**



172 **been filed with the State Tax Commission prior to July 1, 1997,**  
173 **this section shall read as follows:]**

174       27-7-22.3. (1) For taxpayers who are required to pay a job  
175 assessment fee as provided in Section 57-10-413, there shall be  
176 allowed as a credit against the taxes imposed by this chapter, an  
177 amount equal to the amount of the job assessment fee imposed upon  
178 such taxpayer pursuant to Section 57-10-413. If the amount  
179 allowable as a credit exceeds the tax imposed by this article and  
180 Section 27-7-22.3, the amount of such excess shall not be  
181 refundable or carried forward to any other taxable year.

182       (2) For any approved company as defined in Section  
183 57-10-401, there shall be allowed against the taxes imposed by  
184 this chapter on the income of the approved company generated by or  
185 arising out of the economic development project (as defined in  
186 Section 57-10-401), a credit in an amount not to exceed the total  
187 debt service paid under a financing agreement entered into under  
188 Section 57-10-409. The tax credit allowed in this subsection  
189 shall not exceed the amount of taxes due the State of Mississippi.  
190 The amount of income of the approved company generated by or  
191 arising out of the economic development project shall be  
192 determined by a formula adopted by the Mississippi Business  
193 Finance Corporation.

194       **[In cases involving an economic development project for which**  
195 **the Mississippi Business Finance Corporation has not issued bonds**  
196 **for the purpose of financing the approved costs of such project**





197 prior to July 1, 1997, or in cases involving an economic  
198 development project which has not been induced by a resolution of  
199 the Board of Directors of the Mississippi Business Finance  
200 Corporation that has been filed with the State Tax Commission  
201 prior to July 1, 1997, this section shall read as follows:]

202 27-7-22.3. For any approved company as defined in Section  
203 57-10-401, there shall be allowed against the taxes imposed by  
204 this chapter on the income of the approved company generated by or  
205 arising out of the economic development project (as defined in  
206 Section 57-10-401), a credit in an amount not to exceed the total  
207 debt service paid under a financing agreement entered into under  
208 Section 57-10-409; provided, however, that the tax credit allowed  
209 in this subsection shall not exceed eighty percent (80%) of the  
210 amount of taxes due the State of Mississippi prior to the  
211 application of the credit. To the extent that financing agreement  
212 annual payments exceed the amount of the credit authorized  
213 pursuant to this section in any taxable year, such excess payment  
214 may be recouped from excess credits in succeeding years not to  
215 exceed three (3) years following the date upon which the credit  
216 was earned. The amount of income of the approved company  
217 generated by or arising out of the economic development project  
218 shall be determined by a formula adopted by the Mississippi  
219 Business Finance Corporation.

220 **SECTION 5.** Section 27-7-22.5, Mississippi Code of 1972, is  
221 brought forward as follows:



222           27-7-22.5. (1) (a) For any manufacturer, distributor,  
223 wholesale or retail merchant who pays to a county, municipality,  
224 school district, levee district or any other taxing authority of  
225 the state or a political subdivision thereof, ad valorem taxes  
226 imposed on commodities, raw materials, works-in-process, products,  
227 goods, wares and merchandise held for resale, a credit against the  
228 income taxes imposed under this chapter shall be allowed for the  
229 portion of the ad valorem taxes so paid in the amounts prescribed  
230 in subsection (2).

231           (b) (i) For any person, firm or corporation who pays  
232 to a county, municipality, school district, levee district or any  
233 other taxing authority of the state or a political subdivision  
234 thereof, ad valorem taxes imposed on rental equipment, a credit  
235 against the income taxes imposed under this chapter shall be  
236 allowed for the portion of the ad valorem taxes so paid in the  
237 amounts prescribed in subsection (2).

238           (ii) As used in this paragraph, "rental equipment"  
239 means any rental equipment or other rental items which are held  
240 for short-term rental to the public:

- 241                           1. Under rental agreements with no specific  
242 term;
- 243                           2. Under at-will or open-ended agreements; or
- 244                           3. Under rental agreements with terms  
245 ordinarily of less than three hundred sixty-five (365) days; and



246                   4. Is not subject to privilege taxes imposed  
247 in Chapter 19, Title 27, Mississippi Code of 1972.

248                   (c) The tax credit allowed by this section may not be  
249 claimed by a taxpayer that is a medical cannabis establishment as  
250 defined in the Mississippi Medical Cannabis Act.

251                   (2) The tax credit allowed by this section shall not exceed  
252 the amounts set forth in paragraphs (a) through (g) of this  
253 subsection; and may be claimed for each location where such  
254 commodities, raw material, works-in-process, products, goods,  
255 wares, merchandise and/or rental equipment are found and upon  
256 which the ad valorem taxes have been paid. Any tax credit claimed  
257 under this section but not used in any taxable year may be carried  
258 forward for five (5) consecutive years from the close of the tax  
259 year in which the credit was earned.

260                   (a) For the 1994 taxable year, the tax credit for each  
261 location of the taxpayer shall not exceed the lesser of Two  
262 Thousand Dollars (\$2,000.00) or the amount of income taxes due the  
263 State of Mississippi that are attributable to such location.

264                   (b) For the 1995 taxable year, the tax credit for each  
265 location of the taxpayer shall not exceed the lesser of Three  
266 Thousand Dollars (\$3,000.00) or the amount of income taxes due the  
267 State of Mississippi that are attributable to such location.

268                   (c) For the 1996 taxable year, the tax credit for each  
269 location of the taxpayer shall not exceed the lesser of Four



270 Thousand Dollars (\$4,000.00) or the amount of income taxes due the  
271 State of Mississippi that are attributable to such location.

272 (d) For the 1997 taxable year and each taxable year  
273 thereafter through taxable year 2013, the tax credit for each  
274 location of the taxpayer shall not exceed the lesser of Five  
275 Thousand Dollars (\$5,000.00) or the amount of income taxes due the  
276 State of Mississippi that are attributable to such location.

277 (e) For the 2014 taxable year, the tax credit for each  
278 location of the taxpayer shall not exceed the lesser of Ten  
279 Thousand Dollars (\$10,000.00) or the amount of income taxes due  
280 the State of Mississippi that are attributable to such location.

281 (f) For the 2015 taxable year, the tax credit for each  
282 location of the taxpayer shall not exceed the lesser of Fifteen  
283 Thousand Dollars (\$15,000.00) or the amount of income taxes due  
284 the State of Mississippi that are attributable to such location.

285 (g) For the 2016 taxable year and each taxable year  
286 thereafter, the tax credit of the taxpayer shall be the lesser of  
287 the amount of the ad valorem taxes described in subsection (1)  
288 paid or the amount of income taxes due the State of Mississippi  
289 that are attributable to such location.

290 (3) Any amount of ad valorem taxes paid by a taxpayer that  
291 is applied toward the tax credit allowed in this section may not  
292 be used as a deduction by the taxpayer for state income tax  
293 purposes. In the case of a taxpayer that is a partnership,  
294 limited liability company or S corporation, the credit may be



295 applied only to the tax attributable to partnership, limited  
296 liability company or S corporation income derived from the  
297 taxpayer.

298         **SECTION 6.** Section 27-7-22.7, Mississippi Code of 1972, is  
299 brought forward as follows:

300             27-7-22.7. (1) As used in this section, the term "port"  
301 means a state, county or municipal port or harbor established  
302 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
303 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
304 59-11-1 through 59-11-7.

305             (2) For any income taxpayer utilizing the port facilities at  
306 any port for the export of cargo that is loaded on a carrier  
307 calling at any such port, a credit against the taxes imposed  
308 pursuant to this chapter shall be allowed in the amounts provided  
309 in this section.

310             (3) Except as otherwise provided by subsection (5) of this  
311 section, the amount of the credit allowed pursuant to this section  
312 shall be the total of the following charges on export cargo paid  
313 by the corporation:

- 314                     (a) Receiving into the port;  
315                     (b) Handling to a vessel; and  
316                     (c) Wharfage.

317             (4) The credit provided for in this section shall not exceed  
318 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
319 for the taxable year reduced by the sum of all other credits



320 allowable to such taxpayer under this chapter, except credit for  
321 tax payments made by or on behalf of the taxpayer. Any unused  
322 portion of the credit may be carried forward for the succeeding  
323 five (5) years. The maximum cumulative credit that may be claimed  
324 by a taxpayer pursuant to this section and for the period of time  
325 beginning on January 1, 1994, and ending on December 31, 2005, is  
326 limited to One Million Two Hundred Thousand Dollars  
327 (\$1,200,000.00).

328 (5) To obtain the credit provided for in this section, a  
329 taxpayer must provide to the Department of Revenue a statement  
330 from the governing authority of the port certifying the amount of  
331 charges paid by the taxpayer for which a credit is claimed and any  
332 other information required by the Department of Revenue.

333 (6) The purpose of the tax credit provided for in this  
334 section is to promote the increased use of ports and related  
335 facilities in this state, particularly by those taxpayers which  
336 would not otherwise use such ports and related facilities without  
337 the benefit of such tax credit, and increase the number of port  
338 related jobs and other economic development benefits associated  
339 with the increased use of such ports and related facilities. It  
340 is the intent of the Legislature that in determining whether or  
341 not such tax credit will be continued in future years, the  
342 attainment of the purposes set forth in this subsection must be  
343 demonstrated by the material contained in the reports prepared by  
344 the Mississippi Development Authority under Section 27-7-22.9.



345           **SECTION 7.** Section 27-7-22.13, Mississippi Code of 1972, is  
346 brought forward as follows:

347           27-7-22.13. (1) For the purposes of this section, the term  
348 "financial institution" shall have the meaning set forth in  
349 Section 27-7-24.1(h)(i), (ii), (iii), (iv), or (viii).

350           (2) There shall be allowed to a Mississippi employer which  
351 is a financial institution a credit against the income taxes  
352 imposed under this chapter based upon the net gain, if any, in the  
353 number of employees of the financial institution in connection  
354 with one of the following transactions:

355           (a) The merger or consolidation of a Mississippi  
356 financial institution with an out-of-state financial institution;

357           (b) The purchase by a Mississippi domiciled financial  
358 institution of all or substantially all of the assets (including  
359 all or substantially all of the branches) of an out-of-state  
360 financial institution;

361           (c) The purchase by an out-of-state financial  
362 institution of all or substantially all of the assets (including  
363 all or substantially all of the branches) of a Mississippi  
364 domiciled financial institution;

365           (d) The purchase by a Mississippi domiciled financial  
366 institution of all or substantially all of the assets (including  
367 all or substantially all of the branches) of an out-of-state  
368 financial institution in a state other than the State of  
369 Mississippi even though:



370 (i) Two (2) or more financial institutions are not  
371 merged or consolidated; or

372 (ii) All or substantially all of the assets of the  
373 financial institution are not purchased; or

374 (e) The purchase by an out-of-state financial  
375 institution of all or substantially all of the assets (including  
376 all or substantially all of the branches) in the State of  
377 Mississippi of a financial institution even though:

378 (i) Two (2) or more financial institutions are not  
379 merged or consolidated; or

380 (ii) All or substantially all of the assets of the  
381 financial institution are not purchased.

382 (3) The net gain, if any, in the number of employees shall  
383 be determined by a comparison of:

384 (a) The number of employees listed on the Employer's  
385 Quarterly Contribution Report filed with the Mississippi  
386 Employment Security Commission by the financial institution for  
387 the month the transaction was completed; and

388 (b) The number of employees listed on the Employer's  
389 Quarterly Contribution Report filed with the Mississippi  
390 Employment Security Commission by the financial institution for  
391 the same month one (1) year following completion of the  
392 transaction, exclusive of the number of employees gained in  
393 connection with intervening transactions.





394 (4) The base amount of the credit provided in this section  
395 shall be equal to the net gain in the number of employees  
396 multiplied by One Thousand Five Hundred Dollars (\$1,500.00). The  
397 financial institution may claim as a credit against income tax an  
398 amount equal to one hundred percent (100%) of the base amount in  
399 the tax year the determination is made, eighty percent (80%) in  
400 the next year, sixty percent (60%) in the third year, forty  
401 percent (40%) in the fourth year and twenty percent (20%) in the  
402 fifth year. The credit allowed by this section shall not exceed  
403 the amount of the taxes due to the State of Mississippi by the  
404 financial institution. Any amount allowable as a credit pursuant  
405 to this section that exceeds the financial institution's tax  
406 liability shall not be refunded or carried forward to any other  
407 taxable year.

408 (5) The credit authorized by this section shall apply only  
409 to transactions described in this section which are completed  
410 after March 29, 1996.

411 (6) The commission may promulgate regulations to implement  
412 this section.

413 **SECTION 8.** Section 27-7-22.15, Mississippi Code of 1972, is  
414 brought forward as follows:

415 27-7-22.15. (1) As used in this section, the following  
416 words and phrases shall have the meanings ascribed to herein  
417 unless the context clearly indicates otherwise:



418 (a) "Approved reforestation practices" means the  
419 following practices for establishing a crop of trees suitable for  
420 manufacturing into forest products:

421 (i) "Pine and hardwood tree planting practices"  
422 including the cost of seedlings, planting by hand or machine, and  
423 site preparation.

424 (ii) "Mixed-stand regeneration practices" to  
425 establish a mixed-crop of pine and hardwood trees by planting or  
426 direct seeding, or both, including the cost of seedlings,  
427 seed/acorns, planting, seeding and site preparation.

428 (iii) "Direct seeding practices" to establish a  
429 crop of pine or oak trees by directly applying seed/acorns to the  
430 site including the cost of seed/acorns, seeding and site  
431 preparation.

432 (iv) "Post-planting site preparation practices" to  
433 reduce or control undesirable competition within the first growing  
434 season of an established crop of trees.

435 Approved reforestation practices shall not include the  
436 establishment of orchards, Christmas trees or ornamental trees.

437 (b) "Eligible tree species" means pine and hardwood  
438 commercial tree species suitable for manufacturing into forest  
439 products.

440 (c) "Cost-share assistance" means partial financial  
441 payment for approved reforestation practices from the state



442 government as authorized under Sections 49-19-201 through  
443 49-19-227, or the federal government.

444 (d) "Eligible owner" means a private individual, group  
445 or association, but the term shall not mean private corporations  
446 which manufacture products or provide public utility services of  
447 any type or any subsidiary of such corporations.

448 (e) "Eligible lands" means nonindustrial private lands  
449 owned by a private individual, group or association, but shall not  
450 mean lands owned by private corporations which manufacture  
451 products or provide public utility services of any type or any  
452 subsidiary of such corporations.

453 (f) "Reforestation prescription or plan" means a  
454 written description of the approved reforestation practices that  
455 the eligible owner plans to use and includes a legal description  
456 and map of the area to be reforested, a list of the tree seedling  
457 or seed species to be used in the reforestation and the site  
458 preparation practices that will be utilized.

459 (2) Subject to the limitations provided in subsection (3) of  
460 this section, upon submission to the State Tax Commission of the  
461 written verification provided for in subsection (5) of this  
462 section and such other documentation as the State Tax Commission  
463 may require, any eligible owner who incurs costs for approved  
464 reforestation practices for eligible tree species on eligible  
465 lands shall be allowed a credit, in an amount equal to the lesser  
466 of fifty percent (50%) of the actual costs of the approved



467 reforestation practices or fifty percent (50%) of the average cost  
468 of approved practices as established by the Mississippi Forestry  
469 Commission under Section 49-19-219, against the taxes imposed  
470 pursuant to this chapter for the tax year in which the costs are  
471 incurred.

472 (3) The maximum amount of the credit provided for in  
473 subsection (2) of this section that may be utilized in any one (1)  
474 taxable year shall not exceed the lesser of Ten Thousand Dollars  
475 (\$10,000.00) or the amount of income tax imposed upon the eligible  
476 owner for the taxable year reduced by the sum of all other credits  
477 allowable to the eligible owner under this chapter, except credit  
478 for tax payments made by or on behalf of the eligible owner. Any  
479 unused portion of the credit may be carried forward for succeeding  
480 tax years. The maximum dollar amount of the credit provided for  
481 in subsection (2) of this section that an eligible owner may  
482 utilize during his lifetime shall be Seventy-five Thousand Dollars  
483 (\$75,000.00) in the aggregate.

484 (4) If an eligible owner receives any state or federal cost  
485 share assistance funds to defray the cost of an approved  
486 reforestation practice, the cost of that practice on the same acre  
487 or acres within the same tax year is not eligible for the credit  
488 provided in this section unless the eligible owner's adjusted  
489 gross income is less than the federal earned income credit level.

490 (5) To be eligible for the tax credit, an eligible owner  
491 must have a reforestation prescription or plan prepared for the



492 eligible lands by a graduate forester of a college, school or  
493 university accredited by the Society of American Foresters or by a  
494 registered forester under the Foresters Registration Law of 1977.  
495 The forester must verify in writing that the reforestation  
496 practices were completed and that the reforestation prescription  
497 or plan was followed.

498         **SECTION 9.** Section 27-7-22.16, Mississippi Code of 1972, is  
499 brought forward as follows:

500             27-7-22.16. (1) (a) Except as otherwise provided under  
501 this subsection, the words and phrases used in this section shall  
502 have the meanings ascribed to them in Section 49-35-5, Mississippi  
503 Code of 1972.

504             (b) "Remediation costs" means reasonable costs paid for  
505 the assessment, investigation, remediation, monitoring and related  
506 activities at a brownfield agreement site which are consistent  
507 with the remedy selected for the site, and costs paid to the  
508 Department of Environmental Quality for the processing of the  
509 brownfield agreement application and administration of a  
510 brownfield agreement. Remediation costs shall not include (i)  
511 costs incurred before June 24, 1999; (ii) costs incurred after the  
512 issuance of a No Further Action letter under Section 49-35-15,  
513 Mississippi Code of 1972; (iii) costs incurred before the  
514 acceptance of a brownfield agreement site into the Mississippi  
515 Brownfields Voluntary Cleanup and Redevelopment program; (iv)  
516 costs incurred for any legal services or litigation costs; and (v)



517 any funds provided by any federal, state or local governmental  
518 agency or political subdivision.

519 (2) Subject to the limitations provided in subsection (4) of  
520 this section, upon submission to the State Tax Commission of  
521 information provided for in subsection (5) of this section and any  
522 other documentation as the State Tax Commission may require, any  
523 brownfield party who (a) has conducted remediation at a brownfield  
524 agreement site in accordance with Sections 49-35-1 through  
525 49-35-25 and (b) has incurred remediation costs for activities  
526 under Sections 49-35-1 through 49-35-25, as approved by the  
527 Commission on Environmental Quality, shall be allowed a credit in  
528 an amount equal to twenty-five percent (25%) of the remediation  
529 costs at the brownfield agreement site as approved by the  
530 commission, against the taxes imposed under this chapter for the  
531 tax year in which the costs are incurred.

532 (3) (a) Before applying for the tax credit authorized in  
533 this section, a brownfield party shall submit an application to  
534 the Department of Environmental Quality for certification that the  
535 brownfield party has conducted remediation at a brownfield  
536 agreement site in accordance with Sections 49-35-1 through  
537 49-35-25 during the tax year(s) for which the credit is sought.  
538 The application shall be on forms prescribed by the Commission on  
539 Environmental Quality and provided by the Department. The  
540 application shall include the following:



541 (i) A section identifying the brownfield party,  
542 the brownfield agreement site, the date the brownfield agreement  
543 was executed and the tax year for which the credit is sought;

544 (ii) A certification that the costs to be  
545 submitted to the State Tax Commission are remediation costs  
546 incurred by the brownfield party during the tax year(s) for which  
547 the credit is sought. The certification shall include a listing  
548 of all remediation conducted and the associated costs; and

549 (iii) Any other information which the Commission  
550 on Environmental Quality or the State Tax Commission deems  
551 appropriate.

552 (b) Within sixty (60) days after receipt by the  
553 Department of a completed application, the department shall  
554 approve or disapprove the application. The Department shall  
555 notify the brownfield party in writing of its decision. If the  
556 department approves the application, the department shall provide  
557 the brownfield party with certification that the brownfield party  
558 has conducted remediation at a brownfield agreement site in  
559 accordance with Sections 49-35-1 through 49-35-25 during the tax  
560 year(s) for which the credit is sought. If the Department  
561 disapproves the application, the Department shall notify the  
562 brownfield party in writing and state the reasons for the  
563 disapproval.

564 (c) Within thirty (30) days after receipt of the  
565 Department's decision, the brownfield party may request a hearing



566 before the Commission regarding the Department's decision to  
567 disapprove the application. An appeal of the Commission's  
568 decision may be taken as provided under Section 49-17-41.

569 (d) The Department's review of the application under  
570 this section shall be considered a part of the administration of  
571 the brownfield agreement.

572 (e) The department's review of the application for  
573 review of remediation costs under this section shall be considered  
574 a part of the administration of the brownfield agreement.

575 (4) (a) The annual credit provided for in this section  
576 shall not exceed the lesser of Forty Thousand Dollars (\$40,000.00)  
577 or the amount of the income tax imposed upon the brownfield party  
578 at the brownfield agreement site for the taxable year as reduced  
579 by the sum of all other credits allowable to the brownfield party  
580 under this chapter, except for credit for tax payments made by or  
581 on behalf of the brownfield party. Any unused portion of the  
582 credit may be carried forward for succeeding tax years.

583 (b) The maximum total credit under this section for a  
584 brownfield agreement site is One Hundred Fifty Thousand Dollars  
585 (\$150,000.00).

586 (5) To be eligible for the tax credit, the brownfield party  
587 must submit a copy of the letter from the commission stating the  
588 amount of remediation costs approved by the commission for the  
589 given tax year.





590           **SECTION 10.** Section 27-7-22.17, Mississippi Code of 1972, is  
591 brought forward as follows:

592           27-7-22.17. (1) Permanent business enterprises engaged in  
593 operating a project and companies that are members of an  
594 affiliated group that includes such permanent business enterprises  
595 are allowed a job tax credit for taxes imposed by Section 27-7-5  
596 equal to Five Thousand Dollars (\$5,000.00) annually for each net  
597 new full-time employee job for a period of twenty (20) years from  
598 the date the credit commences; however, if the permanent business  
599 enterprise is located in an area that has been declared by the  
600 Governor to be a disaster area and as a direct result of the  
601 disaster the business enterprise is unable to maintain the  
602 required number of employees, the commissioner may extend this  
603 time period for not more than two (2) years. The credit shall  
604 commence on the date selected by the permanent business  
605 enterprise; however, the commencement date shall not be more than  
606 five (5) years from the date the business enterprise commences  
607 commercial production. For the year in which the commencement  
608 date occurs, the number of new full-time jobs shall be determined  
609 by using the monthly average number of full-time employees subject  
610 to the Mississippi income tax withholding. Thereafter, the number  
611 of new full-time jobs shall be determined by comparing the monthly  
612 average number of full-time employees subject to the Mississippi  
613 income tax withholding for the taxable year with the corresponding  
614 period of the prior taxable year. Once a permanent business



615 enterprise creates or increases employment three thousand (3,000)  
616 or more, such enterprise and the members of the affiliated group  
617 that include such enterprise, shall be eligible for the credit.  
618 The credit is not allowed for any year of the twenty-year period  
619 in which the overall monthly average number of full-time employees  
620 subject to the Mississippi income tax withholding falls below  
621 three thousand (3,000); however, if the permanent business  
622 enterprise is located in an area that has been declared by the  
623 Governor to be a disaster area and as a direct result of the  
624 disaster the business enterprise is unable to maintain the  
625 required number of employees, the commissioner may waive the  
626 employment requirement for a period of time not to exceed two (2)  
627 years. The State Tax Commission shall adjust the credit allowed  
628 each year for the net new employment fluctuations above three  
629 thousand (3,000).

630 (2) Any tax credit claimed under this section but not used  
631 in any taxable year may be carried forward for five (5)  
632 consecutive years from the close of the tax year in which the  
633 credits were earned; however, if the permanent business enterprise  
634 is located in an area that has been declared by the Governor to be  
635 a disaster area and as a direct result of the disaster the  
636 business enterprise is unable to use the existing carryforward,  
637 the commissioner may extend the period that the credit may be  
638 carried forward for a period of time not to exceed two (2) years.  
639 The credit that may be utilized each year shall be limited to an



640 amount not greater than the total state income tax liability of  
641 the permanent business enterprise and the state income tax  
642 liability of any member of the affiliated group that includes such  
643 enterprise that is generated by, or arises out of, the project.

644 (3) The tax credits provided for in this section shall be in  
645 lieu of the tax credits provided for in Section 57-73-21 and any  
646 permanent business enterprise or any member of the affiliated  
647 group that includes such enterprise utilizing the tax credit  
648 authorized in this section shall not utilize the tax credit  
649 authorized in Section 57-73-21.

650 (4) As used in this section:

651 (a) "Project" means a project as defined in Section  
652 57-75-5(f) (iv).

653 (b) "Affiliated group" means one or more corporations  
654 connected through stock ownership with a common parent corporation  
655 where at least eighty percent (80%) of the voting power of all  
656 classes of stock and at least eighty percent (80%) of each class  
657 of the nonvoting stock of each of the member corporations, except  
658 the common parent corporation, is directly owned by one or more of  
659 the other member corporations; and the common parent corporation  
660 directly owns stock possessing at least eighty percent (80%) of  
661 the voting power of all classes of stock and at least eighty  
662 percent (80%) of each class of the nonvoting stock of at least one  
663 (1) of the other member corporations. As used in this subsection,



664 the term "stock" does not include nonvoting stock that is limited  
665 and preferred as to dividends.

666 **SECTION 11.** Section 27-7-22.18, Mississippi Code of 1972, is  
667 brought forward as follows:

668 27-7-22.18. (1) Any enterprise owning or operating a  
669 project as defined in Section 57-75-5(f) (xviii) is allowed a job  
670 tax credit for taxes imposed by Section 27-7-5 equal to Five  
671 Thousand Dollars (\$5,000.00) annually for each net new full-time  
672 employee job for a period of ten (10) years from the date the  
673 credit commences. The credit shall commence on the date selected  
674 by the enterprise; provided, however, that the commencement date  
675 shall not be more than two (2) years from the date the project  
676 becomes fully operational. For the year in which the commencement  
677 date occurs, the enterprise must select a date on which it has at  
678 least four hundred fifty (450) full-time employees subject to the  
679 Mississippi income tax withholding. From that date to the end of  
680 the year, the credit will be determined based on the remaining  
681 monthly average of full-time employees subject to the Mississippi  
682 income tax withholding. For each year thereafter, the number of  
683 new full-time jobs created shall be determined by calculating the  
684 monthly average number of full-time employees subject to the  
685 Mississippi income tax withholding for the year. For every year  
686 subsequent to the year the commencement date occurs, the credit is  
687 not allowed for any year in which the overall monthly average  
688 number of full-time employees subject to the Mississippi income



689 tax withholding falls below the minimum jobs requirement provided  
690 in Section 57-75-5(f) (xviii). The State Tax Commission shall  
691 adjust the credit allowed each year for the net new employment  
692 fluctuations.

693 (2) For the first five (5) years in which a tax credit is  
694 claimed under this section, any tax credit claimed but not used in  
695 any taxable year may be carried forward for five (5) consecutive  
696 years from the close of the tax year in which the credits were  
697 earned. For the remainder of the ten-year period, any tax credit  
698 claimed under this section but not used in any taxable year may be  
699 carried forward for three (3) consecutive years from the close of  
700 the tax year in which the credits were earned. The credit that  
701 may be utilized each year shall be limited to an amount not  
702 greater than the total state income tax liability of the  
703 enterprise that is generated by, or arises out of, the project.

704 (3) The tax credits provided for in this section shall be in  
705 lieu of the tax credits provided for in Section 57-73-21 and any  
706 enterprise utilizing the tax credit authorized in this section  
707 shall not utilize the tax credit authorized in Section 57-73-21.

708 **SECTION 12.** Section 27-7-22.19, Mississippi Code of 1972, is  
709 brought forward as follows:

710 27-7-22.19. (1) Integrated suppliers are allowed a job tax  
711 credit for taxes imposed by Section 27-7-5 equal to One Thousand  
712 Dollars (\$1,000.00) annually for each net new full-time employee  
713 for five (5) years from the date the credit commences; however, if



714 the integrated supplier is located in an area that has been  
715 declared by the Governor to be a disaster area and as a direct  
716 result of the disaster the integrated supplier is unable to  
717 maintain the required number of employees, the commissioner may  
718 extend this time period for not more than two (2) years. The  
719 credit shall commence on the date selected by the integrated  
720 supplier; provided, however, that the commencement date shall not  
721 be more than five (5) years from the date the integrated supplier  
722 commences commercial production. For the year in which the  
723 commencement date occurs, the number of new full-time jobs shall  
724 be determined by using the monthly average number of full-time  
725 employees subject to Mississippi income tax withholding.  
726 Thereafter, the number of new full-time jobs shall be determined  
727 by comparing the monthly average number of full-time employees  
728 subject to Mississippi income tax withholding for the taxable year  
729 with the corresponding period of the prior taxable year. Only  
730 those integrated suppliers that increase employment by twenty (20)  
731 or more are eligible for the credit. The credit is not allowed  
732 during any of the five (5) years if the net employment increase  
733 falls below twenty (20); however, if the integrated supplier is  
734 located in an area that has been declared by the Governor to be a  
735 disaster area and as a direct result of the disaster the  
736 integrated supplier is unable to maintain the required number of  
737 employees, the commissioner may waive the employment requirement  
738 for a period of time not to exceed two (2) years. The State Tax



739 Commission shall adjust the credit allowed each year for the net  
740 new employment fluctuations above the minimum level of twenty  
741 (20).

742 (2) Any tax credit claimed under this section but not used  
743 in any taxable year may be carried forward for five (5)  
744 consecutive years from the close of the tax year in which the  
745 credits were earned; however, if the integrated supplier is  
746 located in an area that has been declared by the Governor to be a  
747 disaster area and as a direct result of the disaster the  
748 integrated supplier is unable to use the existing carryforward,  
749 the commissioner may extend the period that the credit may be  
750 carried forward for a period of time not to exceed two (2) years.  
751 The credit that may be utilized each year shall be limited to an  
752 amount not greater than fifty percent (50%) of the taxpayer's  
753 state income tax liability which is attributable to income derived  
754 from operation in the state for that year.

755 (3) The tax credits provided for in this section shall be in  
756 lieu of the tax credits provided for in Section 57-73-21, and any  
757 integrated supplier utilizing the tax credit authorized in this  
758 section shall not utilize the tax credit authorized in Section  
759 57-73-21.

760 (4) As used in this section the term "integrated supplier"  
761 means a supplier located on the project site which provides goods  
762 or services on the project site solely for a project as defined in  
763 Section 57-75-5(f)(iv)1.



764           **SECTION 13.** Section 27-7-22.20, Mississippi Code of 1972, is  
765 brought forward as follows:

766           27-7-22.20. (1) An enterprise owning or operating a project  
767 as defined in Section 57-75-5(f) (xviii) is allowed an annual  
768 investment tax credit for taxes imposed by Section 27-7-5 equal to  
769 seven and one-half percent (7-1/2%) of the eligible investments  
770 made by the enterprise. The credit shall commence on the date  
771 selected by the enterprise; provided, however, that the  
772 commencement date shall not be more than two (2) years from the  
773 date the project becomes fully operational. For the purposes of  
774 this section, the term "eligible investment" means the amount of  
775 investment in a project as defined in Section 57-75-5(f) (xviii)  
776 that is greater than Four Hundred Million Dollars  
777 (\$400,000,000.00) and used in the initial establishment of the  
778 project.

779           (2) Any tax credit claimed under this section but not used  
780 in any taxable year may be carried forward for ten (10)  
781 consecutive years from the close of the tax year in which the  
782 credits were earned. The credit that may be utilized in any one  
783 tax year shall be limited to an amount not greater than the total  
784 state income tax liability of the enterprise for that year that is  
785 generated by, or arises out of, the project.

786           (3) The credit received under this section is subject to  
787 recapture if the property for which the tax credit was received is  
788 disposed of, or converted to, other than business use. The amount





789 of the credit subject to recapture is one hundred percent (100%)  
790 of the credit in the first year and fifty percent (50%) of the  
791 credit in the second year. This subsection shall not apply in  
792 cases in which an entire facility is sold.

793 **SECTION 14.** Section 27-7-22.21, Mississippi Code of 1972, is  
794 brought forward as follows:

795 27-7-22.21. (1) As used in this section, the following  
796 words and phrases shall have the following meanings, unless the  
797 context clearly indicates otherwise:

798 (a) "Eligible land" means nonindustrial private lands  
799 in the state that are adjacent to and along a stream which is  
800 fully nominated to the Mississippi Scenic Streams Stewardship  
801 Program, or nonindustrial private lands in the state which are  
802 considered to be priority sites for conservation under the  
803 Mississippi Natural Heritage Program.

804 (b) "Eligible owner" means a private individual, group  
805 or association other than a private corporation, or any subsidiary  
806 thereof, which manufactures products or provides public utility  
807 services of any type.

808 (c) "Interest in land" means any right in real  
809 property, including access thereto or improvements thereon, or  
810 water, including, but not limited to, a fee simple easement, a  
811 conservation easement, provided such interest complies with the  
812 requirements of the United States Internal Revenue Code Section



813 170(h), partial interest, mineral right, remainder or future  
814 interest, or other interest or right in real property.

815 (d) "Land" or "lands" means real property, with or  
816 without improvements thereon, rights-of-way, water and riparian  
817 rights, easements, privileges and all other rights or interests of  
818 any land or description in, relating to, or connected with real  
819 property.

820 (e) "Allowable transaction costs" mean the costs of the  
821 appraisal of the lands or interests in lands, including  
822 conservation easements, that are being donated, of the baseline  
823 survey of the natural features, animals and plants present on the  
824 site, of engineering and surveying fees, of maintenance fees, of  
825 monitoring fees and of legal fees, including the costs of document  
826 preparation, title review and title insurance.

827 (f) "Specified conservation purposes" mean the  
828 preservation of stream bank habitats and the stability of stream  
829 banks, or the protection of land necessary because of high  
830 biodiversity significance or high protection urgency due to the  
831 presence of exemplary natural communities or species of special  
832 concern, including threatened or endangered species.

833 (2) For the taxable years beginning on or after January 1,  
834 2003, for any income taxpayer who is an eligible owner, a credit  
835 against the taxes imposed by this chapter shall be allowed in the  
836 amounts provided in this section upon the donation of land or an  
837 interest in land for specified conservation purposes.



838           (3) The credit provided for in this section shall be fifty  
839 percent (50%) of the allowable transaction costs involved in the  
840 donation for the tax year in which the allowable transaction costs  
841 occur. The aggregate amount of the credit provided in this  
842 section for allowable transaction costs shall not exceed the  
843 lesser of Ten Thousand Dollars (\$10,000.00) or the amount of tax  
844 imposed upon the taxpayer for the taxable year reduced by the sum  
845 of all other credits allowable to such taxpayer under this  
846 chapter, except credit for tax payments made by or on behalf of  
847 the taxpayer. Any unused portion of the credit may be carried  
848 forward for ten (10) succeeding tax years. The maximum dollar  
849 amount of the credit provided for in this section that an eligible  
850 owner may utilize during his lifetime shall be Ten Thousand  
851 Dollars (\$10,000.00) in the aggregate.

852           (4) To be eligible for the credit provided for in this  
853 section, an eligible owner must demonstrate that the donation  
854 qualifies as a conservation contribution under Section 170(h) of  
855 the United States Internal Revenue Code of 1986, by means of being  
856 a donation in perpetuity, for conservation purposes and made to a  
857 qualified holder or donee. A letter from the donee indicating  
858 acceptance and a completed copy of the appropriate United States  
859 Internal Revenue Service form shall constitute proof of  
860 acceptance. The eligible owner also must submit any other  
861 documentation that the State Tax Commission may require.



862           **SECTION 15.** Section 27-7-22.22, Mississippi Code of 1972, is  
863 brought forward as follows:

864           27-7-22.22. (1) A credit is allowed against the taxes  
865 imposed by this chapter to a taxpayer for allowing land owned by  
866 the taxpayer to be used as a natural area preserve, a wildlife  
867 refuge or habitat area, a wildlife management area, or for the  
868 purpose of providing public outdoor recreational opportunities, as  
869 authorized under Section 49-1-29, 49-5-71 or 49-5-155, subject to  
870 the following conditions and limitations:

871           (a) The land may not be under lease to the Mississippi  
872 Commission on Wildlife, Fisheries and Parks, and the commission  
873 must approve the land as being suitable for the uses described in  
874 this section.

875           (b) The amount of the tax credit allowed by this  
876 section shall be Five Dollars and Fifty Cents (\$5.50) per acre of  
877 land in each taxable year.

878           (c) In no event shall the amount of the tax credits  
879 allowed by this section for a taxable year exceed the taxpayer's  
880 liability for those taxes. Any unused credit amount shall be  
881 allowed to be carried forward for five (5) years from the close of  
882 the taxable year in which the land was approved for such a use.  
883 No such credit shall be allowed the taxpayer against prior years'  
884 tax liability.

885           (2) To claim a credit allowed by this section, the taxpayer  
886 shall provide any information required by the Mississippi



887 Commission on Wildlife, Fisheries and Parks or the Mississippi  
888 Commissioner of Revenue. Every taxpayer claiming a credit under  
889 this section shall maintain and make available for inspection by  
890 the Mississippi Commission on Wildlife, Fisheries and Parks or the  
891 Mississippi Commissioner of Revenue any records that either entity  
892 considers necessary to determine and verify the amount of the  
893 credit to which the taxpayer is entitled. The burden of proving  
894 eligibility for a credit and the amount of the credit rests upon  
895 the taxpayer, and no credit may be allowed to a taxpayer that  
896 fails to maintain adequate records or to make them available for  
897 inspection.

898 (3) Upon approval of the Commission on Wildlife, Fisheries  
899 and Parks under subsection (1) (a), a taxpayer seeking to claim any  
900 tax credit provided for under this section must submit an  
901 application to the Mississippi Commissioner of Revenue for  
902 approval of the tax credit. The Mississippi Commissioner of  
903 Revenue shall promulgate the rules and forms on which the  
904 application is to be submitted. The Mississippi Commissioner of  
905 Revenue shall review the application and may approve such  
906 application upon determining that it meets the requirements of  
907 this section within sixty (60) days after receiving the  
908 application.

909 **SECTION 16.** Section 27-7-22.23, Mississippi Code of 1972, is  
910 brought forward as follows:



911 27-7-22.23. (1) As used in this section, the term "port"  
912 means a state, county or municipal port or harbor established  
913 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
914 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
915 59-11-1 through 59-11-7.

916 (2) Subject to the provisions of this section, for any  
917 income taxpayer utilizing the port facilities at any port for the  
918 import of cargo that is unloaded from a carrier calling at any  
919 such port, a credit against the taxes imposed pursuant to this  
920 chapter shall be allowed in the amounts provided in this section.  
921 In order to be eligible for the credit authorized under this  
922 section, a taxpayer must locate its United States headquarters in  
923 Mississippi on or after July 1, 2004, employ at least five (5)  
924 permanent full-time employees who actually work at such  
925 headquarters and have a minimum capital investment of Two Million  
926 Dollars (\$2,000,000.00) in Mississippi. For the purposes of this  
927 section, "full-time employee" shall mean an employee who works at  
928 least thirty-five (35) hours per week.

929 (3) (a) Except as otherwise provided by subsection (4) of  
930 this section, the amount of the credit allowed pursuant to this  
931 section shall be the total of the following charges on import of  
932 cargo paid by the corporation:

- 933 (i) Receiving into the port;  
934 (ii) Handling from a vessel; and  
935 (iii) Wharfage.



936 (b) The credit allowed pursuant to this section shall  
937 not include charges paid by a corporation on the import of forest  
938 products.

939 (4) The credit provided for in this section shall not exceed  
940 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
941 for the taxable year reduced by the sum of all other credits  
942 allowable to such taxpayer under this chapter, except credit for  
943 tax payments made by or on behalf of the taxpayer. Any unused  
944 portion of the credit may be carried forward for the succeeding  
945 five (5) years. The maximum cumulative credit that may be claimed  
946 by a taxpayer under this section is limited to One Million Dollars  
947 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
948 more than twenty-five (25) permanent full-time employees at its  
949 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)  
950 if the taxpayer employs more than twenty-five (25), but not more  
951 than one hundred (100) permanent full-time employees at its  
952 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
953 if the taxpayer employs more than one hundred (100), but not more  
954 than two hundred (200) permanent full-time employees at its  
955 headquarters in Mississippi; and Four Million Dollars  
956 (\$4,000,000.00) if the taxpayer employs more than two hundred  
957 (200) permanent full-time employees at its headquarters in  
958 Mississippi.

959 (5) To obtain the credit provided for in this section, a  
960 taxpayer must provide to the Department of Revenue a statement



961 from the governing authority of the port certifying the amount of  
962 charges paid by the taxpayer for which a credit is claimed and any  
963 other information required by the Department of Revenue.

964         **SECTION 17.** Section 27-7-22.25, Mississippi Code of 1972, is  
965 brought forward as follows:

966             27-7-22.25. (1) As used in this section, the term "airport"  
967 means an airport established pursuant to Chapters 3 and 5, Title  
968 61, Mississippi Code of 1972.

969             (2) Subject to the provisions of this section, for any  
970 income taxpayer utilizing the facilities at any airport for the  
971 export or import of cargo that is unloaded from a carrier at any  
972 such airport, a credit against the taxes imposed pursuant to this  
973 chapter shall be allowed in the amounts provided in this section.  
974 In order to be eligible for the credit authorized under this  
975 section, a taxpayer must locate its United States headquarters in  
976 Mississippi on or after July 1, 2005, employ at least five (5) new  
977 permanent full-time employees who actually work at such  
978 headquarters and, after July 1, 2005, invest a minimum of Two  
979 Million Dollars (\$2,000,000.00), in the aggregate, in real  
980 property and/or personal property in Mississippi. For the  
981 purposes of this section, "full-time employee" shall mean an  
982 employee who works at least thirty-five (35) hours per week.

983             (3) Except as otherwise provided by subsection (4) of this  
984 section, the amount of the credit allowed pursuant to this section





985 shall be the total of the following charges on import or export of  
986 cargo paid by the corporation:

- 987 (a) Receiving into the airport;
- 988 (b) Aircraft marshalling or handling fees; and
- 989 (c) Aircraft landing fees.

990 (4) The credit provided for in this section shall not exceed  
991 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
992 for the taxable year reduced by the sum of all other credits  
993 allowable to such taxpayer under this chapter, except credit for  
994 tax payments made by or on behalf of the taxpayer. Any unused  
995 portion of the credit may be carried forward for the succeeding  
996 five (5) years. The maximum cumulative credit that may be claimed  
997 by a taxpayer under this section is limited to One Million Dollars  
998 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
999 more than twenty-five (25) permanent full-time employees at its  
1000 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)  
1001 if the taxpayer employs more than twenty-five (25), but not more  
1002 than one hundred (100) permanent full-time employees at its  
1003 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
1004 if the taxpayer employs more than one hundred (100), but not more  
1005 than two hundred (200) permanent full-time employees at its  
1006 headquarters in Mississippi; and Four Million Dollars  
1007 (\$4,000,000.00) if the taxpayer employs more than two hundred  
1008 (200) permanent full-time employees at its headquarters in  
1009 Mississippi.



1010 (5) To obtain the credit provided for in this section, a  
1011 taxpayer must provide to the Department of Revenue a statement  
1012 from the governing authority of the airport certifying the amount  
1013 of charges paid by the taxpayer for which a credit is claimed and  
1014 any other information required by the Department of Revenue.

1015 (6) Any taxpayer who is eligible, before July 1, 2025, for  
1016 the credit provided for in this section, shall remain eligible for  
1017 such credit after July 1, 2025, notwithstanding the repeal of this  
1018 section.

1019 **SECTION 18.** Section 27-7-22.27, Mississippi Code of 1972, is  
1020 brought forward as follows:

1021 27-7-22.27. (1) As used in this section:

1022 (a) "Business enterprises" means entities primarily  
1023 engaged in:

1024 (i) Manufacturing, processing, warehousing,  
1025 distribution, wholesaling and research and development, or

1026 (ii) Permanent business enterprises designated by  
1027 rule and regulation of the Mississippi Development Authority as  
1028 air transportation and maintenance facilities, final destination  
1029 or resort hotels having a minimum of one hundred fifty (150) guest  
1030 rooms, recreational facilities that impact tourism, movie industry  
1031 studios, telecommunications enterprises, data or information  
1032 processing enterprises or computer software development  
1033 enterprises or any technology intensive facility or enterprise.



1034 (b) "Economically distressed community" means an area  
1035 within a municipality that contains groupings of census tracts  
1036 that include and are contiguous to the central business district,  
1037 where within such census tract groupings at least thirty percent  
1038 (30%) of the residents have incomes that are less than the  
1039 national poverty level as published by the United States Bureau of  
1040 the Census in the most recent decennial census for which data is  
1041 available; in which the unemployment rate is at least one and  
1042 one-half (1-1/2) times greater than the national average, as  
1043 determined by the most recent data from the United States Bureau  
1044 of Labor Statistics, including estimates of unemployment developed  
1045 using the calculation method of the United States Bureau of Labor  
1046 Statistics Census Share; and

1047 (i) The municipal population of which is at least  
1048 four thousand (4,000) if any portion of the municipality is  
1049 located within a metropolitan area with a population of fifty  
1050 thousand (50,000), or more; or

1051 (ii) The municipal population of which is at least  
1052 one thousand (1,000) if no portion of the municipality is located  
1053 within a metropolitan area with a population of fifty thousand  
1054 (50,000), or more.

1055 (c) "Telecommunications enterprises" means entities  
1056 engaged in the creation, display, management, storage, processing,  
1057 transmission or distribution for compensation of images, text,  
1058 voice, video or data by wire or by wireless means, or entities



1059 engaged in the construction, design, development, manufacture,  
1060 maintenance or distribution for compensation of devices, products,  
1061 software or structures used in the above activities. Companies  
1062 organized to do business as commercial broadcast radio stations,  
1063 television stations or news organizations primarily serving  
1064 in-state markets shall not be included within the definition of  
1065 the term "telecommunications enterprises."

1066 (2) The governing authorities of a municipality may  
1067 designate an area within such municipality as an economically  
1068 distressed community.

1069 (3) Upon designation of an area within a municipality as an  
1070 economically distressed community, the governing authorities of a  
1071 municipality shall apply to the State Tax Commission for  
1072 certification of the area as an economically distressed community.  
1073 Such application shall provide the information necessary to  
1074 establish certification as an economically distressed community.  
1075 The State Tax Commission shall certify an area within a  
1076 municipality as an economically distressed community if it finds  
1077 that the designation meets the criteria provided for in subsection  
1078 (1)(b) of this section.

1079 (4) Permanent business enterprises in areas within  
1080 municipalities certified by the State Tax Commission as  
1081 economically distressed communities are allowed a job tax credit  
1082 for taxes imposed by Section 27-7-5 equal to ten percent (10%) of  
1083 the payroll of the enterprise for net new full-time employee jobs



1084 for five (5) years beginning with years two (2) through six (6)  
1085 after the creation of the minimum number of jobs required by this  
1086 subsection. The number of new full-time jobs must be determined  
1087 by comparing the monthly average number of full-time employees  
1088 subject to the Mississippi income tax withholding for the taxable  
1089 year with the corresponding period of the prior taxable year.  
1090 Only those permanent business enterprises that increase employment  
1091 by ten (10) or more in an economically distressed community are  
1092 eligible for the credit. Credit is not allowed during any of the  
1093 five (5) years if the net employment increase falls below ten  
1094 (10). The State Tax Commission shall adjust the credit allowed  
1095 each year for the net new employment fluctuations above the  
1096 minimum level of ten (10).

1097 (5) Tax credits for five (5) years for the taxes imposed by  
1098 Section 27-7-5 shall be awarded for additional net new full-time  
1099 jobs created by business enterprises qualified under this section.  
1100 The State Tax Commission shall adjust the credit allowed in the  
1101 event of payroll fluctuations during the additional five (5) years  
1102 of credit.

1103 (6) The sale, merger, acquisition, reorganization,  
1104 bankruptcy or relocation from one (1) county to another county  
1105 within the state of any business enterprise may not create new  
1106 eligibility in any succeeding business entity, but any unused job  
1107 tax credit may be transferred and continued by any transferee of  
1108 the business enterprise. The State Tax Commission shall determine



1109 whether or not qualifying net increases or decreases have occurred  
1110 or proper transfers of credit have been made and may require  
1111 reports, promulgate regulations, and hold hearings as needed for  
1112 substantiation and qualification.

1113 (7) Any tax credit claimed under this section but not used  
1114 in any taxable year may be carried forward for five (5) years from  
1115 the close of the tax year in which the qualified jobs were  
1116 established but the credit established by this section taken in  
1117 any one (1) tax year must be limited to an amount not greater than  
1118 fifty percent (50%) of the taxpayer's state income tax liability  
1119 which is attributable to income derived from operations in the  
1120 state for that year.

1121 (8) No business enterprise for the transportation, handling,  
1122 storage, processing or disposal of hazardous waste is eligible to  
1123 receive the tax credits provided in this section.

1124 (9) The credits allowed under this section shall not be used  
1125 by any business enterprise or corporation other than the business  
1126 enterprise actually qualifying for the credits.

1127 (10) A business enterprise that receives a tax credit under  
1128 this section shall not be eligible for the tax credit authorized  
1129 in Section 57-73-21(2), (3) and (4).

1130 **SECTION 19.** Section 27-7-22.28, Mississippi Code of 1972, is  
1131 brought forward as follows:



1132 27-7-22.28. As used in Sections 27-7-22.28 and 27-7-22.29,  
1133 the following terms and phrases shall have the meanings ascribed  
1134 in this section unless the context clearly indicates otherwise:

1135 (a) "Alternative energy project" means a business  
1136 enterprise engaged in manufacturing or producing alternative  
1137 energy in this state with not less than fifty percent (50%) of the  
1138 finished product being derived from resources or products from  
1139 this state.

1140 (b) "Authority" means the Mississippi Development  
1141 Authority.

1142 (c) "Producer" means a manufacturer or producer of  
1143 alternative energy through an alternative fuels project.

1144 (d) "State" means the State of Mississippi.

1145 **SECTION 20.** Section 27-7-22.29, Mississippi Code of 1972, is  
1146 brought forward as follows:

1147 27-7-22.29. (1) Producers are allowed a job tax credit for  
1148 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
1149 (\$1,000.00) annually for each net new full-time employee job for a  
1150 period of twenty (20) years from the date the credit begins;  
1151 however, if the producer is located in an area that has been  
1152 declared by the Governor to be a disaster area and as a direct  
1153 result of the disaster the producer is unable to maintain the  
1154 required number of employees, the commissioner may extend this  
1155 time period for not more two (2) years. The credit shall begin on  
1156 the date selected by the producer; however, the beginning date



1157 shall not be more than five (5) years from the date the producer  
1158 begins manufacturing or producing alternative energy. For the  
1159 year in which the beginning date occurs, the number of new  
1160 full-time jobs shall be determined by using the monthly average  
1161 number of full-time employees subject to the Mississippi income  
1162 tax withholding. Thereafter, the number of new full-time jobs  
1163 shall be determined by comparing the monthly average number of  
1164 full-time employees subject to the Mississippi income tax  
1165 withholding for the taxable year with the corresponding period of  
1166 the prior taxable year. Once a producer creates twenty-five (25)  
1167 or more new full-time employee jobs, the producer shall be  
1168 eligible for the credit; however, if the producer is located in an  
1169 area that has been declared by the Governor to be a disaster area  
1170 and as a direct result of the disaster the producer is unable to  
1171 maintain the required number of employees, the commissioner may  
1172 waive the employment requirement for a period of time not to  
1173 exceed two (2) years. The credit is not allowed for any year of  
1174 the twenty-year period in which the overall monthly average number  
1175 of full-time employees subject to the Mississippi income tax  
1176 withholding falls below twenty-five (25). The State Tax  
1177 Commission shall adjust the credit allowed each year for the net  
1178 new employment fluctuations above twenty-five (25).

1179 (2) Any tax credit claimed under this section but not used  
1180 in any taxable year may be carried forward for five (5)  
1181 consecutive years from the close of the tax year in which the





1182 credits were earned; however, if the producer is located in an  
1183 area that has been declared by the Governor to be a disaster area  
1184 and as a direct result of the disaster the producer is unable to  
1185 use the existing carryforward, the commissioner may extend the  
1186 period that the credit may be carried forward for a period of time  
1187 not to exceed two (2) years. The credit that may be utilized each  
1188 year shall be limited to an amount not greater than the total  
1189 state income tax liability of the producer that is generated by,  
1190 or arises out of, the alternative energy project.

1191 (3) The tax credits provided for in this section shall be in  
1192 lieu of the tax credits provided for in Section 57-73-21 and any  
1193 producer utilizing the tax credit authorized in this section shall  
1194 not utilize the tax credit authorized in Section 57-73-21.

1195 **SECTION 21.** Section 27-7-22.30, Mississippi Code of 1972, is  
1196 brought forward as follows:

1197 27-7-22.30. (1) As used in this section:

1198 (a) "Manufacturing enterprise" means an enterprise  
1199 that:

1200 (i) Falls within the definition of the term  
1201 "manufacturer" in Section 27-65-11; and

1202 (ii) Has operated in this state for not less than  
1203 two (2) years prior to application for the credit authorized by  
1204 this section.



1205           The term "manufacturing enterprise" does not include any  
1206 medical cannabis establishment as defined in the Mississippi  
1207 Medical Cannabis Act.

1208           (b) "Eligible investment" means an investment of at  
1209 least One Million Dollars (\$1,000,000.00) in buildings and/or  
1210 equipment for the manufacturing enterprise.

1211           (2) A manufacturing enterprise is allowed a manufacturing  
1212 investment tax credit for taxes imposed by Section 27-7-5 equal to  
1213 five percent (5%) of the eligible investments made by the  
1214 manufacturing enterprise.

1215           (3) Any tax credit claimed under this section but not used  
1216 in any taxable year may be carried forward for five (5) years from  
1217 the close of the tax year in which the eligible investment was  
1218 made, but the credit established by this section taken in any one  
1219 tax year shall not exceed fifty percent (50%) of the taxpayer's  
1220 state income tax liability which is attributable to income derived  
1221 from operations in the state for that year reduced by the sum of  
1222 all other income tax credits allowable to the taxpayer, except  
1223 credit for tax payments made by or on behalf of the taxpayer.

1224           (4) The maximum credit that may be claimed by a taxpayer on  
1225 any project shall be limited to One Million Dollars  
1226 (\$1,000,000.00).

1227           (5) The credit received under this section is subject to  
1228 recapture if the property for which the tax credit was received is  
1229 disposed of, or converted to, other than business use. The amount



1230 of the credit subject to recapture is one hundred percent (100%)  
1231 of the credit in the first year and fifty percent (50%) of the  
1232 credit in the second year. This subsection shall not apply in  
1233 cases in which an entire facility is sold.

1234 (6) The sale, merger, acquisition, reorganization,  
1235 bankruptcy or relocation from one (1) county to another county  
1236 within the state of any manufacturing enterprise may not create  
1237 new eligibility in any succeeding business entity, but any unused  
1238 manufacturing investment tax credit may be transferred and  
1239 continued by any transferee of the enterprise. The department  
1240 shall determine whether or not qualifying net increases or  
1241 decreases have occurred or proper transfers of credit have been  
1242 made and may require reports, promulgate regulations, and hold  
1243 hearings as needed for substantiation and qualification.

1244 (7) No manufacturing enterprise for the transportation,  
1245 handling, storage, processing or disposal of hazardous waste is  
1246 eligible to receive the tax credits provided in this section.

1247 (8) The credits allowed under this section shall not be used  
1248 by any business enterprise or corporation other than the  
1249 manufacturing enterprise actually qualifying for the credits.

1250 **SECTION 22.** Section 27-7-22.31, Mississippi Code of 1972, is  
1251 brought forward as follows:

1252 27-7-22.31. (1) As used in this section:

1253 (a) "Certified historic structure" means a property  
1254 located in Mississippi that has been:



1255 (i) Listed individually on the National Register  
1256 of Historic Places; or

1257 (ii) Determined eligible for the National Register  
1258 of Historic Places by the Secretary of the United States  
1259 Department of the Interior and will be listed within thirty (30)  
1260 months of claiming the rebate or credit authorized by this  
1261 section; or

1262 (iii) Property designated a Mississippi Landmark  
1263 by the Department of Archives and History pursuant to Section  
1264 39-7-3 et seq.

1265 (b) "Eligible property" means property located in  
1266 Mississippi and offered or used for residential or business  
1267 purposes.

1268 (c) "Structure in a certified historic district" means  
1269 a structure (and its structural components) located in Mississippi  
1270 which:

1271 (i) Is listed in the National Register of Historic  
1272 Places; or

1273 (ii) Has been determined eligible for the National  
1274 Register of Historic Places by the Secretary of the United States  
1275 Department of the Interior and will be listed within thirty (30)  
1276 months of claiming the rebate or credit authorized by this  
1277 section; or

1278 (iii) Is located in a registered historic district  
1279 listed on the National Register of Historic Places or located in a



1280 potential district that has been determined eligible for the  
1281 National Register of Historic Places by the Secretary of the  
1282 United States Department of the Interior and will be listed within  
1283 thirty (30) months of claiming the rebate or credit authorized by  
1284 this section, and is certified by the Secretary of the United  
1285 States Department of the Interior as being of historic  
1286 significance to the district; or

1287 (iv) Is certified by the Mississippi Department of  
1288 Archives and History as contributing to the historic significance  
1289 of:

1290 1. A certified historic district listed on  
1291 the National Register of Historic Places; or

1292 2. A potential district that has been  
1293 determined eligible for the National Register of Historic Places  
1294 by the Secretary of the United States Department of the Interior  
1295 and will be listed within thirty (30) months of claiming the  
1296 rebate or credit authorized by this section; or

1297 3. A local district that has been certified  
1298 by the United States Department of the Interior.

1299 (d) "Department" means the Department of Archives and  
1300 History.

1301 (2) Any taxpayer incurring costs and expenses for the  
1302 rehabilitation of eligible property, which is a certified historic  
1303 structure or a structure in a certified historic district, shall  
1304 be entitled to a rebate or credit against the taxes imposed



1305 pursuant to this chapter in an amount equal to twenty-five percent  
1306 (25%) of the total costs and expenses of rehabilitation incurred  
1307 after January 1, 2006, which shall include, but not be limited to,  
1308 qualified rehabilitation expenditures as defined under Section  
1309 47(c) (2) (A) of the Internal Revenue Code of 1986, as amended, and  
1310 the related regulations thereunder:

1311 (a) If the costs and expenses associated with  
1312 rehabilitation exceed:

1313 (i) Five Thousand Dollars (\$5,000.00) in the case  
1314 of an owner-occupied dwelling; or

1315 (ii) Fifty percent (50%) of the adjusted basis in  
1316 the property in the case of all other properties; and

1317 (b) The rehabilitation is consistent with the standards  
1318 of the Secretary of the United States Department of the Interior  
1319 as determined by the department.

1320 (3) Any taxpayer eligible for the rebate or credit  
1321 authorized by this section may claim the rebate or credit in  
1322 phases if:

1323 (a) There is a written set of architectural plans and  
1324 specifications for all phases of the rehabilitation (written plans  
1325 outlining and describing all phases of the rehabilitation shall be  
1326 accepted as written plans and specifications);

1327 (b) The written set of architectural plans and  
1328 specifications are completed before the physical work on the  
1329 rehabilitation begins; and



1330 (c) The project receives final certification by the  
1331 department within sixty (60) months of the project start date  
1332 certified in the first phase.

1333 (4) (a) (i) If the amount of the tax credit established by  
1334 this section exceeds the total state income tax liability for the  
1335 credit year, the amount that exceeds the total state income tax  
1336 liability may be carried forward for the ten (10) succeeding tax  
1337 years.

1338 (ii) In lieu of claiming a tax credit, the  
1339 taxpayer may elect to claim a rebate in the amount of seventy-five  
1340 percent (75%) of the amount that would be eligible to claim as a  
1341 credit. The election may be made at any time after the  
1342 certification of the rebate. If the taxpayer has utilized a tax  
1343 credit on an income tax return prior to making an election to  
1344 claim a rebate, then the available rebate will be reduced by the  
1345 amount of credit utilized.

1346 (iii) Rebate requests shall be submitted to the  
1347 department on forms prescribed by the department. The department  
1348 will then provide the taxpayer with a voucher for the approved  
1349 amount. Within twelve (12) months of the issuance of the voucher  
1350 by the department, the taxpayer may submit the voucher to the  
1351 Department of Revenue to receive payment. Rebates shall be made  
1352 from current tax collections.

1353 (b) Not-for-profit entities, including, but not limited  
1354 to, nonprofit corporations organized under Section 79-11-101 et



1355 seq., shall be ineligible for the rebate or credit authorized by  
1356 this section. Credits granted to a partnership, a limited  
1357 liability company taxed as a partnership or multiple owners of  
1358 property shall be passed through to the partners, members or  
1359 owners on a pro rata basis or pursuant to an executed agreement  
1360 among the partners, members or owners documenting an alternative  
1361 distribution method. Partners, members or other owners of a  
1362 pass-through entity are not eligible to elect a refund of excess  
1363 credit in lieu of a carryforward of the credit. However, a  
1364 partnership or limited liability company taxed as a partnership  
1365 may elect to claim a rebate at the entity level on a form  
1366 prescribed by the department. Additionally, excess tax credits  
1367 that are attributable to rehabilitated property that was placed in  
1368 service by a pass-through entity prior to January 1, 2011, and  
1369 that have previously been allocated to and are held by another  
1370 pass-through entity prior to January 1, 2011, may be refunded to  
1371 such other pass-through entity.

1372 (5) (a) (i) To claim the rebate or credit authorized  
1373 pursuant to this section, the taxpayer shall apply to the  
1374 department which shall determine the amount of eligible  
1375 rehabilitation costs and expenses and whether the rehabilitation  
1376 is consistent with the standards of the Secretary of the United  
1377 States Department of the Interior. The department shall issue a  
1378 certificate evidencing the date of the rebate or credit and amount  
1379 of eligible rebate or credit if the taxpayer is found to be





1380 eligible for the tax rebate or credit. The taxpayer shall attach  
1381 the certificate to all income tax returns on which the credit is  
1382 claimed. Except as otherwise provided in this paragraph (a), the  
1383 department shall not issue certificates evidencing the eligible  
1384 rebate or credit which will result in rebates or credits being  
1385 awarded in excess of Twelve Million Dollars (\$12,000,000.00) in  
1386 any one (1) calendar year for projects with total qualified  
1387 rehabilitation costs and expenses of One Million Seven Hundred  
1388 Fifty Thousand Dollars (\$1,750,000.00) or more. The department  
1389 shall also not issue certificates evidencing the eligible rebate  
1390 or credit which will result in rebates or credits being awarded in  
1391 excess of Twelve Million Dollars (\$12,000,000.00) in any one (1)  
1392 calendar year for projects with total qualified rehabilitation  
1393 costs and expenses of less than One Million Seven Hundred Fifty  
1394 Thousand Dollars (\$1,750,000.00).

1395 (ii) If claiming a credit instead of a rebate, the  
1396 taxpayer shall claim such credit on the income tax return for the  
1397 tax year for which the credit is certified.

1398 (b) The date of the rebate or credit shall be certified  
1399 in the following order:

1400 (i) The rebate or credit shall be certified based  
1401 on the date of project completion.

1402 (ii) If the eligible rebate or credit exceeds the  
1403 available limit in the year in which the project is completed, the  
1404 rebate or credit shall be certified based on the date the



1405 certification is issued by the department. The department shall  
1406 issue the certification in the first calendar year in which the  
1407 requested rebate or credit would not exceed the calendar year  
1408 limit.

1409 (c) The aggregate amount of tax rebates or credits that  
1410 may be awarded under this section shall not exceed One Hundred  
1411 Eighty Million Dollars (\$180,000,000.00).

1412 (6) (a) The rebate or credit received by a taxpayer  
1413 pursuant to this section is subject to recapture if:

1414 (i) The property is one that has been determined  
1415 eligible for the National Register of Historic Places but is not  
1416 listed on the National Register of Historic Places within thirty  
1417 (30) months of claiming the rebate or credit authorized by this  
1418 section;

1419 (ii) The potential district in which the property  
1420 is located is not listed on the National Register of Historic  
1421 Places within thirty (30) months of claiming the rebate or credit  
1422 authorized by this section; or

1423 (iii) The project has not received final  
1424 certification by the department within sixty (60) months of the  
1425 project start date certified in the first phase.

1426 (b) The taxpayer shall notify the department and the  
1427 Department of Revenue if any of the situations that subject the  
1428 credit to recapture occur.



1429           (7) (a) The board of trustees of the department shall  
1430 establish fees to be charged for the services performed by the  
1431 department under this section and shall publish the fee schedule.  
1432 The fees contained in the schedule shall be in amounts reasonably  
1433 calculated to recover the costs incurred by the department for the  
1434 administration of this section. Any taxpayer desiring to  
1435 participate in the tax credits authorized by this section shall  
1436 pay the appropriate fee as contained in the fee schedule to the  
1437 department, which shall be used by the department, without  
1438 appropriation, to offset the administrative costs of the  
1439 department associated with its duties under this section.

1440           (b) There is hereby created within the State Treasury a  
1441 special fund into which shall be deposited all the fees collected  
1442 by the department pursuant to this section. Money deposited into  
1443 the fund shall not lapse at the end of any fiscal year and  
1444 investment earnings on the proceeds in such special fund shall be  
1445 deposited into such fund. Money from the fund shall be disbursed  
1446 upon warrants issued by the State Fiscal Officer upon requisitions  
1447 signed by the executive director of the department to assist the  
1448 department in carrying out its duties under this section.

1449           (8) This section shall only apply to taxpayers:

1450           (a) Who have been issued a certificate evidencing the  
1451 eligible credit before December 31, 2030; or

1452           (b) Who, before December 31, 2030, have received a  
1453 determination in writing from the Mississippi Department of



1454 Archives and History, in accordance with the department's Historic  
1455 Preservation Certificate Application, Part 2, that the  
1456 rehabilitation is consistent with the historic character of the  
1457 property and that the property meets the United States Secretary  
1458 of the Interior's Standards for Rehabilitation, or will meet the  
1459 standards if certain specified conditions are met, and, who are  
1460 issued a certificate evidencing the eligible credit on or after  
1461 December 31, 2030.

1462         **SECTION 23.** Section 27-7-22.32, Mississippi Code of 1972, is  
1463 brought forward as follows:

1464         27-7-22.32. (1) (a) There shall be allowed as a credit  
1465 against the tax imposed by this chapter the amount of the  
1466 qualified adoption expenses paid or incurred, not to exceed Five  
1467 Thousand Dollars (\$5,000.00), for each dependent child residing  
1468 outside Mississippi but legally adopted by a taxpayer under the  
1469 laws of this state during calendar year 2023 or during any  
1470 calendar year thereafter. A taxpayer claiming a credit under this  
1471 paragraph (a) may not claim a credit under paragraph (b) of this  
1472 subsection for the adoption of the same child.

1473         (b) There shall be allowed as a credit against the tax  
1474 imposed by this chapter the amount of Ten Thousand Dollars  
1475 (\$10,000.00) for each dependent child residing in Mississippi and  
1476 legally adopted by a taxpayer under the laws of this state during  
1477 calendar year 2023 or during any calendar year thereafter. A  
1478 taxpayer claiming a credit under this paragraph (b) may not claim



1479 a credit under paragraph (a) of this subsection for the adoption  
1480 of the same child.

1481 (2) The tax credit under this section may be claimed for the  
1482 taxable year in which the adoption becomes final under the laws of  
1483 this state. Any tax credit claimed under this section but not  
1484 used in any taxable year may be carried forward for the five (5)  
1485 succeeding tax years. A tax credit is allowed under this section  
1486 for any child for which an exemption is claimed during the same  
1487 taxable year under Section 27-7-21(e). For the purposes of this  
1488 section, the term "qualified adoption expenses" means and has the  
1489 same definition as that term has in 26 USCA 23.

1490 **SECTION 24.** Section 27-7-22.33, Mississippi Code of 1972, is  
1491 brought forward as follows:

1492 27-7-22.33. (1) A taxpayer shall be allowed a credit  
1493 against the income taxes imposed under this chapter in an amount  
1494 equal to twenty-five percent (25%) of the premium costs paid  
1495 during the taxable year for a qualified long-term care insurance  
1496 policy as defined in Section 7702B of the Internal Revenue Code  
1497 that offers coverage to either the individual, the individual's  
1498 spouse, the individual's parent or parent-in-law, or the  
1499 individual's dependent as defined in Section 152 of the Internal  
1500 Revenue Code.

1501 (2) No taxpayer shall be entitled to the credit with respect  
1502 to the same expended amounts for qualified long-term care  
1503 insurance which are claimed by another taxpayer.



1504           (3) The credit allowed by this section shall not exceed Five  
1505 Hundred Dollars (\$500.00) or the taxpayer's income tax liability,  
1506 whichever is less, for each qualified long-term care insurance  
1507 policy. Any unused tax credit shall not be allowed to be carried  
1508 forward to apply to the taxpayer's succeeding year's tax  
1509 liability.

1510           (4) No credit shall be allowed under this section with  
1511 respect to any premium for qualified long-term care insurance  
1512 either deducted or subtracted by the taxpayer in arriving at his  
1513 net taxable income under this section or with respect to any  
1514 premiums for qualified long-term care insurance which were  
1515 excluded from his net taxable income.

1516           **SECTION 25.** Section 27-7-22.34, Mississippi Code of 1972, is  
1517 brought forward as follows:

1518           27-7-22.34. (1) As used in this section, "qualified  
1519 business or industry" means any company that has been certified by  
1520 the Mississippi Major Economic Impact Authority as a project as  
1521 defined in Section 57-75-5(f)(xxii).

1522           (2) A qualified business or industry shall be allowed a job  
1523 tax credit for taxes imposed by Section 27-7-5 equal to Five  
1524 Thousand Dollars (\$5,000.00) annually for each net new full-time  
1525 employee job for a period of twenty (20) years from the date the  
1526 credit commences; however, if the qualified business or industry  
1527 is located in an area that has been declared by the Governor to be  
1528 a disaster area and as a direct result of the disaster the



1529 business or industry is unable to maintain the required number of  
1530 employees, the commissioner may extend this time period for not  
1531 more than two (2) years. The credit shall commence on the date  
1532 selected by the business or industry; however, the commencement  
1533 date shall not be more than six (6) years from the date the  
1534 business or industry commences commercial production. For the  
1535 year in which the commencement date occurs, the number of new  
1536 full-time jobs shall be determined by using the monthly average  
1537 number of full-time employees subject to the Mississippi income  
1538 tax withholding. Thereafter, the number of new full-time jobs  
1539 shall be determined by comparing the monthly average number of  
1540 full-time employees subject to the Mississippi income tax  
1541 withholding for the taxable year with the corresponding period of  
1542 the prior taxable year. Once a qualified business or industry  
1543 creates or increases employment by five hundred (500) or more,  
1544 such business or industry shall be eligible for the credit. The  
1545 credit is not allowed for any year of the twenty-year period in  
1546 which the overall monthly average number of full-time employees  
1547 subject to the Mississippi income tax withholding falls below five  
1548 hundred (500); however, if the qualified business or industry is  
1549 located in an area that has been declared by the Governor to be a  
1550 disaster area and as a direct result of the disaster the business  
1551 or industry is unable to maintain the required number of  
1552 employees, the commissioner may waive the employment requirement  
1553 for a period of time not to exceed two (2) years. The State Tax



1554 Commission shall adjust the credit allowed each year for the net  
1555 new employment fluctuations above five hundred (500).

1556 (3) Any tax credit claimed under this section but not used  
1557 in any taxable year may be carried forward for five (5)  
1558 consecutive years from the close of the tax year in which the  
1559 credits were earned; however, if the qualified business or  
1560 industry is located in an area that has been declared by the  
1561 Governor to be a disaster area and as a direct result of the  
1562 disaster the business or industry is unable to use the existing  
1563 carryforward, the commissioner may extend the period that the  
1564 credit may be carried forward for a period of time not to exceed  
1565 two (2) years. The credit that may be utilized each year shall be  
1566 limited to an amount not greater than the total state income tax  
1567 liability of the qualified business or industry that is generated  
1568 by, or arises out of, the project.

1569 (4) The tax credits provided for in this section shall be in  
1570 lieu of the tax credits provided for in Section 57-73-21 and any  
1571 qualified business or industry utilizing the tax credit authorized  
1572 in this section shall not utilize the tax credit authorized in  
1573 Section 57-73-21.

1574 **SECTION 26.** Section 27-7-22.35, Mississippi Code of 1972, is  
1575 brought forward as follows:

1576 27-7-22.35. (1) As used in this section:

1577 (a) "Eligible facility" means and includes a new  
1578 facility that creates at least twenty (20) full-time jobs with a





1579 minimum capital investment from private sources of Fifty Million  
1580 Dollars (\$50,000,000.00), that:

1581 (i) Consists of all components necessary for the  
1582 production of electric energy from the direct firing or co-firing  
1583 of biomass or waste heat recovery, and if applicable, other energy  
1584 sources;

1585 (ii) Produces both electric energy and useful  
1586 thermal energy, such as heat or steam, through the sequential use  
1587 of energy (cogeneration); and

1588 (iii) Consists of all components necessary for the  
1589 production of synfuel.

1590 An eligible facility includes all burners and boilers, any  
1591 handling and delivery equipment that supplies fuel directly to and  
1592 is integrated with such burners and boilers, steam headers,  
1593 turbines, generators, property used for the collection, processing  
1594 or storage of biomass or synfuel, transformers, pipelines and all  
1595 other property used in the transmission of electricity or synfuel  
1596 and related depreciable property.

1597 (b) "Biomass" means and includes any of the following:

1598 (i) Forest-related mill residues, pulping  
1599 by-product and other by-products of wood processing, thinnings,  
1600 slash, limbs, bark, brush and other cellulosic plant material or  
1601 nonmerchantable forest-related products;



1602                   (ii) Solid wood waste materials, including  
1603 dunnage, manufacturing and construction wood wastes, demolition  
1604 and storm debris and landscape or right-of-way trimmings;  
1605                   (iii) Agriculture wastes, including orchard tree  
1606 crops, vineyard, grain, legumes, sugar and other crop by-products  
1607 or residues and livestock waste nutrients;  
1608                   (iv) All plant and grass material that is grown  
1609 exclusively as a fuel for the production of electricity;  
1610                   (v) Refuse derived fuels consisting of organic  
1611 components and fibers of waste water treatment solids; or  
1612                   (vi) Whole trees.

1613                   (c) "Synfuel" means any liquid or gaseous fuel obtained  
1614 from biomass.

1615                   (d) "Waste heat recovery" means systems that produce  
1616 electricity from currently unused waste heat resulting from  
1617 combustion or other processes and which do not use an additional  
1618 combustion process. The term does not include any system whose  
1619 primary purpose is the generation of electricity.

1620                   (2) An enterprise owning or operating an eligible facility  
1621 is allowed an annual investment tax credit for taxes imposed by  
1622 Section 27-7-5 equal to five percent (5%) of investments made by  
1623 the enterprise in the initial establishment of an eligible  
1624 facility. The credit shall commence on the date selected by the  
1625 enterprise; provided, however, that the commencement date shall



1626 not be more than two (2) years from the date the eligible facility  
1627 becomes fully operational.

1628 (3) Any tax credit claimed under this section but not used  
1629 in any taxable year may be carried forward for five (5)  
1630 consecutive years from the close of the tax year in which the  
1631 credits were earned. The credit that may be utilized in any one  
1632 (1) tax year shall be limited to an amount not greater than fifty  
1633 percent (50%) of the total state income tax liability of the  
1634 enterprise for that year that is generated by, or arises out of,  
1635 the eligible facility.

1636 **SECTION 27.** Section 27-7-22.36, Mississippi Code of 1972, is  
1637 brought forward as follows:

1638 27-7-22.36. (1) As used in this section:

1639 (a) "Full-time employee" means an employee who works at  
1640 least thirty-five (35) hours per week.

1641 (b) "New cut and sew job" means a job in which the  
1642 employee cuts and sews upholstery for upholstered household  
1643 furniture and which job did not exist in this state before January  
1644 1, 2010.

1645 (2) Any enterprise owning or operating an upholstered  
1646 household furniture manufacturing facility is allowed a job tax  
1647 credit for taxes imposed by this chapter equal to Two Thousand  
1648 Dollars (\$2,000.00) annually for each full-time employee employed  
1649 in a new cut and sew job for a period of five (5) years from the  
1650 date the credit commences. The credit shall commence on the date



1651 selected by the enterprise. For the year in which the  
1652 commencement date occurs, the credit will be determined based on  
1653 the monthly average number of full-time employees employed in new  
1654 cut and sew jobs subject to the Mississippi income tax withholding  
1655 who are employed by the enterprise. For each year thereafter, the  
1656 number of new cut and sew jobs shall be determined by comparing  
1657 the monthly average number of full-time employees employed in new  
1658 cut and sew jobs subject to the Mississippi income tax withholding  
1659 for the taxable year with the corresponding period of the prior  
1660 taxable year. The Department of Revenue shall verify that the  
1661 jobs claimed by enterprises to obtain the credit meet the  
1662 definition of the term "new cut and sew job." The Department of  
1663 Revenue shall adjust the credit allowed each year for employment  
1664 fluctuations.

1665 (3) The credit that may be used each year shall be limited  
1666 to an amount not greater than the total state income tax liability  
1667 of the enterprise. Any tax credit claimed under this section but  
1668 not used in any taxable year may be carried forward for five (5)  
1669 consecutive years from the close of the tax year in which the  
1670 credits were earned.

1671 (4) The tax credits provided for in this section shall be in  
1672 lieu of the tax credits provided for in Section 57-73-21 and any  
1673 enterprise using the tax credit authorized in this section shall  
1674 not use the tax credit authorized in Section 57-73-21.



1675 (5) Any taxpayer who is eligible for the credit authorized  
1676 in this section prior to January 1, 2026, shall be eligible for  
1677 the credit authorized in this section, notwithstanding the repeal  
1678 of this section, and shall be allowed to carry forward the credit  
1679 after January 1, 2026, as provided for in subsection (3) of this  
1680 section.

1681 (6) This section shall be repealed from and after January 1,  
1682 2026.

1683 **SECTION 28.** Section 27-7-22.37, Mississippi Code of 1972, is  
1684 brought forward as follows:

1685 27-7-22.37. (1) There shall be allowed as a credit against  
1686 the tax imposed by Section 27-7-5 the amount of the qualified  
1687 prekindergarten program support contributions paid to approved  
1688 providers, lead partners or collaboratives, not to exceed One  
1689 Million Dollars (\$1,000,000.00), by any individual, corporation or  
1690 other entity having taxable income under the laws of this state  
1691 during calendar year 2013 or during any calendar year thereafter.  
1692 In order to qualify for a tax credit, such contributions may  
1693 support the local match requirement of approved providers, lead  
1694 partners or collaboratives as is necessary to match  
1695 state-appropriated funds, and any such providers, lead partners or  
1696 collaboratives shall be approved by the State Department of  
1697 Education.

1698 (2) Any unused portion of the credit may be carried forward  
1699 for three (3) tax years.



1700 (3) Any prekindergarten program support contribution shall  
1701 be verified by submission to the Mississippi Department of Revenue  
1702 of a copy of the receipt provided to the donor taxpayer by the  
1703 prekindergarten program recipient or such other written  
1704 verification as may be required by the Department of Revenue.

1705 (4) The maximum amount of donations accepted by the  
1706 Department of Revenue in calendar year 2014 shall not exceed Eight  
1707 Million Dollars (\$8,000,000.00), in calendar year 2015 shall not  
1708 exceed Fifteen Million Dollars (\$15,000,000.00), and in calendar  
1709 year 2016 and calendar years thereafter shall not exceed  
1710 Thirty-two Million Dollars (\$32,000,000.00), or what is  
1711 appropriated by the Legislature to fund Chapter 493, Laws of 2013  
1712 each year.

1713 (5) The Mississippi Department of Revenue shall promulgate  
1714 rules necessary to effectuate the purposes of Chapter 493, Laws of  
1715 2013. Such rules shall include a means of informing the public of  
1716 the existence of the prekindergarten support program and the  
1717 application process for provider, lead partner and collaborative  
1718 candidates.

1719 **SECTION 29.** Section 27-7-22.39, Mississippi Code of 1972, is  
1720 brought forward as follows:

1721 27-7-22.39. (1) As used in this section:

1722 (a) "Low-income residents" means persons whose  
1723 household income is less than one hundred fifty percent (150%) of  
1724 the federal poverty level.



1725           (b) "Qualifying charitable organization" means a  
1726 charitable organization that is exempt from federal income  
1727 taxation under Section 501(c)(3) of the Internal Revenue Code or  
1728 is a designated community action agency that receives community  
1729 services block grant program monies pursuant to 42 USC 9901. The  
1730 organization must spend at least fifty percent (50%) of its budget  
1731 on services to residents of this state who receive temporary  
1732 assistance for needy families benefits or low-income residents of  
1733 this state and their households or to children who have a chronic  
1734 illness or physical, intellectual, developmental or emotional  
1735 disability who are residents of this state. A charitable  
1736 organization that is exempt from federal income tax under Section  
1737 501(c)(3) of the Internal Revenue Code and that meets all other  
1738 requirements of this paragraph except that it does not spend at  
1739 least fifty percent (50%) of its overall budget in Mississippi may  
1740 be a qualifying charitable organization if it spends at least  
1741 fifty percent (50%) of its Mississippi budget on services to  
1742 qualified individuals in Mississippi and it certifies to the  
1743 department that one hundred percent (100%) of the voluntary cash  
1744 contributions from the taxpayer will be spent on services to  
1745 qualified individuals in Mississippi. Taxpayers choosing to make  
1746 donations through an umbrella charitable organization that  
1747 collects donations on behalf of member charities shall designate  
1748 that the donation be directed to a member charitable organization  
1749 that would qualify under this section on a stand-alone basis.



1750 Qualifying charitable organization does not include any entity  
1751 that provides, pays for or provides coverage of abortions or that  
1752 financially supports any other entity that provides, pays for or  
1753 provides coverage of abortions.

1754 (c) "Qualifying foster care charitable organization"  
1755 means a qualifying charitable organization that each operating  
1756 year provides services to at least one hundred (100) qualified  
1757 individuals in this state and spends at least fifty percent (50%)  
1758 of its budget on services to qualified individuals in this state.  
1759 A charitable organization that is exempt from federal income tax  
1760 under Section 501(c)(3) of the Internal Revenue Code and that  
1761 meets all other requirements of this paragraph except that it does  
1762 not spend at least fifty percent (50%) of its overall budget in  
1763 Mississippi may be a qualifying foster care charitable  
1764 organization if it spends at least fifty percent (50%) of its  
1765 Mississippi budget on services to qualified individuals in  
1766 Mississippi and it certifies to the department that one hundred  
1767 percent (100%) of the voluntary cash contributions from the  
1768 taxpayer will be spent on services to qualified individuals in  
1769 Mississippi. For the purposes of this paragraph, "qualified  
1770 individual" means a child in a foster care placement program  
1771 established by the Department of Child Protection Services, a  
1772 child placed under the Safe Families for Children model, or a  
1773 child at significant risk of entering a foster care placement





1774 program established by the Department of Child Protection  
1775 Services.

1776 (d) "Services" means:

1777 (i) Cash assistance, medical care, child care,  
1778 food, clothing, shelter, and job-placement services or any other  
1779 assistance that is reasonably necessary to meet immediate basic  
1780 needs and that is provided and used in this state;

1781 (ii) Job-training or education services or funding  
1782 for parents, foster parents or guardians; or

1783 (iii) Job-training or education services or  
1784 funding provided as part of a foster care independent living  
1785 program.

1786 (2) (a) Except as provided in subsections (3) and (4) of  
1787 this section, a credit is allowed against the taxes imposed by  
1788 this chapter for voluntary cash contributions by the taxpayer  
1789 during the taxable year to a qualifying charitable organization,  
1790 other than a qualifying foster care charitable organization, not  
1791 to exceed:

1792 (i) Through calendar year 2022, the lesser of Four  
1793 Hundred Dollars (\$400.00) or the amount of the contribution in any  
1794 taxable year for a single individual or a head of household; and  
1795 for calendar year 2023 and each calendar year thereafter, the  
1796 lesser of One Thousand Two Hundred Dollars (\$1,200.00) or the  
1797 amount of the contribution in any taxable year for a single  
1798 individual or a head of household.



1799 (ii) Through calendar year 2022, the lesser of  
1800 Eight Hundred Dollars (\$800.00) or the amount of the contribution  
1801 in any taxable year for a married couple filing a joint return;  
1802 and for calendar year 2023 and each calendar year thereafter, the  
1803 lesser of Two Thousand Four Hundred Dollars (\$2,400.00) or the  
1804 amount of the contribution in any taxable year for a married  
1805 couple filing a joint return.

1806 (b) From and after January 1, 2023, a credit is also  
1807 allowed against ad valorem taxes assessed and levied on real  
1808 property for voluntary cash contributions made by the individual  
1809 taxpayer during the taxable year to a qualifying charitable  
1810 organization, other than a qualifying foster care charitable  
1811 organization. The amount of credit that may be utilized by a  
1812 taxpayer in a taxable year shall be limited to an amount not to  
1813 exceed fifty percent (50%) of the total tax liability of the  
1814 taxpayer for ad valorem taxes assessed and levied on real  
1815 property. Any tax credit claimed under this paragraph but not  
1816 used in any taxable year may be carried forward for five (5)  
1817 consecutive years from the close of the tax year in which the  
1818 credits were earned.

1819 (3) (a) A separate credit is allowed against the taxes  
1820 imposed by this chapter for voluntary cash contributions during  
1821 the taxable year to a qualifying foster care charitable  
1822 organization. A contribution to a qualifying foster care  
1823 charitable organization does not qualify for, and shall not be



1824 included in, any credit amount under subsection (2) of this  
1825 section. If the voluntary cash contribution by the taxpayer is to  
1826 a qualifying foster care charitable organization, the credit shall  
1827 not exceed:

1828 (i) Through calendar year 2022, the lesser of Five  
1829 Hundred Dollars (\$500.00) or the amount of the contribution in any  
1830 taxable year for a single individual or a head of household; and  
1831 for calendar year 2023 and each calendar year thereafter, the  
1832 lesser of One Thousand Five Hundred Dollars (\$1,500.00) or the  
1833 amount of the contribution in any taxable year for a single  
1834 individual or a head of household.

1835 (ii) Through calendar year 2022, the lesser of One  
1836 Thousand Dollars (\$1,000.00) or the amount of the contribution in  
1837 any taxable year for a married couple filing a joint return; and  
1838 for calendar year 2023 and each calendar year thereafter, the  
1839 lesser of Three Thousand Dollars (\$3,000.00) or the amount of the  
1840 contribution in any taxable year for a married couple filing a  
1841 joint return.

1842 (b) From and after January 1, 2023, a credit is also  
1843 allowed against ad valorem taxes assessed and levied on real  
1844 property for voluntary cash contributions made by the individual  
1845 taxpayer during the taxable year to a qualifying foster care  
1846 charitable organization. The amount of credit that may be  
1847 utilized by a taxpayer in a taxable year shall be limited to an  
1848 amount not to exceed fifty percent (50%) of the total tax



1849 liability of the taxpayer for ad valorem taxes assessed and levied  
1850 on real property. Any tax credit claimed under this paragraph but  
1851 not used in any taxable year may be carried forward for five (5)  
1852 consecutive years from the close of the tax year in which the  
1853 credits were earned.

1854 (4) Subsections (2) and (3) of this section provide separate  
1855 credits against taxes imposed by this chapter depending on the  
1856 recipients of the contributions. A taxpayer, including a married  
1857 couple filing a joint return, in the same taxable year, may either  
1858 or both:

1859 (a) Contribute to a qualifying charitable organization,  
1860 other than a qualifying foster care charitable organization, and  
1861 claim a credit under subsection (2) of this section.

1862 (b) Contribute to a qualifying foster care charitable  
1863 organization and claim a credit under subsection (3) of this  
1864 section.

1865 (5) A husband and wife who file separate returns for a  
1866 taxable year in which they could have filed a joint return may  
1867 each claim only one-half (1/2) of the tax credit that would have  
1868 been allowed for a joint return.

1869 (6) Except as otherwise provided in subsections (2) and (3)  
1870 of this section, if the allowable tax credit exceeds the taxes  
1871 otherwise due under this chapter on the claimant's income, or if  
1872 there are no taxes due under this chapter, the taxpayer may carry  
1873 forward the amount of the claim not used to offset the taxes under



1874 this chapter for not more than five (5) consecutive taxable years'  
1875 income tax liability.

1876 (7) The credit allowed by this section is in lieu of a  
1877 deduction pursuant to Section 170 of the Internal Revenue Code and  
1878 taken for state tax purposes.

1879 (8) Taxpayers taking a credit authorized by this section  
1880 shall provide the name of the qualifying charitable organization  
1881 and the amount of the contribution to the department on forms  
1882 provided by the department.

1883 (9) A qualifying charitable organization shall provide the  
1884 department with a written certification that it meets all criteria  
1885 to be considered a qualifying charitable organization. The  
1886 organization shall also notify the department of any changes that  
1887 may affect the qualifications under this section.

1888 (10) The charitable organization's written certification  
1889 must be signed by an officer of the organization under penalty of  
1890 perjury. The written certification shall include the following:

1891 (a) Verification of the organization's status under  
1892 Section 501(c)(3) of the Internal Revenue Code or verification  
1893 that the organization is a designated community action agency that  
1894 receives community services block grant program monies pursuant to  
1895 42 USC 9901.

1896 (b) Financial data indicating the organization's budget  
1897 for the organization's prior operating year and the amount of that  
1898 budget spent on services to residents of this state who either:



1899 (i) Receive temporary assistance for needy  
1900 families benefits;  
1901 (ii) Are low-income residents of this state;  
1902 (iii) Are children who have a chronic illness or  
1903 physical, intellectual, developmental or emotional disability; or  
1904 (iv) Are children in a foster care placement  
1905 program established by the Department of Child Protection  
1906 Services, children placed under the Safe Families for Children  
1907 model or children at significant risk of entering a foster care  
1908 placement program established by the Department of Child  
1909 Protection Services.

1910 (c) A statement that the organization plans to continue  
1911 spending at least fifty percent (50%) of its budget on services to  
1912 residents of this state who receive temporary assistance for needy  
1913 families benefits, who are low-income residents of this state, who  
1914 are children who have a chronic illness or physical, intellectual,  
1915 developmental or emotional disability or who are children in a  
1916 foster care placement program established by the Department of  
1917 Child Protection Services, children placed under the Safe Families  
1918 for Children model or children at significant risk of entering a  
1919 foster care placement program established by the Department of  
1920 Child Protection Services. A charitable organization that is  
1921 exempt from federal income tax under Section 501(c)(3) of the  
1922 Internal Revenue Code and that meets all other requirements for a  
1923 qualifying charitable organization or qualifying foster care



1924 charitable organization except that it does not spend at least  
1925 fifty percent (50%) of its overall budget in Mississippi shall  
1926 submit a statement that it spends at least fifty percent (50%) of  
1927 its Mississippi budget on services to qualified individuals in  
1928 Mississippi and that one hundred percent (100%) of the voluntary  
1929 cash contributions it receives from Mississippi taxpayers will be  
1930 spent on services to qualified individuals in Mississippi.

1931 (d) In the case of a foster care charitable  
1932 organization, a statement that each operating year it provides  
1933 services to at least one hundred (100) qualified individuals in  
1934 this state.

1935 (e) A statement that the organization does not provide,  
1936 pay for or provide coverage of abortions and does not financially  
1937 support any other entity that provides, pays for or provides  
1938 coverage of abortions.

1939 (f) Any other information that the department requires  
1940 to administer this section.

1941 (11) The department shall review each written certification  
1942 and determine whether the organization meets all the criteria to  
1943 be considered a qualifying charitable organization and notify the  
1944 organization of its determination. The department may also  
1945 periodically request recertification from the organization. The  
1946 department shall compile and make available to the public a list  
1947 of the qualifying charitable organizations.



1948           (12) The aggregate amount of tax credits that may be awarded  
1949 under this section in any calendar year shall not exceed Three  
1950 Million Dollars (\$3,000,000.00). However, for calendar year 2021,  
1951 and for each calendar year thereafter, the aggregate amount of tax  
1952 credits that may be awarded under this section in any calendar  
1953 year shall not exceed One Million Dollars (\$1,000,000.00). In  
1954 addition, any tax credits not awarded under this section before  
1955 June 1, 2020, may be allocated during calendar year 2020 under  
1956 Section 27-7-22.41 for contributions by taxpayers to eligible  
1957 charitable organizations described in Section  
1958 27-7-22.41(1)(b)(ii) as provided under such section,  
1959 notwithstanding any limitation on the percentage of tax credits  
1960 that may be allocated for such contributions.

1961           (13) A taxpayer shall apply for credits with the department  
1962 on forms prescribed by the department. In the application the  
1963 taxpayer shall certify to the department the dollar amount of the  
1964 contributions made or to be made during the calendar year. Within  
1965 thirty (30) days after the receipt of an application, the  
1966 department shall allocate credits based on the dollar amount of  
1967 contributions as certified in the application. However, if the  
1968 department cannot allocate the full amount of credits certified in  
1969 the application due to the limit on the aggregate amount of  
1970 credits that may be awarded under this section in a calendar year,  
1971 the department shall so notify the applicant within thirty (30)  
1972 days with the amount of credits, if any, that may be allocated to





1973 the applicant in the calendar year. Once the department has  
1974 allocated credits to a taxpayer, if the contribution for which a  
1975 credit is allocated has not been made as of the date of the  
1976 allocation, then the contribution must be made not later than  
1977 sixty (60) days from the date of the allocation. If the  
1978 contribution is not made within such time period, the allocation  
1979 shall be cancelled and returned to the department for  
1980 reallocation. Upon final documentation of the contributions, if  
1981 the actual dollar amount of the contributions is lower than the  
1982 amount estimated, the department shall adjust the tax credit  
1983 allowed under this section.

1984 (14) This section shall be repealed from and after January  
1985 1, 2025.

1986 **SECTION 30.** Section 27-7-22.40, Mississippi Code of 1972, is  
1987 brought forward as follows:

1988 27-7-22.40. (1) The following words and phrases shall have  
1989 the meanings ascribed in this section unless the context clearly  
1990 indicates:

1991 (a) "Water transportation enterprise" means an  
1992 enterprise or establishment primarily engaged in providing inland  
1993 water transportation of cargo on lakes, rivers and/or intracoastal  
1994 waterways, except on the Great Lakes System.

1995 (b) "Mississippi full-time job" means a job created in  
1996 the State of Mississippi on or after January 1, 2019, and filled



1997 by a Mississippi resident who works at least thirty-five (35)  
1998 hours per week.

1999 (2) Subject to the provisions of this section, any water  
2000 transportation enterprise is allowed a job tax credit for taxes  
2001 imposed by this chapter equal to Two Thousand Dollars (\$2,000.00)  
2002 annually for each Mississippi full-time job created for a period  
2003 of five (5) years from the date the credit commences. A water  
2004 transportation enterprise may not claim a tax credit for the  
2005 reemployment of a person whose employment with the enterprise is  
2006 terminated by the enterprise if the reemployment by the enterprise  
2007 occurs within twelve (12) months from the date of the termination.  
2008 The credit shall commence on the date selected by the enterprise.  
2009 For the year in which the commencement date occurs, the credit  
2010 will be determined based on the monthly average number of  
2011 full-time employees employed by the water transportation  
2012 enterprise in Mississippi full-time jobs subject to the  
2013 Mississippi income tax withholding. For each year thereafter, the  
2014 number of Mississippi full-time jobs shall be determined by  
2015 comparing the monthly average number of full-time employees  
2016 employed at the water transportation enterprise in Mississippi  
2017 full-time jobs subject to the Mississippi income tax withholding  
2018 for the taxable year with the corresponding period of the prior  
2019 taxable year. The Department of Revenue shall adjust the credit  
2020 allowed each year for employment fluctuations.



2021 (3) The credit that may be used each year shall be limited  
2022 to an amount not greater than the total state income tax liability  
2023 of the water transportation enterprise. Any tax credit claimed  
2024 under this section but not used in any taxable year may be carried  
2025 forward for five (5) consecutive years from the close of the tax  
2026 year in which the credits were earned.

2027 (4) The sale, merger, acquisition, reorganization,  
2028 bankruptcy or relocation from one (1) county to another county  
2029 within the state of any water transportation enterprise may not  
2030 create new eligibility in any succeeding business entity, but any  
2031 unused job tax credit may be transferred and continued by any  
2032 transferee of the water transportation enterprise. The Department  
2033 of Revenue shall determine whether or not qualifying net increases  
2034 or decreases have occurred or proper transfers of credit have been  
2035 made and may require reports, promulgate regulations, and hold  
2036 hearings as needed for substantiation and qualification.

2037 (5) The credits allowed under this section shall not be used  
2038 by any business enterprise or corporation other than the water  
2039 transportation enterprise actually qualifying for the credits.

2040 (6) The maximum aggregate amount of tax credits that may be  
2041 claimed by all taxpayers claiming a credit under this section in a  
2042 taxable year shall not exceed Two Million Dollars (\$2,000,000.00).

2043 (7) Any water transportation enterprise that is eligible for  
2044 the credit authorized in this section before January 1, 2026,  
2045 shall be eligible for the credit authorized in this section,



2046 notwithstanding the repeal of this section, and shall be allowed  
2047 to carry forward the credit after January 1, 2026, as provided  
2048 for in subsection (3) of this section.

2049 (8) This section shall be repealed from and after January 1,  
2050 2026.

2051 **SECTION 31.** Section 27-7-22.41, Mississippi Code of 1972, is  
2052 brought forward as follows:

2053 27-7-22.41. (1) For the purposes of this section, the  
2054 following words and phrases shall have the meanings ascribed in  
2055 this section unless the context clearly indicates otherwise:

2056 (a) "Department" means the Department of Revenue.

2057 (b) "Eligible charitable organization" means an  
2058 organization that is exempt from federal income taxation under  
2059 Section 501(c) (3) of the Internal Revenue Code and is:

2060 (i) Licensed by or under contract with the  
2061 Mississippi Department of Child Protection Services and provides  
2062 services for:

2063 1. The prevention and diversion of children  
2064 from custody with the Department of Child Protection Services,

2065 2. The safety, care and well-being of  
2066 children in custody with the Department of Child Protection  
2067 Services, or

2068 3. The express purpose of creating permanency  
2069 for children through adoption; or



2070 (ii) Certified by the department as an educational  
2071 services charitable organization that is accredited by a regional  
2072 accrediting organization and provides services to:

2073 1. Children in a foster care placement  
2074 program established by the Department of Child Protection  
2075 Services, children placed under the Safe Families for Children  
2076 model, or children at significant risk of entering a foster care  
2077 placement program established by the Department of Child  
2078 Protection Services,

2079 2. Children who have a chronic illness or  
2080 physical, intellectual, developmental or emotional disability, or

2081 3. Children eligible for free or reduced  
2082 price meals programs under Section 37-11-7, or selected for  
2083 participation in the Promise Neighborhoods Program sponsored by  
2084 the U.S. Department of Education.

2085 (2) (a) The tax credit authorized in this section shall be  
2086 available only to a taxpayer who is a business enterprise engaged  
2087 in commercial, industrial or professional activities and operating  
2088 as a corporation, limited liability company, partnership or sole  
2089 proprietorship. Except as otherwise provided in this section, a  
2090 credit is allowed against the taxes imposed by Sections 27-7-5,  
2091 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2092 contributions made by a taxpayer during the taxable year to an  
2093 eligible charitable organization. From and after January 1, 2022,  
2094 for a taxpayer that is not operating as a corporation, a credit is



2095 also allowed against ad valorem taxes assessed and levied on real  
2096 property for voluntary cash contributions made by the taxpayer  
2097 during the taxable year to an eligible charitable organization.  
2098 The amount of credit that may be utilized by a taxpayer in a  
2099 taxable year shall be limited to (i) an amount not to exceed fifty  
2100 percent (50%) of the total tax liability of the taxpayer for the  
2101 taxes imposed by such sections of law and (ii) an amount not to  
2102 exceed fifty percent (50%) of the total tax liability of the  
2103 taxpayer for ad valorem taxes assessed and levied on real  
2104 property. Any tax credit claimed under this section but not used  
2105 in any taxable year may be carried forward for five (5)  
2106 consecutive years from the close of the tax year in which the  
2107 credits were earned.

2108 (b) A contribution to an eligible charitable  
2109 organization for which a credit is claimed under this section does  
2110 not qualify for and shall not be included in any credit that may  
2111 be claimed under Section 27-7-22.39.

2112 (c) A contribution for which a credit is claimed under  
2113 this section may not be used as a deduction by the taxpayer for  
2114 state income tax purposes.

2115 (3) Taxpayers taking a credit authorized by this section  
2116 shall provide the name of the eligible charitable organization and  
2117 the amount of the contribution to the department on forms provided  
2118 by the department.



2119           (4) An eligible charitable organization shall provide the  
2120 department with a written certification that it meets all criteria  
2121 to be considered an eligible charitable organization. An eligible  
2122 charitable organization must also provide the department with  
2123 written documented proof of its license and/or written contract  
2124 with the Mississippi Department of Child Protection Services. The  
2125 organization shall also notify the department of any changes that  
2126 may affect eligibility under this section.

2127           (5) The eligible charitable organization's written  
2128 certification must be signed by an officer of the organization  
2129 under penalty of perjury. The written certification shall include  
2130 the following:

2131                   (a) Verification of the organization's status under  
2132 Section 501(c) (3) of the Internal Revenue Code;

2133                   (b) A statement that the organization does not provide,  
2134 pay for or provide coverage of abortions and does not financially  
2135 support any other entity that provides, pays for or provides  
2136 coverage of abortions;

2137                   (c) A statement that the funds generated from the tax  
2138 credit shall be used for educational resources, staff and  
2139 expenditures and/or other purposes described in this section.

2140                   (d) Any other information that the department requires  
2141 to administer this section.

2142           (6) The department shall review each written certification  
2143 and determine whether the organization meets all the criteria to



2144 be considered an eligible charitable organization and notify the  
2145 organization of its determination. The department may also  
2146 periodically request recertification from the organization. The  
2147 department shall compile and make available to the public a list  
2148 of eligible charitable organizations.

2149 (7) Tax credits authorized by this section that are earned  
2150 by a partnership, limited liability company, S corporation or  
2151 other similar pass-through entity, shall be allocated among all  
2152 partners, members or shareholders, respectively, either in  
2153 proportion to their ownership interest in such entity or as the  
2154 partners, members or shareholders mutually agree as provided in an  
2155 executed document.

2156 (8) (a) A taxpayer shall apply for credits with the  
2157 department on forms prescribed by the department. In the  
2158 application the taxpayer shall certify to the department the  
2159 dollar amount of the contributions made or to be made during the  
2160 calendar year. Within thirty (30) days after the receipt of an  
2161 application, the department shall allocate credits based on the  
2162 dollar amount of contributions as certified in the application.  
2163 However, if the department cannot allocate the full amount of  
2164 credits certified in the application due to the limit on the  
2165 aggregate amount of credits that may be awarded under this section  
2166 in a calendar year, the department shall so notify the applicant  
2167 within thirty (30) days with the amount of credits, if any, that  
2168 may be allocated to the applicant in the calendar year. Once the





2169 department has allocated credits to a taxpayer, if the  
2170 contribution for which a credit is allocated has not been made as  
2171 of the date of the allocation, then the contribution must be made  
2172 not later than sixty (60) days from the date of the allocation.  
2173 If the contribution is not made within such time period, the  
2174 allocation shall be cancelled and returned to the department for  
2175 reallocation. Upon final documentation of the contributions, if  
2176 the actual dollar amount of the contributions is lower than the  
2177 amount estimated, the department shall adjust the tax credit  
2178 allowed under this section.

2179 (b) A taxpayer who applied for a tax credit under this  
2180 section during calendar year 2020, but who was unable to be  
2181 awarded the credit due to the limit on the aggregate amount of  
2182 credits authorized for calendar year 2020, shall be given priority  
2183 for tax credits authorized to be allocated to taxpayers under this  
2184 section by Section 27-7-22.39.

2185 (c) For the purposes of using a tax credit against ad  
2186 valorem taxes assessed and levied on real property, a taxpayer  
2187 shall present to the appropriate tax collector the tax credit  
2188 documentation provided to the taxpayer by the Department of  
2189 Revenue, and the tax collector shall apply the tax credit against  
2190 such ad valorem taxes. The tax collector shall forward the tax  
2191 credit documentation to the Department of Revenue along with the  
2192 amount of the tax credit applied against ad valorem taxes, and the  
2193 department shall disburse funds to the tax collector for the



2194 amount of the tax credit applied against ad valorem taxes. Such  
2195 payments by the Department of Revenue shall be made from current  
2196 tax collections.

2197 (9) The aggregate amount of tax credits that may be  
2198 allocated by the department under this section during a calendar  
2199 year shall not exceed Five Million Dollars (\$5,000,000.00), and  
2200 not more than fifty percent (50%) of tax credits allocated during  
2201 a calendar year may be allocated for contributions to eligible  
2202 charitable organizations described in subsection (1)(b)(ii) of  
2203 this section. However, for calendar year 2021, the aggregate  
2204 amount of tax credits that may be allocated by the department  
2205 under this section during a calendar year shall not exceed Ten  
2206 Million Dollars (\$10,000,000.00), for calendar year 2022, the  
2207 aggregate amount of tax credits that may be allocated by the  
2208 department under this section during a calendar year shall not  
2209 exceed Sixteen Million Dollars (\$16,000,000.00), and for calendar  
2210 year 2023, and for each calendar year thereafter, the aggregate  
2211 amount of tax credits that may be allocated by the department  
2212 under this section during a calendar year shall not exceed  
2213 Eighteen Million Dollars (\$18,000,000.00). For calendar year  
2214 2021, and for each calendar year thereafter, fifty percent (50%)  
2215 of the tax credits allocated during a calendar year shall be  
2216 allocated for contributions to eligible charitable organizations  
2217 described in subsection (1)(b)(i) of this section and fifty  
2218 percent (50%) of the tax credits allocated during a calendar year



2219 shall be allocated for contributions to eligible charitable  
2220 organizations described in subsection (1)(b)(ii) of this section.  
2221 For calendar year 2021, and for each calendar year thereafter, for  
2222 credits allocated during a calendar year for contributions to  
2223 eligible charitable organizations described in subsection  
2224 (1)(b)(i) of this section, no more than twenty-five percent (25%)  
2225 of such credits may be allocated for contributions to a single  
2226 eligible charitable organization. Except as otherwise provided in  
2227 this section, for calendar year 2021, and for each calendar year  
2228 thereafter, for credits allocated during a calendar year for  
2229 contributions to eligible charitable organizations described in  
2230 subsection (1)(b)(ii) of this section, no more than four and  
2231 one-half percent (4-1/2%) of such credits may be allocated for  
2232 contributions to a single eligible charitable organization.

2233         **SECTION 32.** Section 27-7-22.42, Mississippi Code of 1972, is  
2234 brought forward as follows:

2235         27-7-22.42. (1) The following words and phrases shall have  
2236 the meanings as defined in this section unless the context clearly  
2237 indicates otherwise:

2238                 (a) "Eligible taxpayer" means any railroad that is  
2239 classified by the United States Surface Transportation Board as a  
2240 Class II or Class III railroad.

2241                 (b) "Eligible transferee" means any taxpayer having a  
2242 liability for taxes under this chapter.



2243 (c) "Qualified railroad reconstruction or replacement  
2244 expenditures" means gross expenditures for maintenance,  
2245 reconstruction or replacement of railroad infrastructure,  
2246 including track, roadbed, bridges, industrial leads and sidings,  
2247 and track-related structures owned or leased by a Class II or  
2248 Class III railroad in Mississippi as of January 1, 2022.

2249 (d) "Qualified new rail infrastructure expenditures"  
2250 means gross expenditures for new construction of industrial leads,  
2251 switches, spurs and sidings and extensions of existing sidings,  
2252 for serving new customer locations or expansions in Mississippi,  
2253 by a Class II or Class III railroad located in Mississippi.

2254 (2) Subject to the provisions of this section, an eligible  
2255 taxpayer making qualified railroad reconstruction or replacement  
2256 expenditures shall be allowed a credit against the taxes imposed  
2257 under this chapter. The credit shall be for an amount equal to  
2258 the lesser of fifty percent (50%) of an eligible taxpayer's  
2259 qualified railroad reconstruction or replacement expenditures for  
2260 the taxable year or the product of Five Thousand Dollars  
2261 (\$5,000.00) multiplied by the number of miles of railroad track  
2262 owned or leased within the State of Mississippi by the eligible  
2263 taxpayer as of the close of the taxable year. For qualified new  
2264 rail infrastructure expenditures, the credit shall be for an  
2265 amount equal to the lesser of fifty percent (50%) of an eligible  
2266 taxpayer's qualified new rail infrastructure expenditures for the  
2267 taxable year, capped at One Million Dollars (\$1,000,000.00) per



2268 new rail-served customer project. However, the tax credit shall  
2269 not exceed the amount of tax imposed upon the taxpayer for the  
2270 taxable year reduced by the sum of all other credits allowable to  
2271 the taxpayer under this chapter, except credit for tax payments  
2272 made by or on behalf of the taxpayer. Any tax credit claimed  
2273 under this section but not used in any taxable year may be carried  
2274 forward for five (5) consecutive years from the close of the  
2275 taxable year in which the credit was earned. The aggregate amount  
2276 of credits that may be claimed by all taxpayers claiming a credit  
2277 under this section during a calendar year shall not exceed Eight  
2278 Million Dollars (\$8,000,000.00). In addition, an eligible  
2279 taxpayer may transfer by written agreement any unused tax credit  
2280 to an eligible transferee at any time during the year in which the  
2281 credit is earned and the five (5) years following the taxable year  
2282 in which the qualified railroad reconstruction or replacement  
2283 expenditures or the qualified new rail infrastructure expenditures  
2284 are made. The eligible taxpayer and the eligible transferee must  
2285 jointly file a copy of the written transfer agreement with the  
2286 Department of Revenue within thirty (30) days of the transfer.  
2287 The written agreement must contain the: (a) name, address, and  
2288 taxpayer identification number of the parties to the transfer; (b)  
2289 taxable year the eligible taxpayer incurred the qualified railroad  
2290 reconstruction or replacement expenditures or the qualified new  
2291 rail infrastructure expenditures; (c) amount of credit being



2292 transferred; and (d) taxable year or years for which the credit  
2293 may be claimed by the eligible transferee.

2294 This section shall stand repealed on January 1, 2024.

2295 **SECTION 33.** Section 27-7-22.43, Mississippi Code of 1972, is  
2296 brought forward as follows:

2297 27-7-22.43. (1) This section shall be known and may be  
2298 cited as the "Pregnancy Resource Act."

2299 (2) For the purposes of this section, the following words  
2300 and phrases shall have the meanings ascribed in this section  
2301 unless the context clearly indicates otherwise:

2302 (a) "Department" means the Department of Revenue.

2303 (b) "Eligible charitable organization" means an  
2304 organization that is exempt from federal income taxation under  
2305 Section 501(c)(3) of the Internal Revenue Code and is a pregnancy  
2306 resource center or crisis pregnancy center. To be considered an  
2307 "eligible charitable organization" a pregnancy resource center or  
2308 crisis pregnancy center must meet the following criteria:

2309 (i) Certify that no more than twenty percent (20%)  
2310 of the contributions received under this section will be spent on  
2311 administrative purposes;

2312 (ii) File annually with the Secretary of State the  
2313 organization's publicly available Internal Revenue Service  
2314 filings.

2315 (3) (a) The tax credit authorized in this section shall be  
2316 available only to a taxpayer who is a business enterprise engaged



2317 in commercial, industrial or professional activities and operating  
2318 as a corporation, limited liability company, partnership or sole  
2319 proprietorship. Except as otherwise provided in this section, a  
2320 credit is allowed against the taxes imposed by Sections 27-7-5,  
2321 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2322 contributions made by a taxpayer during the taxable year to an  
2323 eligible charitable organization. For calendar year 2022, for a  
2324 taxpayer that is not operating as a corporation, a credit is also  
2325 allowed against ad valorem taxes assessed and levied on real  
2326 property for voluntary cash contributions made by the taxpayer  
2327 during the taxable year to an eligible charitable organization.  
2328 From and after January 1, 2023, a credit is also allowed against  
2329 ad valorem taxes assessed and levied on real property for  
2330 voluntary cash contributions made by a taxpayer during the taxable  
2331 year to an eligible charitable organization. The amount of credit  
2332 that may be utilized by a taxpayer in a taxable year shall be  
2333 limited to (i) an amount not to exceed fifty percent (50%) of the  
2334 total tax liability of the taxpayer for the taxes imposed by such  
2335 sections of law and (ii) an amount not to exceed fifty percent  
2336 (50%) of the total tax liability of the taxpayer for ad valorem  
2337 taxes assessed and levied on real property. Any tax credit  
2338 claimed under this section but not used in any taxable year may be  
2339 carried forward for five (5) consecutive years from the close of  
2340 the tax year in which the credits were earned.



2341 (b) A contribution for which a credit is claimed under  
2342 this section may not be used as a deduction by the taxpayer for  
2343 state income tax purposes.

2344 (4) Taxpayers taking a credit authorized by this section  
2345 shall provide the name of the eligible charitable organization and  
2346 the amount of the contribution to the department on forms provided  
2347 by the department.

2348 (5) An eligible charitable organization shall provide the  
2349 department with a written certification that it meets all criteria  
2350 to be considered an eligible charitable organization. The  
2351 organization shall also notify the department of any changes that  
2352 may affect eligibility under this section.

2353 (6) The eligible charitable organization's written  
2354 certification must be signed by an officer of the organization  
2355 under penalty of perjury. The written certification shall include  
2356 the following:

2357 (a) Verification of the organization's status under  
2358 Section 501(c)(3) of the Internal Revenue Code;

2359 (b) A statement that the organization does not provide,  
2360 pay for or provide coverage of abortions and does not financially  
2361 support any other entity that provides, pays for or provides  
2362 coverage of abortions;

2363 (c) Any other information that the department requires  
2364 to administer this section.





2365 (7) The department shall review each written certification  
2366 and determine whether the organization meets all the criteria to  
2367 be considered an eligible charitable organization and notify the  
2368 organization of its determination. The department may also  
2369 periodically request recertification from the organization. The  
2370 department shall compile and make available to the public a list  
2371 of eligible charitable organizations.

2372 (8) Tax credits authorized by this section that are earned  
2373 by a partnership, limited liability company, S corporation or  
2374 other similar pass-through entity, shall be allocated among all  
2375 partners, members or shareholders, respectively, either in  
2376 proportion to their ownership interest in such entity or as the  
2377 partners, members or shareholders mutually agree as provided in an  
2378 executed document.

2379 (9) (a) A taxpayer shall apply for credits with the  
2380 department on forms prescribed by the department. In the  
2381 application the taxpayer shall certify to the department the  
2382 dollar amount of the contributions made or to be made during the  
2383 calendar year. Within thirty (30) days after the receipt of an  
2384 application, the department shall allocate credits based on the  
2385 dollar amount of contributions as certified in the application.  
2386 However, if the department cannot allocate the full amount of  
2387 credits certified in the application due to the limit on the  
2388 aggregate amount of credits that may be awarded under this section  
2389 in a calendar year, the department shall so notify the applicant



2390 within thirty (30) days with the amount of credits, if any, that  
2391 may be allocated to the applicant in the calendar year. Once the  
2392 department has allocated credits to a taxpayer, if the  
2393 contribution for which a credit is allocated has not been made as  
2394 of the date of the allocation, then the contribution must be made  
2395 not later than sixty (60) days from the date of the allocation.  
2396 If the contribution is not made within such time period, the  
2397 allocation shall be cancelled and returned to the department for  
2398 reallocation. Upon final documentation of the contributions, if  
2399 the actual dollar amount of the contributions is lower than the  
2400 amount estimated, the department shall adjust the tax credit  
2401 allowed under this section.

2402 (b) For the purposes of using a tax credit against ad  
2403 valorem taxes assessed and levied on real property, a taxpayer  
2404 shall present to the appropriate tax collector the tax credit  
2405 documentation provided to the taxpayer by the Department of  
2406 Revenue, and the tax collector shall apply the tax credit against  
2407 such ad valorem taxes. The tax collector shall forward the tax  
2408 credit documentation to the Department of Revenue along with the  
2409 amount of the tax credit applied against ad valorem taxes, and the  
2410 department shall disburse funds to the tax collector for the  
2411 amount of the tax credit applied against ad valorem taxes. Such  
2412 payments by the Department of Revenue shall be made from current  
2413 tax collections.



2414 (10) The aggregate amount of tax credits that may be  
2415 allocated by the department under this section during a calendar  
2416 year shall not exceed Three Million Five Hundred Thousand Dollars  
2417 (\$3,500,000.00). However, for calendar year 2023, and for each  
2418 calendar year thereafter, the aggregate amount of tax credits that  
2419 may be allocated by the department under this section during a  
2420 calendar year shall not exceed Ten Million Dollars  
2421 (\$10,000,000.00). For credits allocated during a calendar year  
2422 for contributions to eligible charitable organizations, no more  
2423 than twenty-five percent (25%) of such credits may be allocated  
2424 for contributions to a single eligible charitable organization;  
2425 however, credits not allocated before June 1, may be allocated  
2426 without regard to such restriction for the same calendar year.

2427 **SECTION 34.** Section 27-7-22.44, Mississippi Code of 1972, is  
2428 brought forward as follows:

2429 27-7-22.44. (1) As used in this section, the following  
2430 words shall have the meanings ascribed herein unless the context  
2431 clearly requires otherwise:

2432 (a) "Blood donation" means the voluntary and  
2433 uncompensated donation of whole blood, or specific components of  
2434 blood, by an employee, drawn for use by a nonprofit blood bank  
2435 organization as part of a blood drive.

2436 (b) "Blood drive" means a function held at a specific  
2437 date and time which is organized by a nonprofit blood bank



2438 organization in coordination with an employer or group of  
2439 employers and is closed to nonemployees.

2440 (c) "Employee" means an individual employed by an  
2441 employer authorized to claim a tax credit under this section.

2442 (d) "Employer" means a sole proprietor, general  
2443 partnership, limited partnership, limited liability company,  
2444 corporation or other legally recognized business entity.

2445 (e) "Verified donation" means a blood donation by an  
2446 employee, made during a blood drive, which can be documented by an  
2447 employer.

2448 (2) Subject to the provisions of this section, for calendar  
2449 year 2022 and for calendar year 2023, a taxpayer that is an  
2450 employer shall be allowed a credit against the taxes imposed under  
2451 this chapter for each verified blood donation made by an employee  
2452 as part of a blood drive. The credit shall be for an amount equal  
2453 to Twenty Dollars (\$20.00) for each verified donation. However,  
2454 the tax credit shall not exceed the amount of tax imposed upon the  
2455 taxpayer for the taxable year reduced by the sum of all other  
2456 credits allowable to the taxpayer under this chapter, except  
2457 credit for tax payments made by or on behalf of the taxpayer. The  
2458 maximum aggregate amount of tax credits that may be claimed by all  
2459 taxpayers claiming a credit under this section in a taxable year  
2460 shall not exceed One Hundred Thousand Dollars (\$100,000.00). The  
2461 department shall annually calculate and publish a percentage by  
2462 which the tax credit authorized by this section shall be reduced



2463 so the maximum aggregate amount of tax credits claimed by all  
2464 taxpayers claiming a credit in a taxable year does not exceed One  
2465 Hundred Thousand Dollars (\$100,000.00).

2466         **SECTION 35.** Section 27-7-22.45, Mississippi Code of 1972, is  
2467 brought forward as follows:

2468         27-7-22.45. (1) As used in this section,

2469                 (a) "Affiliated enterprise" or an "affiliate" shall  
2470 have the meaning ascribed to such term in Section 57-75-5(k)(ii);

2471                 (b) "Authority" shall have the meaning ascribed to such  
2472 term in Section 57-75-5(b);

2473                 (c) "Project" shall have the meaning ascribed to such  
2474 term in Section 57-75-5(f)(xxxi); and

2475                 (d) "Qualified business or industry" shall mean any  
2476 company that has been certified by the Major Economic Impact  
2477 Authority as a project as defined in Section 57-75-5(f)(xxxi), or  
2478 any other company which becomes subject to the tax levied by this  
2479 chapter because it is an affiliate of the company that has been  
2480 certified by the Major Economic Impact Authority as a project as  
2481 defined in Section 57-75-5(f)(xxxi).

2482         (2) Each qualified business or industry shall be allowed an  
2483 annual credit, for a period of fifteen (15) successive years,  
2484 against the tax imposed by this chapter upon such qualified  
2485 business or industry in each such year, in an annual amount equal  
2486 to the amount of the qualified business's or industry's tax  
2487 imposed by this chapter for each such year during the fifteen (15)



2488 year period on income derived thereby from any project, as defined  
2489 by Section 57-75-5(f) (xxxi).

2490 (3) The tax credit authorized by this section may be  
2491 utilized by any qualified business or industry and by any  
2492 affiliates thereof that file a combined tax return for the tax  
2493 imposed by this chapter. The credit shall not apply to offset tax  
2494 on income derived from activities subject to Mississippi income  
2495 tax prior to certification of the project.

2496 (4) A qualified business or industry may elect the date upon  
2497 which the fifteen (15) year period will begin; however, the date  
2498 may not be later than twenty-four (24) months after the date the  
2499 qualified business or industry begins commercial production of the  
2500 project or such earlier date prescribed by a definitive written  
2501 agreement between the authority and the qualified business or  
2502 industry and/or an affiliate thereof.

2503 (5) In the event that the annual number of full-time jobs  
2504 maintained or caused to be maintained by the qualified business or  
2505 industry and/or any affiliate thereof falls below the minimum  
2506 annual number of full-time jobs required by the authority pursuant  
2507 to a written agreement between the authority and the qualified  
2508 business or industry and/or any affiliate thereof for one or more  
2509 years, the annual tax credit granted by this section may be  
2510 reduced or suspended by the authority until the first tax year  
2511 during which the annual number of full-time jobs maintained or  
2512 caused to be maintained by the qualified business or industry



2513 and/or any affiliate thereof reaches the minimum annual number of  
2514 full-time jobs required by the authority pursuant to a written  
2515 agreement between the authority and the qualified business or  
2516 industry and/or any affiliate thereof.

2517 (6) A qualified business or industry that utilizes the  
2518 annual tax credits authorized by this section shall not be  
2519 eligible for the credits authorized in Sections 57-73-21 through  
2520 57-73-29.

2521 (7) A qualified business or industry shall be entitled to  
2522 utilize a single sales apportionment factor in the calculation of  
2523 its liability for income tax imposed by this chapter for any year  
2524 for which it files a Mississippi income tax return. The qualified  
2525 business or industry shall be entitled to continue to utilize such  
2526 single sales apportionment factor notwithstanding a suspension of  
2527 the income tax credit pursuant to subsection (5) of this section.  
2528 In no event shall a qualified business or industry be entitled to  
2529 utilize a single sales apportionment factor for purposes of  
2530 calculating its liability for income tax imposed by this chapter  
2531 on any income derived from any operations or activities thereof  
2532 subject to tax liability imposed by this chapter prior to January  
2533 1, 2023, except to the extent that the qualified business or  
2534 industry is entitled to utilize a single sales apportionment  
2535 factor in the calculation of its liability for income tax on  
2536 income derived from any operations or activities thereof subject  
2537 to tax liability imposed by this chapter prior to January 1, 2023,



2538 pursuant to any other section of law or regulation duly adopted by  
2539 the department.

2540 (8) The Mississippi Development Authority may promulgate  
2541 rules and regulations necessary to administer the provisions of  
2542 this section.

2543 **SECTION 36.** Section 27-7-22.46, Mississippi Code of 1972, is  
2544 brought forward as follows:

2545 27-7-22.46. (1) For the purposes of this section, the  
2546 following words and phrases shall have the meanings ascribed in  
2547 this section unless the context clearly indicates otherwise:

2548 (a) "Department" means the Department of Revenue.

2549 (b) "Eligible charitable organization" means an  
2550 organization that is exempt from federal income taxation under  
2551 Section 501(c)(3) of the Internal Revenue Code and is purchasing,  
2552 warehousing and delivering food directly to food pantries or soup  
2553 kitchens in more than five (5) Mississippi counties on a monthly  
2554 basis.

2555 (2) (a) The tax credit authorized in this section shall be  
2556 available only to a taxpayer that is a business enterprise engaged  
2557 in commercial, industrial or professional activities and operating  
2558 as a corporation, limited liability company, partnership or sole  
2559 proprietorship. Except as otherwise provided in this section, a  
2560 credit is allowed against the taxes imposed by Sections 27-7-5,  
2561 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2562 contributions made by a taxpayer during the taxable year to an





2563 eligible charitable organization. A credit is also allowed  
2564 against ad valorem taxes assessed and levied on real property for  
2565 voluntary cash contributions made by the taxpayer during the  
2566 taxable year to an eligible charitable organization. The amount  
2567 of credit that may be utilized by a taxpayer in a taxable year  
2568 shall be limited to (i) an amount not to exceed fifty percent  
2569 (50%) of the total tax liability of the taxpayer for the taxes  
2570 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123,  
2571 and (ii) an amount not to exceed fifty percent (50%) of the total  
2572 tax liability of the taxpayer for ad valorem taxes assessed and  
2573 levied on real property. Any credit claimed under this section  
2574 but not used in the tax year in which it was earned may be carried  
2575 forward for five (5) consecutive years from the close of the tax  
2576 year in which it was earned.

2577 (b) A contribution for which a credit is claimed under  
2578 this section may not be used as a deduction by the taxpayer for  
2579 state income tax purposes.

2580 (3) A taxpayer taking a credit authorized by this section  
2581 shall provide the name of the eligible charitable organization and  
2582 the amount of the contribution to the department on forms provided  
2583 by the department.

2584 (4) To be considered an eligible charitable organization  
2585 under this section, an organization shall provide the department  
2586 with a written certification that it meets all criteria. The



2587 organization shall also notify the department of any changes that  
2588 may affect eligibility under this section.

2589 (5) The eligible charitable organization's written  
2590 certification must be signed by an officer of the organization  
2591 under penalty of perjury. The written certification shall include  
2592 the following:

2593 (a) Verification of the organization's status under  
2594 Section 501(c) (3) of the Internal Revenue Code;

2595 (b) A statement that the organization will use the  
2596 contribution only for the purchasing of food and will deliver the  
2597 food to food pantries and soup kitchens in the state; and

2598 (c) Any other information that the department requires  
2599 in order to administer this section.

2600 (6) The department shall review each written certification  
2601 and determine whether the organization meets all the criteria to  
2602 be considered an eligible charitable organization and shall notify  
2603 the organization of its determination. The department may also  
2604 periodically request recertification from the organization. The  
2605 department shall compile and make available to the public a list  
2606 of eligible charitable organizations.

2607 (7) Tax credits authorized by this section that are earned  
2608 by a partnership, limited liability company, S corporation or  
2609 other similar pass-through entity, shall be allocated among all  
2610 partners, members or shareholders, respectively, either in  
2611 proportion to their ownership interest in such entity or as the



2612 partners, members or shareholders mutually agree as provided in an  
2613 executed document.

2614 (8) (a) A taxpayer shall apply for credits with the  
2615 department on forms prescribed by the department. In the  
2616 application, the taxpayer shall certify to the department the  
2617 dollar amount of the contributions made or to be made during the  
2618 calendar year. Within thirty (30) days after the receipt of an  
2619 application, the department shall allocate credits based on the  
2620 dollar amount of contributions as certified in the application.  
2621 However, if the department cannot allocate the full amount of  
2622 credits certified in the application due to the limit on the  
2623 aggregate amount of credits that may be awarded under this section  
2624 in a calendar year, the department shall so notify the applicant  
2625 within thirty (30) days with the amount of credits, if any, that  
2626 may be allocated to the applicant in the calendar year. Once the  
2627 department has allocated credits to a taxpayer, if the  
2628 contribution for which a credit is allocated has not been made as  
2629 of the date of the allocation, then the contribution must be made  
2630 not later than sixty (60) days from the date of the allocation.  
2631 If the contribution is not made within such time period, the  
2632 allocation shall be cancelled and returned to the department for  
2633 reallocation. Upon final documentation of the contribution, if  
2634 the actual dollar amount of the contribution is lower than the  
2635 amount estimated, the department shall adjust the tax credit  
2636 allowed under this section.



2637 (b) For the purposes of using a tax credit against ad  
2638 valorem taxes assessed and levied on real property, a taxpayer  
2639 shall present to the appropriate tax collector the tax credit  
2640 documentation provided to the taxpayer by the department, and the  
2641 tax collector shall apply the tax credit against such ad valorem  
2642 taxes. The tax collector shall forward the tax credit  
2643 documentation to the department along with the amount of the tax  
2644 credit applied against ad valorem taxes, and the department shall  
2645 disburse funds to the tax collector for the amount of the tax  
2646 credit applied against ad valorem taxes. Such payments by the  
2647 department shall be made from current tax collections.

2648 (9) The aggregate amount of tax credits that may be  
2649 allocated by the department under this section during a calendar  
2650 year shall not exceed One Million Dollars (\$1,000,000.00).

2651 **SECTION 37.** Section 27-7-22.47, Mississippi Code of 1972, is  
2652 brought forward as follows:

2653 27-7-22.47. (1) For the purposes of this section, the  
2654 following words and phrases shall have the meanings ascribed in  
2655 this section unless the context clearly indicates otherwise:

2656 (a) "Department" means the Department of Revenue.

2657 (b) "Eligible transitional home organization" means an  
2658 organization that is exempt from federal income taxation under  
2659 Section 501(c)(3) of the Internal Revenue Code that provides  
2660 transitional housing for homeless persons age twenty-five (25) and



2661 under, homeless families and/or homeless and/or referred unwed  
2662 pregnant women.

2663 "Eligible transitional home organization" does not include  
2664 any entity that provides, pays for or provides coverage of  
2665 abortions or that financially supports any other entity that  
2666 provides, pays for or provides coverage of abortions.

2667 "Eligible transitional home organization" does not include  
2668 any entity that charges a fee for the services and/or benefits it  
2669 provides as an eligible transitional home organization. The  
2670 prohibition against charging a fee for services and/or benefits is  
2671 limited to services and benefits the entity provides as an  
2672 eligible transitional home organization and does not apply to any  
2673 other services and/or benefits the entity may provide to persons  
2674 not being served by the entity's transitional home services.

2675 (c) "Transitional housing" means temporary housing the  
2676 purpose of which is to provide homeless persons age twenty-five  
2677 (25) and under, homeless families and/or homeless and/or referred  
2678 unwed pregnant women with temporary shelter and facilitate their  
2679 movement to permanent housing within an amount of time that the  
2680 eligible transitional home organization determines to be  
2681 appropriate.

2682 "Transitional housing" includes a program designed by the  
2683 eligible transitional home organization that offers structure,  
2684 supervision, support, life skills, education and training as the  
2685 eligible transitional home organization determines to be



2686 appropriate for each individual and/or family to achieve and/or  
2687 maintain independence.

2688           (2) (a) (i) The tax credit authorized in this subsection  
2689 shall be available only to a taxpayer who is a business enterprise  
2690 engaged in commercial, industrial or professional activities and  
2691 operating as a corporation, limited liability company, partnership  
2692 or sole proprietorship. Except as otherwise provided in this  
2693 subsection, a credit is allowed against the taxes imposed by  
2694 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary  
2695 cash contributions made by a taxpayer during the taxable year to  
2696 an eligible transitional home organization. A credit is also  
2697 allowed against ad valorem taxes assessed and levied on real  
2698 property for voluntary cash contributions made by the taxpayer  
2699 during the taxable year to an eligible transitional home  
2700 organization. The amount of credit that may be utilized by a  
2701 taxpayer in a taxable year shall be limited to an amount not to  
2702 exceed fifty percent (50%) of the total tax liability of the  
2703 taxpayer for the taxes imposed by such sections of law and an  
2704 amount not to exceed fifty percent (50%) of the total tax  
2705 liability of the taxpayer for ad valorem taxes assessed and levied  
2706 on real property. Any tax credit claimed under this subsection  
2707 but not used in any taxable year may be carried forward for five  
2708 (5) consecutive years from the close of the tax year in which the  
2709 credits were earned.



2710 (ii) A contribution to an eligible transitional  
2711 home organization for which a credit is claimed under this  
2712 subsection does not qualify for and shall not be included in any  
2713 credit that may be claimed under subsection (3) of this section.

2714 (iii) A contribution for which a credit is claimed  
2715 under this subsection may not be used as a deduction by the  
2716 taxpayer for state income tax purposes.

2717 (b) Taxpayers taking a credit authorized by this  
2718 subsection shall provide the name of the eligible transitional  
2719 home organization and the amount of the contribution to the  
2720 department on forms provided by the department.

2721 (c) An eligible transitional home organization shall  
2722 provide the department with a written certification that it meets  
2723 all criteria to be considered an eligible transitional home  
2724 organization. The organization shall also notify the department  
2725 of any changes that may affect eligibility under this section.

2726 (d) The eligible transitional home organization's  
2727 written certification must be signed by an officer of the  
2728 organization under penalty of perjury. The written certification  
2729 shall include the following:

2730 (i) Verification of the organization's status  
2731 under Section 501(c)(3) of the Internal Revenue Code;

2732 (ii) Information about the facilities that  
2733 demonstrate the applicant's ability to provide housing for



2734 homeless persons age twenty-five (25) and under, homeless  
2735 families, and/or homeless and/or referred unwed pregnant women;

2736 (iii) Sufficient materials to document the program  
2737 of the applicant that demonstrate that the applicant has and runs  
2738 a program that offers structure, supervision, support, life  
2739 skills, education and training as the eligible transitional home  
2740 organization determines to be appropriate for each individual  
2741 and/or family to achieve and/or maintain independence;

2742 (iv) A statement that the organization does not  
2743 charge a fee for services or benefits provided in whole or in part  
2744 by its transitional housing program; and

2745 (v) Any other information that the department  
2746 requires to administer this section.

2747 (e) The department shall review each written  
2748 certification and determine whether the organization meets all the  
2749 criteria to be considered an eligible transitional home  
2750 organization and notify the organization of its determination.

2751 The department may also periodically request recertification from  
2752 the organization. The department shall compile and make available  
2753 to the public a list of eligible transitional home organizations.

2754 (f) Tax credits authorized by this subsection that are  
2755 earned by a partnership, limited liability company, S corporation  
2756 or other similar pass-through entity, shall be allocated among all  
2757 partners, members or shareholders, respectively, either in  
2758 proportion to their ownership interest in such entity or as the





2759 partners, members or shareholders mutually agree as provided in an  
2760 executed document.

2761 (g) (i) A taxpayer shall apply for credits with the  
2762 department on forms prescribed by the department. In the  
2763 application the taxpayer shall certify to the department the  
2764 dollar amount of the contributions made or to be made during the  
2765 calendar year. Within thirty (30) days after the receipt of an  
2766 application, the department shall allocate credits based on the  
2767 dollar amount of contributions as certified in the application.  
2768 However, if the department cannot allocate the full amount of  
2769 credits certified in the application due to the limit on the  
2770 aggregate amount of credits that may be awarded under this  
2771 subsection in a calendar year, the department shall so notify the  
2772 applicant within thirty (30) days with the amount of credits, if  
2773 any, that may be allocated to the applicant in the calendar year.  
2774 Once the department has allocated credits to a taxpayer, if the  
2775 contribution for which a credit is allocated has not been made as  
2776 of the date of the allocation, then the contribution must be made  
2777 not later than sixty (60) days from the date of the allocation.  
2778 If the contribution is not made within such time period, the  
2779 allocation shall be cancelled and returned to the department for  
2780 reallocation. Upon final documentation of the contributions, if  
2781 the actual dollar amount of the contributions is lower than the  
2782 amount estimated, the department shall adjust the tax credit  
2783 allowed under this subsection.



2784 (ii) For the purposes of using a tax credit  
2785 against ad valorem taxes assessed and levied on real property, a  
2786 taxpayer shall present to the appropriate tax collector the tax  
2787 credit documentation provided to the taxpayer by the Department of  
2788 Revenue, and the tax collector shall apply the tax credit against  
2789 such ad valorem taxes. The tax collector shall forward the tax  
2790 credit documentation to the Department of Revenue along with the  
2791 amount of the tax credit applied against ad valorem taxes, and the  
2792 department shall disburse funds to the tax collector for the  
2793 amount of the tax credit applied against ad valorem taxes. Such  
2794 payments by the Department of Revenue shall be made from current  
2795 tax collections.

2796 (h) The aggregate amount of tax credits that may be  
2797 allocated by the department under this subsection during a  
2798 calendar year shall not exceed Ten Million Dollars  
2799 (\$10,000,000.00). For credits allocated during a calendar year  
2800 for contributions to eligible transitional home organizations, no  
2801 more than twenty-five percent (25%) of such credits may be  
2802 allocated for contributions to a single eligible transitional home  
2803 organization.

2804 (3) (a) (i) Except as otherwise provided in this  
2805 subsection, a credit is allowed against the taxes imposed by this  
2806 chapter for voluntary cash contributions by an individual taxpayer  
2807 during the taxable year to an eligible transitional home  
2808 organization. A credit is also allowed against ad valorem taxes



2809 assessed and levied on real property for voluntary cash  
2810 contributions made by an individual taxpayer during the taxable  
2811 year to an eligible transitional home organization. The amount of  
2812 credit that may be utilized by a taxpayer in a taxable year shall  
2813 be limited to an amount not to exceed fifty percent (50%) of the  
2814 total tax liability of the taxpayer for the taxes imposed by this  
2815 chapter and an amount not to exceed fifty percent (50%) of the  
2816 total tax liability of the taxpayer for ad valorem taxes assessed  
2817 and levied on real property. Any tax credit claimed under this  
2818 subsection but not used in any taxable year may be carried forward  
2819 for five (5) consecutive years from the close of the tax year in  
2820 which the credits were earned.

2821 (ii) A husband and wife who file separate returns  
2822 for a taxable year in which they could have filed a joint return  
2823 may each claim only one-half (1/2) of the tax credit that would  
2824 have been allowed for a joint return.

2825 (iii) A contribution to an eligible transitional  
2826 home organization for which a credit is claimed under this  
2827 subsection does not qualify for and shall not be included in any  
2828 credit that may be claimed under subsection (2) of this section.

2829 (iv) A contribution for which a credit is claimed  
2830 under this subsection may not be used as a deduction by the  
2831 taxpayer for state income tax purposes.

2832 (b) Taxpayers taking a credit authorized by this  
2833 subsection shall provide the name of the eligible transitional



2834 home organization and the amount of the contribution to the  
2835 department on forms provided by the department.

2836 (c) An eligible transitional home organization shall  
2837 provide the department with a written certification that it meets  
2838 all criteria to be considered an eligible transitional home  
2839 organization. The organization shall also notify the department  
2840 of any changes that may affect eligibility under this section.

2841 (d) The eligible transitional housing organization's  
2842 written certification must be signed by an officer of the  
2843 organization under penalty of perjury. The written certification  
2844 shall include the following:

2845 (i) Verification of the organization's status  
2846 under Section 501(c)(3) of the Internal Revenue Code;

2847 (ii) Information about the facilities that  
2848 demonstrate the applicant's ability to provide housing for  
2849 homeless persons age twenty-five (25) and under, homeless  
2850 families, and/or homeless and/or referred unwed pregnant women;

2851 (iii) Sufficient materials to document the program  
2852 of the applicant that demonstrate that the applicant has and runs  
2853 a program that offers structure, supervision, support, life  
2854 skills, education and training as the eligible transitional home  
2855 organization determines to be appropriate for each individual  
2856 and/or family to achieve and/or maintain independence;



2857 (iv) A statement that the organization does not  
2858 charge a fee for services or benefits provided in whole or in part  
2859 by its transitional housing program; and

2860 (v) Any other information that the department  
2861 requires to administer this section.

2862 (e) The department shall review each written  
2863 certification and determine whether the organization meets all the  
2864 criteria to be considered an eligible transitional home  
2865 organization and notify the organization of its determination.  
2866 The department may also periodically request recertification from  
2867 the organization. The department shall compile and make available  
2868 to the public a list of eligible transitional home organizations.

2869 (f) (i) A taxpayer shall apply for credits with the  
2870 department on forms prescribed by the department. In the  
2871 application the taxpayer shall certify to the department the  
2872 dollar amount of the contributions made or to be made during the  
2873 calendar year. Within thirty (30) days after the receipt of an  
2874 application, the department shall allocate credits based on the  
2875 dollar amount of contributions as certified in the application.  
2876 However, if the department cannot allocate the full amount of  
2877 credits certified in the application due to the limit on the  
2878 aggregate amount of credits that may be awarded under this  
2879 subsection in a calendar year, the department shall so notify the  
2880 applicant within thirty (30) days with the amount of credits, if  
2881 any, that may be allocated to the applicant in the calendar year.



2882 Once the department has allocated credits to a taxpayer, if the  
2883 contribution for which a credit is allocated has not been made as  
2884 of the date of the allocation, then the contribution must be made  
2885 not later than sixty (60) days from the date of the allocation.  
2886 If the contribution is not made within such time period, the  
2887 allocation shall be cancelled and returned to the department for  
2888 reallocation. Upon final documentation of the contributions, if  
2889 the actual dollar amount of the contributions is lower than the  
2890 amount estimated, the department shall adjust the tax credit  
2891 allowed under this subsection.

2892 (ii) For the purposes of using a tax credit  
2893 against ad valorem taxes assessed and levied on real property, a  
2894 taxpayer shall present to the appropriate tax collector the tax  
2895 credit documentation provided to the taxpayer by the Department of  
2896 Revenue, and the tax collector shall apply the tax credit against  
2897 such ad valorem taxes. The tax collector shall forward the tax  
2898 credit documentation to the Department of Revenue along with the  
2899 amount of the tax credit applied against ad valorem taxes, and the  
2900 department shall disburse funds to the tax collector for the  
2901 amount of the tax credit applied against ad valorem taxes. Such  
2902 payments by the Department of Revenue shall be made from current  
2903 tax collections.

2904 (g) The aggregate amount of tax credits that may be  
2905 allocated by the department under this subsection during a



2906 calendar year shall not exceed One Million Dollars  
2907 (\$1,000,000.00).

2908           **SECTION 38.** Section 27-7-22.48, Mississippi Code of 1972, is  
2909 brought forward as follows:

2910           27-7-22.48. (1) (a) For the purposes of this section, the  
2911 following words and phrases shall have the meanings ascribed in  
2912 this section unless the context clearly indicates otherwise:

2913                       (i) "Department" means the Department of Revenue.

2914                       (ii) "Eligible charitable organization" means an  
2915 organization that is exempt from federal income taxation under  
2916 Section 501(c)(3) of the Internal Revenue Code and spends at least  
2917 fifty percent (50%) of its budget on contracting or making other  
2918 agreements or arrangements with physicians and/or nurse  
2919 practitioners to provide health care services to low-income  
2920 residents of this state including those who are mothers and to  
2921 their households.

2922           "Eligible charitable organization" does not include any  
2923 entity that provides, pays for or provides coverage of abortions  
2924 or that financially supports any other entity that provides, pays  
2925 for or provides coverage of abortions.

2926                       (iii) "Low-income residents" means persons whose  
2927 household income does not exceed one hundred eighty-five percent  
2928 (185%) of the federal poverty level converted to a modified  
2929 adjusted gross income equivalent standard.



2930 (iv) "Nurse practitioner" means a nurse  
2931 practitioner certified under Section 73-15-20, Mississippi Code of  
2932 1972.

2933 (v) "Physician" means an individual licensed to  
2934 practice medicine or osteopathic medicine under Section 73-25-1 et  
2935 seq., Mississippi Code of 1972.

2936 (2) (a) (i) The tax credit authorized in this subsection  
2937 shall be available only to a taxpayer who is a business enterprise  
2938 engaged in commercial, industrial or professional activities and  
2939 operating as a corporation, limited liability company, partnership  
2940 or sole proprietorship. Except as otherwise provided in this  
2941 subsection, a credit is allowed against the taxes imposed by  
2942 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary  
2943 cash contributions made by a taxpayer during the taxable year to  
2944 an eligible charitable organization. A credit is also allowed  
2945 against ad valorem taxes assessed and levied on real property for  
2946 voluntary cash contributions made by the taxpayer during the  
2947 taxable year to an eligible charitable organization. The amount  
2948 of credit that may be utilized by a taxpayer in a taxable year  
2949 shall be limited to an amount not to exceed fifty percent (50%) of  
2950 the total tax liability of the taxpayer for the taxes imposed by  
2951 such sections of law and an amount not to exceed fifty percent  
2952 (50%) of the total tax liability of the taxpayer for ad valorem  
2953 taxes assessed and levied on real property. Any tax credit  
2954 claimed under this subsection but not used in any taxable year may





2955 be carried forward for five (5) consecutive years from the close  
2956 of the tax year in which the credits were earned.

2957 (ii) A contribution to an eligible charitable  
2958 organization for which a credit is claimed under this subsection  
2959 does not qualify for and shall not be included in any credit that  
2960 may be claimed under subsection (3) of this section.

2961 (iii) A contribution for which a credit is claimed  
2962 under this subsection may not be used as a deduction by the  
2963 taxpayer for state income tax purposes.

2964 (b) Taxpayers taking a credit authorized by this  
2965 subsection shall provide the name of the eligible charitable  
2966 organization and the amount of the contribution to the department  
2967 on forms provided by the department.

2968 (c) An eligible charitable organization shall provide  
2969 the department with a written certification that it meets all  
2970 criteria to be considered an eligible charitable organization.  
2971 The organization shall also notify the department of any changes  
2972 that may affect eligibility under this subsection.

2973 (d) The eligible charitable organization's written  
2974 certification must be signed by an officer of the organization  
2975 under penalty of perjury. The written certification shall include  
2976 the following:

2977 (i) Verification of the organization's status  
2978 under Section 501(c)(3) of the Internal Revenue Code;



2979                   (ii) A statement that the organization does not  
2980 provide, pay for or provide coverage of abortions and does not  
2981 financially support any other entity that provides, pays for or  
2982 provides coverage of abortions;

2983                   (iii) Any other information that the department  
2984 requires to administer this subsection.

2985                   (e) The department shall review each written  
2986 certification and determine whether the organization meets all the  
2987 criteria to be considered an eligible charitable organization and  
2988 notify the organization of its determination. The department may  
2989 also periodically request recertification from the organization.  
2990 The department shall compile and make available to the public a  
2991 list of eligible charitable organizations.

2992                   (f) Tax credits authorized by this subsection that are  
2993 earned by a partnership, limited liability company, S corporation  
2994 or other similar pass-through entity, shall be allocated among all  
2995 partners, members or shareholders, respectively, either in  
2996 proportion to their ownership interest in such entity or as the  
2997 partners, members or shareholders mutually agree as provided in an  
2998 executed document.

2999                   (g) (i) A taxpayer shall apply for credits with the  
3000 department on forms prescribed by the department. In the  
3001 application the taxpayer shall certify to the department the  
3002 dollar amount of the contributions made or to be made during the  
3003 calendar year. Within thirty (30) days after the receipt of an



3004 application, the department shall allocate credits based on the  
3005 dollar amount of contributions as certified in the application.  
3006 However, if the department cannot allocate the full amount of  
3007 credits certified in the application due to the limit on the  
3008 aggregate amount of credits that may be awarded under this  
3009 subsection in a calendar year, the department shall so notify the  
3010 applicant within thirty (30) days with the amount of credits, if  
3011 any, that may be allocated to the applicant in the calendar year.  
3012 Once the department has allocated credits to a taxpayer, if the  
3013 contribution for which a credit is allocated has not been made as  
3014 of the date of the allocation, then the contribution must be made  
3015 not later than sixty (60) days from the date of the allocation.  
3016 If the contribution is not made within such time period, the  
3017 allocation shall be cancelled and returned to the department for  
3018 reallocation. Upon final documentation of the contributions, if  
3019 the actual dollar amount of the contributions is lower than the  
3020 amount estimated, the department shall adjust the tax credit  
3021 allowed under this subsection.

3022 (ii) For the purposes of using a tax credit  
3023 against ad valorem taxes assessed and levied on real property, a  
3024 taxpayer shall present to the appropriate tax collector the tax  
3025 credit documentation provided to the taxpayer by the Department of  
3026 Revenue, and the tax collector shall apply the tax credit against  
3027 such ad valorem taxes. The tax collector shall forward the tax  
3028 credit documentation to the Department of Revenue along with the



3029 amount of the tax credit applied against ad valorem taxes, and the  
3030 department shall disburse funds to the tax collector for the  
3031 amount of the tax credit applied against ad valorem taxes. Such  
3032 payments by the Department of Revenue shall be made from current  
3033 tax collections.

3034 (h) The aggregate amount of tax credits that may be  
3035 allocated by the department under this subsection during a  
3036 calendar year shall not exceed Three Million Dollars  
3037 (\$3,000,000.00).

3038 (3) (a) (i) Except as otherwise provided in this  
3039 subsection, a credit is allowed against the taxes imposed by this  
3040 chapter for voluntary cash contributions by an individual taxpayer  
3041 during the taxable year to an eligible charitable organization. A  
3042 credit is also allowed against ad valorem taxes assessed and  
3043 levied on real property for voluntary cash contributions made by  
3044 the taxpayer during the taxable year to an eligible charitable  
3045 organization. The amount of credit that may be utilized by a  
3046 taxpayer in a taxable year shall be limited to an amount not to  
3047 exceed fifty percent (50%) of the total tax liability of the  
3048 taxpayer for the taxes imposed by this chapter and an amount not  
3049 to exceed fifty percent (50%) of the total tax liability of the  
3050 taxpayer for ad valorem taxes assessed and levied on real  
3051 property. Any tax credit claimed under this subsection but not  
3052 used in any taxable year may be carried forward for five (5)



3053 consecutive years from the close of the tax year in which the  
3054 credits were earned.

3055 (ii) A husband and wife who file separate returns  
3056 for a taxable year in which they could have filed a joint return  
3057 may each claim only one-half (1/2) of the tax credit that would  
3058 have been allowed for a joint return.

3059 (iii) A contribution to an eligible charitable  
3060 organization for which a credit is claimed under this subsection  
3061 does not qualify for and shall not be included in any credit that  
3062 may be claimed under subsection (2) of this section.

3063 (iv) A contribution for which a credit is claimed  
3064 under this subsection may not be used as a deduction by the  
3065 taxpayer for state income tax purposes.

3066 (b) Taxpayers taking a credit authorized by this  
3067 subsection shall provide the name of the eligible charitable  
3068 organization and the amount of the contribution to the department  
3069 on forms provided by the department.

3070 (c) An eligible charitable organization shall provide  
3071 the department with a written certification that it meets all  
3072 criteria to be considered an eligible charitable organization.  
3073 The organization shall also notify the department of any changes  
3074 that may affect eligibility under this subsection.

3075 (d) The eligible charitable organization's written  
3076 certification must be signed by an officer of the organization



3077 under penalty of perjury. The written certification shall include  
3078 the following:

3079 (i) Verification of the organization's status  
3080 under Section 501(c)(3) of the Internal Revenue Code;

3081 (ii) A statement that the organization does not  
3082 provide, pay for or provide coverage of abortions and does not  
3083 financially support any other entity that provides, pays for or  
3084 provides coverage of abortions;

3085 (iii) Any other information that the department  
3086 requires to administer this subsection.

3087 (e) The department shall review each written  
3088 certification and determine whether the organization meets all the  
3089 criteria to be considered an eligible charitable organization and  
3090 notify the organization of its determination. The department may  
3091 also periodically request recertification from the organization.  
3092 The department shall compile and make available to the public a  
3093 list of eligible charitable organizations.

3094 (f) (i) A taxpayer shall apply for credits with the  
3095 department on forms prescribed by the department. In the  
3096 application the taxpayer shall certify to the department the  
3097 dollar amount of the contributions made or to be made during the  
3098 calendar year. Within thirty (30) days after the receipt of an  
3099 application, the department shall allocate credits based on the  
3100 dollar amount of contributions as certified in the application.  
3101 However, if the department cannot allocate the full amount of



3102 credits certified in the application due to the limit on the  
3103 aggregate amount of credits that may be awarded under this  
3104 subsection in a calendar year, the department shall so notify the  
3105 applicant within thirty (30) days with the amount of credits, if  
3106 any, that may be allocated to the applicant in the calendar year.  
3107 Once the department has allocated credits to a taxpayer, if the  
3108 contribution for which a credit is allocated has not been made as  
3109 of the date of the allocation, then the contribution must be made  
3110 not later than sixty (60) days from the date of the allocation.  
3111 If the contribution is not made within such time period, the  
3112 allocation shall be cancelled and returned to the department for  
3113 reallocation. Upon final documentation of the contributions, if  
3114 the actual dollar amount of the contributions is lower than the  
3115 amount estimated, the department shall adjust the tax credit  
3116 allowed under this subsection.

3117                   (ii) For the purposes of using a tax credit  
3118 against ad valorem taxes assessed and levied on real property, a  
3119 taxpayer shall present to the appropriate tax collector the tax  
3120 credit documentation provided to the taxpayer by the Department of  
3121 Revenue, and the tax collector shall apply the tax credit against  
3122 such ad valorem taxes. The tax collector shall forward the tax  
3123 credit documentation to the Department of Revenue along with the  
3124 amount of the tax credit applied against ad valorem taxes, and the  
3125 department shall disburse funds to the tax collector for the  
3126 amount of the tax credit applied against ad valorem taxes. Such



3127 payments by the Department of Revenue shall be made from current  
3128 tax collections.

3129 (g) The aggregate amount of tax credits that may be  
3130 allocated by the department under this subsection during a  
3131 calendar year shall not exceed One Million Dollars  
3132 (\$1,000,000.00).

3133 **SECTION 39.** Section 27-7-22.49, Mississippi Code of 1972, is  
3134 brought forward as follows:

3135 27-7-22.49. (1) As used in this section, the following  
3136 words and phrases shall have the meanings ascribed in this section  
3137 unless the context clearly indicates otherwise:

3138 (a) "Employment-related expenses" means and has the  
3139 same definition as such term has in 26 USCS Section 21.

3140 (b) "Qualifying individual" means and has the same  
3141 definition as such term has in 26 USCS Section 21(b)(1)(A).

3142 (2) Subject to the provisions of this section, any taxpayer  
3143 allowed to claim a federal income tax credit under 26 USCS Section  
3144 21 for employment-related expenses incurred related to one (1) or  
3145 more qualifying individuals shall be allowed a credit against the  
3146 taxes imposed under this chapter in the manner prescribed in this  
3147 section. The amount of the credit shall be equal to twenty-five  
3148 percent (25%) of the amount of the federal income tax credit  
3149 lawfully claimed by the taxpayer for such employment-related  
3150 expenses on the taxpayer's federal income tax return. However,  
3151 the amount of credit that may be utilized by a taxpayer in a





3152 taxable year shall be limited to an amount not to exceed the total  
3153 tax liability of the taxpayer for the taxes imposed under this  
3154 chapter. In order to claim the credit provided for in this  
3155 section, a taxpayer must claim the federal income tax credit on  
3156 the taxpayer's federal income tax return and have an adjusted  
3157 gross income for such return of not more than Fifty Thousand  
3158 Dollars (\$50,000.00). A taxpayer must provide a copy of such  
3159 return and any other information required by the department.

3160         **SECTION 40.** Section 27-7-205, Mississippi Code of 1972, is  
3161 brought forward as follows:

3162             27-7-205. As used in this article:

3163                 (a) "Qualified community foundation" means an entity  
3164 that is exempt from federal income taxation under Section  
3165 501(c)(3) of the Internal Revenue Code that is recognized by the  
3166 Mississippi Association of Grantmakers as meeting the following  
3167 requirements:

3168                     (i) It is organized by articles of incorporation  
3169 in the State of Mississippi to serve the State of Mississippi, or  
3170 one or more Mississippi counties or municipalities, or a  
3171 combination thereof;

3172                     (ii) It is comprised of permanent, component funds  
3173 established by multiple separate donors;

3174                     (iii) It supports broad-based charitable interests  
3175 that benefit the residents of a defined geographic area, no larger  
3176 than the State of Mississippi;



3177 (iv) It is directed by a board of directors that  
3178 is comprised of community representatives and is independent in  
3179 that it is not subject to the control of another entity;

3180 (v) It actively engages in charitable activities,  
3181 including, but not limited to, supporting two (2) or more  
3182 unaffiliated tax-exempt organizations through grants or other  
3183 professionally accepted means of charitable support, and serving  
3184 in leadership roles on important community issues;

3185 (vi) It complies with the guidelines of the  
3186 Mississippi Association of Grantmakers, or its successor entity,  
3187 for membership by a community foundation; and

3188 (vii) It is in good standing with having complied  
3189 with Endow Mississippi certification, reporting, and data privacy  
3190 requirements.

3191 (b) "Endowment gift" means an irrevocable contribution  
3192 to an endowed fund held by a qualified community foundation.

3193 (c) "Qualified contribution" means an endowment gift of  
3194 at least One Thousand Dollars (\$1,000.00) made to a qualified  
3195 community foundation for an endowed fund established to  
3196 substantially benefit charitable causes in this state, and that is  
3197 a charitable gift as defined in Section 170(c) of the Internal  
3198 Revenue Code. A qualified contribution may take any form, subject  
3199 to the giving policies of the qualified community foundation  
3200 receiving it.



3201 (d) "Endowed fund" means a fund held in a qualified  
3202 community foundation that provides benefit to charitable causes in  
3203 Mississippi that is intended to exist in perpetuity. An endowed  
3204 fund may include, but is not limited to, donor-advised funds,  
3205 community foundation affiliate funds, field-of-interest funds,  
3206 agency funds and designated organizational funds.

3207 **SECTION 41.** Section 27-7-207, Mississippi Code of 1972, is  
3208 brought forward as follows:

3209 27-7-207. (1) Subject to the limitations provided for in  
3210 this section, through calendar year 2028, a taxpayer shall be  
3211 allowed a credit against the tax imposed by Chapter 7, Title 27,  
3212 in an amount equal to twenty-five percent (25%) of a qualified  
3213 contribution to an endowed fund at a qualified community  
3214 foundation, subject to the following:

3215 (a) The minimum amount of a qualified contribution  
3216 shall be One Thousand Dollars (\$1,000.00).

3217 (b) The maximum amount of a qualified contribution  
3218 shall be Five Hundred Thousand Dollars (\$500,000.00).

3219 (c) The total qualified contributions from any  
3220 qualified taxpayer eligible for the tax credit authorized under  
3221 this section shall be Five Hundred Thousand Dollars (\$500,000.00)  
3222 per year.

3223 (2) Except as otherwise provided in this subsection, the  
3224 aggregate amount of tax credits authorized under this article  
3225 shall not exceed One Million Dollars (\$1,000,000.00) in any one



3226 (1) calendar year. The credits shall be awarded on a first-come,  
3227 first-served basis. If the tax credits authorized for any  
3228 calendar year are not utilized, the amount not utilized may be  
3229 awarded or carried forward in up to five (5) subsequent calendar  
3230 years from the year in which such credits are made available.

3231 (3) If the amount allowable as a credit exceeds the tax  
3232 imposed by Chapter 7, Title 27, the amount of such excess may be  
3233 carried forward for not more than five (5) subsequent taxable  
3234 years.

3235 (4) From and after January 1, 2029, no additional credits  
3236 shall be authorized under this section; however, any tax credits  
3237 authorized prior to January 1, 2029, and not used, may be carried  
3238 forward for not more than five (5) taxable years subsequent to  
3239 calendar year 2028.

3240 **SECTION 42.** Section 27-7-209, Mississippi Code of 1972, is  
3241 brought forward as follows:

3242 27-7-209. For each calendar year, a total of ten percent  
3243 (10%) of the authorized tax credits shall be reserved for  
3244 qualified contributions to each of the qualified community  
3245 foundations in Mississippi for a period of nine (9) months. Any  
3246 credits that are not utilized within the nine-month period shall  
3247 be utilized for qualified contributions to any qualified community  
3248 foundation on a first-come, first-served basis. Any credits not  
3249 specifically reserved under this section shall also be available  
3250 to any qualified community foundation on a first-come,



3251 first-served basis. The Mississippi Association of Grantmakers,  
3252 or its successor entity, shall, in cooperation with qualified  
3253 community foundations, develop, establish and maintain records  
3254 that determine the priority for the awarding of tax credits under  
3255 this article.

3256 **SECTION 43.** Section 57-73-21, Mississippi Code of 1972, is  
3257 brought forward as follows:

3258 **[In cases involving business enterprises that received or**  
3259 **applied for the job tax credit authorized by this section prior to**  
3260 **January 1, 2005, this section shall read as follows:]**

3261 57-73-21. (1) Annually by December 31, using the most  
3262 current data available from the University Research Center,  
3263 Mississippi Department of Employment Security and the United  
3264 States Department of Commerce, the State Tax Commission shall rank  
3265 and designate the state's counties as provided in this section.  
3266 The twenty-eight (28) counties in this state having a combination  
3267 of the highest unemployment rate and lowest per capita income for  
3268 the most recent thirty-six-month period, with equal weight being  
3269 given to each category, are designated Tier Three areas. The  
3270 twenty-seven (27) counties in the state with a combination of the  
3271 next highest unemployment rate and next lowest per capita income  
3272 for the most recent thirty-six-month period, with equal weight  
3273 being given to each category, are designated Tier Two areas. The  
3274 twenty-seven (27) counties in the state with a combination of the  
3275 lowest unemployment rate and the highest per capita income for the



3276 most recent thirty-six-month period, with equal weight being given  
3277 to each category, are designated Tier One areas. Counties  
3278 designated by the Tax Commission qualify for the appropriate tax  
3279 credit for jobs as provided in subsections (2), (3) and (4) of  
3280 this section. The designation by the Tax Commission is effective  
3281 for the tax years of permanent business enterprises which begin  
3282 after the date of designation. For companies which plan an  
3283 expansion in their labor forces, the Tax Commission shall  
3284 prescribe certification procedures to ensure that the companies  
3285 can claim credits in future years without regard to whether or not  
3286 a particular county is removed from the list of Tier Three or Tier  
3287 Two areas.

3288       (2) Permanent business enterprises primarily engaged in  
3289 manufacturing, processing, warehousing, distribution, wholesaling  
3290 and research and development, or permanent business enterprises  
3291 designated by rule and regulation of the Mississippi Development  
3292 Authority as air transportation and maintenance facilities, final  
3293 destination or resort hotels having a minimum of one hundred fifty  
3294 (150) guest rooms, recreational facilities that impact tourism,  
3295 movie industry studios, telecommunications enterprises, data or  
3296 information processing enterprises or computer software  
3297 development enterprises or any technology intensive facility or  
3298 enterprise, in counties designated by the Tax Commission as Tier  
3299 Three areas are allowed a job tax credit for taxes imposed by  
3300 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually



3301 for each net new full-time employee job for five (5) years  
3302 beginning with years two (2) through six (6) after the creation of  
3303 the job; however, if the permanent business enterprise is located  
3304 in an area that has been declared by the Governor to be a disaster  
3305 area and as a direct result of the disaster the permanent business  
3306 enterprise is unable to maintain the required number of jobs, the  
3307 Chairman of the State Tax Commission may extend this time period  
3308 for not more two (2) years. The number of new full-time jobs must  
3309 be determined by comparing the monthly average number of full-time  
3310 employees subject to the Mississippi income tax withholding for  
3311 the taxable year with the corresponding period of the prior  
3312 taxable year. Only those permanent businesses that increase  
3313 employment by ten (10) or more in a Tier Three area are eligible  
3314 for the credit. Credit is not allowed during any of the five (5)  
3315 years if the net employment increase falls below ten (10). The  
3316 Tax Commission shall adjust the credit allowed each year for the  
3317 net new employment fluctuations above the minimum level of ten  
3318 (10).

3319 (3) Permanent business enterprises primarily engaged in  
3320 manufacturing, processing, warehousing, distribution, wholesaling  
3321 and research and development, or permanent business enterprises  
3322 designated by rule and regulation of the Mississippi Development  
3323 Authority as air transportation and maintenance facilities, final  
3324 destination or resort hotels having a minimum of one hundred fifty  
3325 (150) guest rooms, recreational facilities that impact tourism,



3326 movie industry studios, telecommunications enterprises, data or  
3327 information processing enterprises or computer software  
3328 development enterprises or any technology intensive facility or  
3329 enterprise, in counties that have been designated by the Tax  
3330 Commission as Tier Two areas are allowed a job tax credit for  
3331 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
3332 (\$1,000.00) annually for each net new full-time employee job for  
3333 five (5) years beginning with years two (2) through six (6) after  
3334 the creation of the job; however, if the permanent business  
3335 enterprise is located in an area that has been declared by the  
3336 Governor to be a disaster area and as a direct result of the  
3337 disaster the permanent business enterprise is unable to maintain  
3338 the required number of jobs, the Chairman of the State Tax  
3339 Commission may extend this time period for not more two (2) years.  
3340 The number of new full-time jobs must be determined by comparing  
3341 the monthly average number of full-time employees subject to  
3342 Mississippi income tax withholding for the taxable year with the  
3343 corresponding period of the prior taxable year. Only those  
3344 permanent businesses that increase employment by fifteen (15) or  
3345 more in Tier Two areas are eligible for the credit. The credit is  
3346 not allowed during any of the five (5) years if the net employment  
3347 increase falls below fifteen (15). The Tax Commission shall  
3348 adjust the credit allowed each year for the net new employment  
3349 fluctuations above the minimum level of fifteen (15).





3350 (4) Permanent business enterprises primarily engaged in  
3351 manufacturing, processing, warehousing, distribution, wholesaling  
3352 and research and development, or permanent business enterprises  
3353 designated by rule and regulation of the Mississippi Development  
3354 Authority as air transportation and maintenance facilities, final  
3355 destination or resort hotels having a minimum of one hundred fifty  
3356 (150) guest rooms, recreational facilities that impact tourism,  
3357 movie industry studios, telecommunications enterprises, data or  
3358 information processing enterprises or computer software  
3359 development enterprises or any technology intensive facility or  
3360 enterprise, in counties designated by the Tax Commission as Tier  
3361 One areas are allowed a job tax credit for taxes imposed by  
3362 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually  
3363 for each net new full-time employee job for five (5) years  
3364 beginning with years two (2) through six (6) after the creation of  
3365 the job; however, if the permanent business enterprise is located  
3366 in an area that has been declared by the Governor to be a disaster  
3367 area and as a direct result of the disaster the permanent business  
3368 enterprise is unable to maintain the required number of jobs, the  
3369 Chairman of the State Tax Commission may extend this time period  
3370 for not more than two (2) years. The number of new full-time jobs  
3371 must be determined by comparing the monthly average number of  
3372 full-time employees subject to Mississippi income tax withholding  
3373 for the taxable year with the corresponding period of the prior  
3374 taxable year. Only those permanent businesses that increase



3375 employment by twenty (20) or more in Tier One areas are eligible  
3376 for the credit. The credit is not allowed during any of the five  
3377 (5) years if the net employment increase falls below twenty (20).  
3378 The Tax Commission shall adjust the credit allowed each year for  
3379 the net new employment fluctuations above the minimum level of  
3380 twenty (20).

3381 (5) In addition to the credits authorized in subsections  
3382 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)  
3383 credit for each net new full-time employee or an additional One  
3384 Thousand Dollars (\$1,000.00) credit for each net new full-time  
3385 employee who is paid a salary, excluding benefits which are not  
3386 subject to Mississippi income taxation, of at least one hundred  
3387 twenty-five percent (125%) of the average annual wage of the state  
3388 or an additional Two Thousand Dollars (\$2,000.00) credit for each  
3389 net new full-time employee who is paid a salary, excluding  
3390 benefits which are not subject to Mississippi income taxation, of  
3391 at least two hundred percent (200%) of the average annual wage of  
3392 the state, shall be allowed for any company establishing or  
3393 transferring its national or regional headquarters from within or  
3394 outside the State of Mississippi. A minimum of thirty-five (35)  
3395 jobs must be created to qualify for the additional credit. The  
3396 State Tax Commission shall establish criteria and prescribe  
3397 procedures to determine if a company qualifies as a national or  
3398 regional headquarters for purposes of receiving the credit awarded  
3399 in this subsection. As used in this subsection, the average



3400 annual wage of the state is the most recently published average  
3401 annual wage as determined by the Mississippi Department of  
3402 Employment Security.

3403 (6) In addition to the credits authorized in subsections  
3404 (2), (3), (4) and (5), any job requiring research and development  
3405 skills (chemist, engineer, etc.) shall qualify for an additional  
3406 One Thousand Dollars (\$1,000.00) credit for each net new full-time  
3407 employee.

3408 (7) In lieu of the tax credits provided in subsections (2)  
3409 through (6), any commercial or industrial property owner which  
3410 remediates contaminated property in accordance with Sections  
3411 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
3412 imposed by Section 27-7-5 equal to the amounts provided in  
3413 subsection (2), (3) or (4) for each net new full-time employee job  
3414 for five (5) years beginning with years two (2) through six (6)  
3415 after the creation of the job. The number of new full-time jobs  
3416 must be determined by comparing the monthly average number of  
3417 full-time employees subject to Mississippi income tax withholding  
3418 for the taxable year with the corresponding period of the prior  
3419 taxable year. This subsection shall be administered in the same  
3420 manner as subsections (2), (3) and (4), except the landowner shall  
3421 not be required to increase employment by the levels provided in  
3422 subsections (2), (3) and (4) to be eligible for the tax credit.

3423 (8) Tax credits for five (5) years for the taxes imposed by  
3424 Section 27-7-5 shall be awarded for additional net new full-time



3425 jobs created by business enterprises qualified under subsections  
3426 (2), (3), (4), (5), (6) and (7) of this section. Except as  
3427 otherwise provided, the Tax Commission shall adjust the credit  
3428 allowed in the event of employment fluctuations during the  
3429 additional five (5) years of credit.

3430 (9) (a) The sale, merger, acquisition, reorganization,  
3431 bankruptcy or relocation from one (1) county to another county  
3432 within the state of any business enterprise may not create new  
3433 eligibility in any succeeding business entity, but any unused job  
3434 tax credit may be transferred and continued by any transferee of  
3435 the business enterprise. The Tax Commission shall determine  
3436 whether or not qualifying net increases or decreases have occurred  
3437 or proper transfers of credit have been made and may require  
3438 reports, promulgate regulations, and hold hearings as needed for  
3439 substantiation and qualification.

3440 (b) This subsection shall not apply in cases in which a  
3441 business enterprise has ceased operation, laid off all its  
3442 employees and is subsequently acquired by another unrelated  
3443 business entity that continues operation of the enterprise in the  
3444 same or a similar type of business. In such a case the succeeding  
3445 business entity shall be eligible for the credit authorized by  
3446 this section unless the cessation of operation of the business  
3447 enterprise was for the purpose of obtaining new eligibility for  
3448 the credit.



3449           (10) Any tax credit claimed under this section but not used  
3450 in any taxable year may be carried forward for five (5) years from  
3451 the close of the tax year in which the qualified jobs were  
3452 established but the credit established by this section taken in  
3453 any one (1) tax year must be limited to an amount not greater than  
3454 fifty percent (50%) of the taxpayer's state income tax liability  
3455 which is attributable to income derived from operations in the  
3456 state for that year. If the permanent business enterprise is  
3457 located in an area that has been declared by the Governor to be a  
3458 disaster area and as a direct result of the disaster the business  
3459 enterprise is unable to use the existing carryforward, the  
3460 Chairman of the State Tax Commission may extend the period that  
3461 the credit may be carried forward for a period of time not to  
3462 exceed two (2) years.

3463           (11) No business enterprise for the transportation,  
3464 handling, storage, processing or disposal of hazardous waste is  
3465 eligible to receive the tax credits provided in this section.

3466           (12) The credits allowed under this section shall not be  
3467 used by any business enterprise or corporation other than the  
3468 business enterprise actually qualifying for the credits.

3469           (13) The tax credits provided for in this section shall be  
3470 in addition to any tax credits described in Sections 57-51-13(b),  
3471 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
3472 action by the Mississippi Development Authority prior to July 1,  
3473 1989, to any business enterprise determined prior to July 1, 1989,



3474 by the Mississippi Development Authority to be a qualified  
3475 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
3476 a qualified company as described in Section 57-53-1, as the case  
3477 may be; however, from and after July 1, 1989, tax credits shall be  
3478 allowed only under either this section or Sections 57-51-13(b),  
3479 57-53-1(1) (a) and Section 57-54-9(b) for each net new full-time  
3480 employee.

3481 (14) As used in this section, the term "telecommunications  
3482 enterprises" means entities engaged in the creation, display,  
3483 management, storage, processing, transmission or distribution for  
3484 compensation of images, text, voice, video or data by wire or by  
3485 wireless means, or entities engaged in the construction, design,  
3486 development, manufacture, maintenance or distribution for  
3487 compensation of devices, products, software or structures used in  
3488 the above activities. Companies organized to do business as  
3489 commercial broadcast radio stations, television stations or news  
3490 organizations primarily serving in-state markets shall not be  
3491 included within the definition of the term "telecommunications  
3492 enterprises."

3493 **[In cases involving business enterprises that apply for the**  
3494 **job tax credit authorized by this section from and after January**  
3495 **1, 2005, this section shall read as follows:]**

3496 57-73-21. (1) Annually by December 31, using the most  
3497 current data available from the University Research Center,  
3498 Mississippi Department of Employment Security and the United



3499 States Department of Commerce, the Department of Revenue shall  
3500 rank and designate the state's counties as provided in this  
3501 section. The twenty-eight (28) counties in this state having a  
3502 combination of the highest unemployment rate and lowest per capita  
3503 income for the most recent thirty-six-month period, with equal  
3504 weight being given to each category, are designated Tier Three  
3505 areas. The twenty-seven (27) counties in the state with a  
3506 combination of the next highest unemployment rate and next lowest  
3507 per capita income for the most recent thirty-six-month period,  
3508 with equal weight being given to each category, are designated  
3509 Tier Two areas. The twenty-seven (27) counties in the state with  
3510 a combination of the lowest unemployment rate and the highest per  
3511 capita income for the most recent thirty-six-month period, with  
3512 equal weight being given to each category, are designated Tier One  
3513 areas. Counties designated by the Department of Revenue qualify  
3514 for the appropriate tax credit for jobs as provided in this  
3515 section. The designation by the Department of Revenue is  
3516 effective for the tax years of permanent business enterprises  
3517 which begin after the date of designation. For companies which  
3518 plan an expansion in their labor forces, the Department of Revenue  
3519 shall prescribe certification procedures to ensure that the  
3520 companies can claim credits in future years without regard to  
3521 whether or not a particular county is removed from the list of  
3522 Tier Three or Tier Two areas.



3523           (2) Permanent business enterprises in counties designated by  
3524 the Department of Revenue as Tier Three areas are allowed a job  
3525 tax credit for taxes imposed by Section 27-7-5 equal to ten  
3526 percent (10%) of the payroll of the enterprise for net new  
3527 full-time employee jobs for five (5) years beginning with years  
3528 two (2) through six (6) after the creation of the minimum number  
3529 of jobs required by this subsection; however, if the permanent  
3530 business enterprise is located in an area that has been declared  
3531 by the Governor to be a disaster area and as a direct result of  
3532 the disaster the permanent business enterprise is unable to  
3533 maintain the required number of jobs, the Commissioner of Revenue  
3534 may extend this time period for not more than two (2) years. The  
3535 number of new full-time jobs must be determined by comparing the  
3536 monthly average number of full-time employees subject to the  
3537 Mississippi income tax withholding for the taxable year with the  
3538 corresponding period of the prior taxable year. Only those  
3539 permanent business enterprises that increase employment by ten  
3540 (10) or more in a Tier Three area are eligible for the credit.  
3541 Credit is not allowed during any of the five (5) years if the net  
3542 employment increase falls below ten (10). The Department of  
3543 Revenue shall adjust the credit allowed each year for the net new  
3544 employment fluctuations above the minimum level of ten (10).  
3545 Medical cannabis establishments as defined in the Mississippi  
3546 Medical Cannabis Act shall not be eligible for the tax credit  
3547 authorized in this subsection (2).





3548           (3) Permanent business enterprises in counties that have  
3549 been designated by the Department of Revenue as Tier Two areas are  
3550 allowed a job tax credit for taxes imposed by Section 27-7-5 equal  
3551 to five percent (5%) of the payroll of the enterprise for net new  
3552 full-time employee jobs for five (5) years beginning with years  
3553 two (2) through six (6) after the creation of the minimum number  
3554 of jobs required by this subsection; however, if the permanent  
3555 business enterprise is located in an area that has been declared  
3556 by the Governor to be a disaster area and as a direct result of  
3557 the disaster the permanent business enterprise is unable to  
3558 maintain the required number of jobs, the Commissioner of Revenue  
3559 may extend this time period for not more than two (2) years. The  
3560 number of new full-time jobs must be determined by comparing the  
3561 monthly average number of full-time employees subject to  
3562 Mississippi income tax withholding for the taxable year with the  
3563 corresponding period of the prior taxable year. Only those  
3564 permanent business enterprises that increase employment by fifteen  
3565 (15) or more in Tier Two areas are eligible for the credit. The  
3566 credit is not allowed during any of the five (5) years if the net  
3567 employment increase falls below fifteen (15). The Department of  
3568 Revenue shall adjust the credit allowed each year for the net new  
3569 employment fluctuations above the minimum level of fifteen (15).  
3570 Medical cannabis establishments as defined in the Mississippi  
3571 Medical Cannabis Act shall not be eligible for the tax credit  
3572 authorized in this subsection (3).



3573 (4) Permanent business enterprises in counties designated by  
3574 the Department of Revenue as Tier One areas are allowed a job tax  
3575 credit for taxes imposed by Section 27-7-5 equal to two and  
3576 one-half percent (2.5%) of the payroll of the enterprise for net  
3577 new full-time employee jobs for five (5) years beginning with  
3578 years two (2) through six (6) after the creation of the minimum  
3579 number of jobs required by this subsection; however, if the  
3580 permanent business enterprise is located in an area that has been  
3581 declared by the Governor to be a disaster area and as a direct  
3582 result of the disaster the permanent business enterprise is unable  
3583 to maintain the required number of jobs, the Commissioner of  
3584 Revenue may extend this time period for not more than two (2)  
3585 years. The number of new full-time jobs must be determined by  
3586 comparing the monthly average number of full-time employees  
3587 subject to Mississippi income tax withholding for the taxable year  
3588 with the corresponding period of the prior taxable year. Only  
3589 those permanent business enterprises that increase employment by  
3590 twenty (20) or more in Tier One areas are eligible for the credit.  
3591 The credit is not allowed during any of the five (5) years if the  
3592 net employment increase falls below twenty (20). The Department  
3593 of Revenue shall adjust the credit allowed each year for the net  
3594 new employment fluctuations above the minimum level of twenty  
3595 (20). Medical cannabis establishments as defined in the  
3596 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3597 credit authorized in this subsection (4).



3598           (5)   (a)   In addition to the other credits authorized in this  
3599 section, an additional Five Hundred Dollars (\$500.00) credit for  
3600 each net new full-time employee or an additional One Thousand  
3601 Dollars (\$1,000.00) credit for each net new full-time employee who  
3602 is paid a salary, excluding benefits which are not subject to  
3603 Mississippi income taxation, of at least one hundred twenty-five  
3604 percent (125%) of the average annual wage of the state or an  
3605 additional Two Thousand Dollars (\$2,000.00) credit for each net  
3606 new full-time employee who is paid a salary, excluding benefits  
3607 which are not subject to Mississippi income taxation, of at least  
3608 two hundred percent (200%) of the average annual wage of the  
3609 state, shall be allowed for any company establishing or  
3610 transferring its national or regional headquarters from within or  
3611 outside the State of Mississippi. A minimum of twenty (20) jobs  
3612 must be created to qualify for the additional credit. The  
3613 Department of Revenue shall establish criteria and prescribe  
3614 procedures to determine if a company qualifies as a national or  
3615 regional headquarters for purposes of receiving the credit awarded  
3616 in this paragraph (a). As used in this paragraph (a), the average  
3617 annual wage of the state is the most recently published average  
3618 annual wage as determined by the Mississippi Department of  
3619 Employment Security. Medical cannabis establishments as defined  
3620 in the Mississippi Medical Cannabis Act shall not be eligible for  
3621 the tax credit authorized in this paragraph (a).



3622 (b) In addition to the other credits authorized in this  
3623 section, an additional Five Hundred Dollars (\$500.00) credit for  
3624 each net new full-time employee or an additional One Thousand  
3625 Dollars (\$1,000.00) credit for each net new full-time employee who  
3626 is paid a salary, excluding benefits which are not subject to  
3627 Mississippi income taxation, of at least one hundred twenty-five  
3628 percent (125%) of the average annual wage of the state or an  
3629 additional Two Thousand Dollars (\$2,000.00) credit for each net  
3630 new full-time employee who is paid a salary, excluding benefits  
3631 which are not subject to Mississippi income taxation, of at least  
3632 two hundred percent (200%) of the average annual wage of the  
3633 state, shall be allowed for any company expanding or making  
3634 additions after January 1, 2013, to its national or regional  
3635 headquarters within the State of Mississippi. A minimum of twenty  
3636 (20) new jobs must be created to qualify for the additional  
3637 credit. The Department of Revenue shall establish criteria and  
3638 prescribe procedures to determine if a company qualifies as a  
3639 national or regional headquarters for purposes of receiving the  
3640 credit awarded in this paragraph (b). As used in this paragraph  
3641 (b), the average annual wage of the state is the most recently  
3642 published average annual wage as determined by the Mississippi  
3643 Department of Employment Security. Medical cannabis  
3644 establishments as defined in the Mississippi Medical Cannabis Act  
3645 shall not be eligible for the tax credit authorized in this  
3646 paragraph (b).



3647           (6) In addition to the other credits authorized in this  
3648 section, any job requiring research and development skills  
3649 (chemist, engineer, etc.) shall qualify for an additional One  
3650 Thousand Dollars (\$1,000.00) credit for each net new full-time  
3651 employee. Medical cannabis establishments as defined in the  
3652 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3653 credit authorized in this subsection (6).

3654           (7) (a) In addition to the other credits authorized in this  
3655 section, any company that transfers or relocates its national or  
3656 regional headquarters to the State of Mississippi from outside the  
3657 State of Mississippi may receive a tax credit in an amount equal  
3658 to the actual relocation costs paid by the company. A minimum of  
3659 twenty (20) jobs must be created in order to qualify for the  
3660 additional credit authorized under this subsection. Relocation  
3661 costs for which a credit may be awarded shall be determined by the  
3662 Department of Revenue and shall include those nondepreciable  
3663 expenses that are necessary to relocate headquarters employees to  
3664 the national or regional headquarters, including, but not limited  
3665 to, costs such as travel expenses for employees and members of  
3666 their households to and from Mississippi in search of homes and  
3667 moving expenses to relocate furnishings, household goods and  
3668 personal property of the employees and members of their  
3669 households. Medical cannabis establishments as defined in the  
3670 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3671 credit authorized in this subsection (7).



3672           (b) The tax credit authorized under this subsection  
3673 shall be applied for the taxable year in which the relocation  
3674 costs are paid. The maximum cumulative amount of tax credits that  
3675 may be claimed by all taxpayers claiming a credit under this  
3676 subsection in any one (1) state fiscal year shall not exceed One  
3677 Million Dollars (\$1,000,000.00), exclusive of credits that might  
3678 be carried forward from previous taxable years. A company may not  
3679 receive a credit for the relocation of an employee more than one  
3680 (1) time in a twelve-month period for that employee.

3681           (c) The Department of Revenue shall establish criteria  
3682 and prescribe procedures to determine if a company creates the  
3683 required number of jobs and qualifies as a national or regional  
3684 headquarters for purposes of receiving the credit awarded in this  
3685 subsection. A company desiring to claim a credit under this  
3686 subsection must submit an application for such credit with the  
3687 Department of Revenue in a manner prescribed by the department.

3688           (d) In order to participate in the provisions of this  
3689 section, a company must certify to the Mississippi Department of  
3690 Revenue that it complies with the equal pay provisions of the  
3691 federal Equal Pay Act of 1963, the Americans with Disabilities Act  
3692 of 1990 and the fair pay provisions of the Civil Rights Act of  
3693 1964.

3694           (e) This subsection shall stand repealed on July 1,  
3695 2025.



3696           (8) In lieu of the other tax credits provided in this  
3697 section, any commercial or industrial property owner which  
3698 remediates contaminated property in accordance with Sections  
3699 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
3700 imposed by Section 27-7-5 equal to the percentage of payroll  
3701 provided in subsection (2), (3) or (4) of this section for net new  
3702 full-time employee jobs for five (5) years beginning with years  
3703 two (2) through six (6) after the creation of the jobs. The  
3704 number of new full-time jobs must be determined by comparing the  
3705 monthly average number of full-time employees subject to  
3706 Mississippi income tax withholding for the taxable year with the  
3707 corresponding period of the prior taxable year. This subsection  
3708 shall be administered in the same manner as subsections (2), (3)  
3709 and (4), except the landowner shall not be required to increase  
3710 employment by the levels provided in subsections (2), (3) and (4)  
3711 to be eligible for the tax credit.

3712           (9) (a) Tax credits for five (5) years for the taxes  
3713 imposed by Section 27-7-5 shall be awarded for increases in the  
3714 annual payroll for net new full-time jobs created by business  
3715 enterprises qualified under this section. The Department of  
3716 Revenue shall adjust the credit allowed in the event of payroll  
3717 fluctuations during the additional five (5) years of credit.

3718           (b) Tax credits for five (5) years for the taxes  
3719 imposed by Section 27-7-5 shall be awarded for additional net new  
3720 full-time jobs created by business enterprises qualified under



3721 subsections (5) and (6) of this section and for additional  
3722 relocation costs paid by companies qualified under subsection (7)  
3723 of this section. The Department of Revenue shall adjust the  
3724 credit allowed in the event of employment fluctuations during the  
3725 additional five (5) years of credit.

3726 (10) (a) The sale, merger, acquisition, reorganization,  
3727 bankruptcy or relocation from one (1) county to another county  
3728 within the state of any business enterprise may not create new  
3729 eligibility in any succeeding business entity, but any unused job  
3730 tax credit may be transferred and continued by any transferee of  
3731 the business enterprise. The Department of Revenue shall  
3732 determine whether or not qualifying net increases or decreases  
3733 have occurred or proper transfers of credit have been made and may  
3734 require reports, promulgate regulations, and hold hearings as  
3735 needed for substantiation and qualification.

3736 (b) This subsection shall not apply in cases in which a  
3737 business enterprise has ceased operation, laid off all its  
3738 employees and is subsequently acquired by another unrelated  
3739 business entity that continues operation of the enterprise in the  
3740 same or a similar type of business. In such a case the succeeding  
3741 business entity shall be eligible for the credit authorized by  
3742 this section unless the cessation of operation of the business  
3743 enterprise was for the purpose of obtaining new eligibility for  
3744 the credit.





3745           (11) Any tax credit claimed under this section but not used  
3746 in any taxable year may be carried forward for five (5) years from  
3747 the close of the tax year in which the qualified jobs were  
3748 established and/or headquarters relocation costs paid, as  
3749 applicable, but the credit established by this section taken in  
3750 any one (1) tax year must be limited to an amount not greater than  
3751 fifty percent (50%) of the taxpayer's state income tax liability  
3752 which is attributable to income derived from operations in the  
3753 state for that year. If the permanent business enterprise is  
3754 located in an area that has been declared by the Governor to be a  
3755 disaster area and as a direct result of the disaster the business  
3756 enterprise is unable to use the existing carryforward, the  
3757 Commissioner of Revenue may extend the period that the credit may  
3758 be carried forward for a period of time not to exceed two (2)  
3759 years.

3760           (12) No business enterprise for the transportation,  
3761 handling, storage, processing or disposal of hazardous waste is  
3762 eligible to receive the tax credits provided in this section.

3763           (13) The credits allowed under this section shall not be  
3764 used by any business enterprise or corporation other than the  
3765 business enterprise actually qualifying for the credits.

3766           (14) As used in this section:

3767                   (a) "Business enterprises" means entities primarily  
3768 engaged in:



3769 (i) Manufacturing, processing, warehousing,  
3770 warehousing activities, distribution, wholesaling and research and  
3771 development, or

3772 (ii) Permanent business enterprises designated by  
3773 rule and regulation of the Mississippi Development Authority as  
3774 air transportation and maintenance facilities, final destination  
3775 or resort hotels having a minimum of one hundred fifty (150) guest  
3776 rooms, recreational facilities that impact tourism, movie industry  
3777 studios, telecommunications enterprises, data or information  
3778 processing enterprises or computer software development  
3779 enterprises or any technology intensive facility or enterprise.

3780 (b) "Telecommunications enterprises" means entities  
3781 engaged in the creation, display, management, storage, processing,  
3782 transmission or distribution for compensation of images, text,  
3783 voice, video or data by wire or by wireless means, or entities  
3784 engaged in the construction, design, development, manufacture,  
3785 maintenance or distribution for compensation of devices, products,  
3786 software or structures used in the above activities. Companies  
3787 organized to do business as commercial broadcast radio stations,  
3788 television stations or news organizations primarily serving  
3789 in-state markets shall not be included within the definition of  
3790 the term "telecommunications enterprises."

3791 (c) "Warehousing activities" means entities that  
3792 establish or expand facilities that service and support multiple  
3793 retail or wholesale locations within and outside the state.



3794 Warehousing activities may be performed solely to support the  
3795 primary activities of the entity, and credits generated shall  
3796 offset the income of the entity based on an apportioned ratio of  
3797 payroll for warehouse employees of the entity to total Mississippi  
3798 payroll of the entity that includes the payroll of retail  
3799 employees of the entity.

3800 (15) The tax credits provided for in this section shall be  
3801 in addition to any tax credits described in Sections 57-51-13(b),  
3802 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
3803 action by the Mississippi Development Authority prior to July 1,  
3804 1989, to any business enterprise determined prior to July 1, 1989,  
3805 by the Mississippi Development Authority to be a qualified  
3806 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
3807 a qualified company as described in Section 57-53-1, as the case  
3808 may be; however, from and after July 1, 1989, tax credits shall be  
3809 allowed only under either this section or Sections 57-51-13(b),  
3810 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time  
3811 employee.

3812 (16) A business enterprise that chooses to receive job  
3813 training assistance pursuant to Section 57-1-451 shall not be  
3814 eligible for the tax credits provided for in this section.

3815 **SECTION 44.** Section 57-73-23, Mississippi Code of 1972, is  
3816 brought forward as follows:

3817 57-73-23. (1) A fifty percent (50%) income tax credit shall  
3818 be granted to any employer providing dependent care for employees



3819 during the employee's work hours, and to any employer who provides  
3820 a child care stipend of at least Six Thousand Dollars (\$6,000.00)  
3821 to a licensed or registered entity providing dependent child care  
3822 in the State of Mississippi for an employee's children during the  
3823 employee's work hours.

3824 (2) In order for an employer who provides a child care  
3825 stipend under this section to be eligible for the tax credit, the  
3826 employer shall certify to the Department of Revenue:

3827 (a) The names of the employees on whose behalf the  
3828 stipend is paid; and

3829 (b) The amount of the stipend paid on behalf of each of  
3830 those employees;

3831 (c) The licensed or registered entity receiving the  
3832 child care stipend from the employer on behalf of the employee,  
3833 including the entity's federal identification number and license  
3834 and registration number; and

3835 (d) Such other information as may be required by the  
3836 Department of Revenue to ensure that credits under this section  
3837 are granted only to employers who provide stipends to a licensed  
3838 or registered entity providing dependent care in the State of  
3839 Mississippi for an employee's children during the employee's work  
3840 hours.

3841 (3) For an employer contracting with a licensed or  
3842 registered entity to provide dependent care for its employees  
3843 during the employee's work hours, the credit is applied to the net



3844 cost of any contract executed by the employer for another entity  
3845 to provide dependent care; or, if the employer elects to provide  
3846 dependent care itself, the credit is applied to expenses of  
3847 dependent care staff, learning and recreational materials and  
3848 equipment, and the construction and maintenance of a facility; or,  
3849 if the employer elects to provide a child care stipend to a  
3850 licensed or registered entity providing dependent care in the  
3851 State of Mississippi for the employee's children during the  
3852 employee's work hours, the credit is applied to the amount of the  
3853 stipend provided. Additional eligible expenses include net costs  
3854 assumed by the employer which increase the quality, availability  
3855 and affordability of dependent care in the community used by  
3856 employees during the employee's work hours. This cost is net of  
3857 any reimbursement. A deduction shall not be allowed for any  
3858 expenses which serve as the basis for an income tax credit. The  
3859 credits allowed under this section shall not be used by any  
3860 business enterprise or corporation other than the business  
3861 enterprise actually qualifying for the credits.

3862       Credit may be carried forward for the five (5) successive  
3863 years if the amount allowable as credit exceeds income tax  
3864 liability in a tax year; however, thereafter, if the amount  
3865 allowable as a credit exceeds the tax liability, the amount of  
3866 excess shall not be refundable or carried forward to any other  
3867 taxable year.



3868           The facility must have an average daily enrollment for the  
3869 taxable year of no less than six (6) children who are twelve (12)  
3870 years of age or less and be licensed according to the regulations  
3871 governing licensure of child care facilities in Mississippi; or  
3872 must serve five (5) or fewer children and/or elderly adults in a  
3873 family child care/elder care home approved by the Department of  
3874 Health for participation in the United States Department of  
3875 Agriculture child and adult nutrition program; or must serve  
3876 children over twelve (12) years of age but less than eighteen (18)  
3877 years of age in either a community-based facility or a facility at  
3878 the employment site; or must serve adult relatives of employees in  
3879 either a community-based elder care facility or a facility at the  
3880 employment site; or must serve children or adult dependents having  
3881 physical, emotional or mental disabilities in either a  
3882 community-based facility or a facility at the employment site.

3883           Employers will be certified as eligible for the tax credit by  
3884 the State Department of Health for programs serving children  
3885 twelve (12) years of age or younger and for programs serving  
3886 elderly adults and by the Department of Revenue for programs  
3887 serving other dependents older than twelve (12) years of age.

3888           **SECTION 45.** Section 57-87-5, Mississippi Code of 1972, is  
3889 brought forward as follows:

3890           57-87-5. (1) For purposes of this section:

3891           (a) "Telecommunications enterprises" shall have the  
3892 meaning ascribed to such term in Section 57-73-21(14);



3893 (b) "Tier One areas" mean counties designated as Tier  
3894 One areas pursuant to Section 57-73-21(1);

3895 (c) "Tier Two areas" mean counties designated as Tier  
3896 Two areas pursuant to Section 57-73-21(1);

3897 (d) "Tier Three areas" mean counties designated as Tier  
3898 Three areas pursuant to Section 57-73-21(1); and

3899 (e) "Equipment used in the deployment of broadband  
3900 technologies" means any equipment capable of being used for or in  
3901 connection with the transmission of information at a rate, prior  
3902 to taking into account the effects of any signal degradation, that  
3903 is not less than three hundred eighty-four (384) kilobits per  
3904 second in at least one (1) direction, including, but not limited  
3905 to, asynchronous transfer mode switches, digital subscriber line  
3906 access multiplexers, routers, servers, multiplexers, fiber optics  
3907 and related equipment.

3908 (2) With respect to the investment in each year by a  
3909 telecommunications enterprise after June 30, 2003, and before July  
3910 1, 2025, there shall be allowed annually as a credit against the  
3911 aggregate tax imposed by Chapters 7 and 13 of Title 27,  
3912 Mississippi Code of 1972, an amount equal to:

3913 (a) Five percent (5%) of the cost of equipment used in  
3914 the deployment of broadband technologies in Tier One areas;

3915 (b) Ten percent (10%) of the cost of equipment used in  
3916 the deployment of broadband technologies in Tier Two areas; and



3917 (c) Fifteen percent (15%) of the cost of equipment used  
3918 in the deployment of broadband technologies in Tier Three areas.

3919 (3) Such annual credits shall be allowed commencing with the  
3920 taxable year in which such property is placed in service and  
3921 continue for nine (9) consecutive years thereafter. The aggregate  
3922 credit established by this section taken in any one (1)  
3923 tax year shall be limited to an amount not greater than fifty  
3924 percent (50%) of the taxpayer's tax liabilities under Chapters 7  
3925 and 13 of Title 27, Mississippi Code of 1972; however, any tax  
3926 credit claimed under this section, but not used in any taxable  
3927 year, may be carried forward for ten (10) consecutive years from  
3928 the close of the tax year in which the credits were earned.

3929 (4) The maximum aggregate amount of credits that may be  
3930 claimed under this section shall not exceed the original  
3931 investment made by a telecommunications enterprise in the  
3932 qualifying equipment used in the deployment of broadband  
3933 technologies.

3934 (5) For purposes of this section, the tier in which  
3935 broadband technology is deployed shall be determined in the year  
3936 in which such technology is deployed in a county and such tier  
3937 shall not change if the county is later designated in another  
3938 tier.

3939 (6) There will be no credit allowed under this section if  
3940 the equipment used in the deployment of broadband technologies was  
3941 paid for, or its cost was reimbursed by, funds made available





3942 under the Coronavirus Aid, Relief, and Economic Security (CARES)  
3943 Act.

3944 **SECTION 46.** Section 57-87-7, Mississippi Code of 1972, is  
3945 brought forward as follows:

3946 57-87-7. Equipment used in the deployment of broadband  
3947 technologies by a telecommunications enterprise (as defined in  
3948 Section 57-73-21(14)), that is placed in service after June 30,  
3949 2003, and before July 1, 2025, shall be exempt from ad valorem  
3950 taxation for a period of ten (10) years after the date such  
3951 equipment is placed in service. For purposes of this section,  
3952 "equipment used in the deployment of broadband technologies" means  
3953 any equipment capable of being used for or in connection with the  
3954 transmission of information at a rate, prior to taking into  
3955 account the effects of any signal degradation, that is not less  
3956 than three hundred eighty-four (384) kilobits per second in at  
3957 least one direction, including, but not limited to, asynchronous  
3958 transfer mode switches, digital subscriber line access  
3959 multiplexers, routers, servers, multiplexers, fiber optics and  
3960 related equipment.

3961 **SECTION 47.** Section 57-105-1, Mississippi Code of 1972, is  
3962 brought forward as follows:

3963 57-105-1. (1) As used in this section:

3964 (a) "Adjusted purchase price" means the investment in  
3965 the qualified community development entity for the qualified  
3966 equity investment, substantially all of the proceeds of which are



3967 used to make qualified low-income community investments in  
3968 Mississippi.

3969 For the purposes of calculating the amount of qualified  
3970 low-income community investments held by a qualified community  
3971 development entity, an investment will be considered held by a  
3972 qualified community development entity even if the investment has  
3973 been sold or repaid; provided that the qualified community  
3974 development entity reinvests an amount equal to the capital  
3975 returned to or recovered by the qualified community development  
3976 entity from the original investment, exclusive of any profits  
3977 realized, in another qualified low-income community investment in  
3978 Mississippi, including any federal Indian reservation located  
3979 within the geographical boundary of Mississippi within twelve (12)  
3980 months of the receipt of such capital. A qualified community  
3981 development entity will not be required to reinvest capital  
3982 returned from the qualified low-income community investments after  
3983 the sixth anniversary of the issuance of the qualified equity  
3984 investment, the proceeds of which were used to make the qualified  
3985 low-income community investment, and the qualified low-income  
3986 community investment will be considered held by the qualified  
3987 community development entity through the seventh anniversary of  
3988 the qualified equity investment's issuance.

3989 (b) "Applicable percentage" means:

3990 (i) For any equity investment issued prior to July  
3991 1, 2008, four percent (4%) for each of the second through seventh



3992 credit allowance dates for purposes of the taxes imposed by  
3993 Section 27-7-5 and one and one-third percent (1-1/3%) for each of  
3994 the second through seventh credit allowance dates for purposes of  
3995 the taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123.

3996 (ii) For any equity investment issued from and  
3997 after July 1, 2008, eight percent (8%) for each of the first  
3998 through third credit allowance dates for purposes of the taxes  
3999 imposed by Section 27-7-5 or the taxes imposed by Sections  
4000 27-15-103, 27-15-109 and 27-15-123.

4001 (c) "Credit allowance date" means, with respect to any  
4002 qualified equity investment:

4003 (i) The later of:

4004 1. The date upon which the qualified equity  
4005 investment is initially made; or

4006 2. The date upon which the Mississippi  
4007 Development Authority issues a certificate under subsection (4) of  
4008 this section; and

4009 (ii) 1. For equity investments issued prior to  
4010 July 1, 2008, each of the subsequent six (6) anniversary dates of  
4011 the date upon which the investment is initially made; or

4012 2. For equity investments issued from and  
4013 after July 1, 2008, each of the subsequent two (2) anniversary  
4014 dates of the date determined as provided for in subparagraph (i)  
4015 of this paragraph.



4016 (d) "Qualified community development entity" shall have  
4017 the meaning ascribed to such term in Section 45D of the Internal  
4018 Revenue Code of 1986, as amended, if the entity has entered into  
4019 an Allocation Agreement with the Community Development Financial  
4020 Institutions Fund of the United States Department of the Treasury  
4021 with respect to credits authorized by Section 45D of the Internal  
4022 Revenue Code of 1986, as amended.

4023 (e) "Qualified active low-income community business"  
4024 shall have the meaning ascribed to such term in Section 45D of the  
4025 Internal Revenue Code of 1986, as amended.

4026 (f) "Qualified equity investment" shall have the  
4027 meaning ascribed to such term in Section 45D of the Internal  
4028 Revenue Code of 1986, as amended. The investment does not have to  
4029 be designated as a qualified equity investment by the Community  
4030 Development Financial Institutions Fund of the United States  
4031 Treasury to be considered a qualified equity investment under this  
4032 section but otherwise must meet the definition under the Internal  
4033 Revenue Code. In addition to meeting the definition in Section  
4034 45D of the Internal Revenue Code such investment must also:

4035 (i) Have been acquired after January 1, 2007, at  
4036 its original issuance solely in exchange for cash; and

4037 (ii) Have been allocated by the Mississippi  
4038 Development Authority.

4039 For the purposes of this section, such investment shall be  
4040 deemed a qualified equity investment on the later of the date such



4041 qualified equity investment is made or the date on which the  
4042 Mississippi Development Authority issues a certificate under  
4043 subsection (4) of this section allocating credits based on such  
4044 investment.

4045 (g) "Qualified low-income community investment" shall  
4046 have the meaning ascribed to such term in Section 45D of the  
4047 Internal Revenue Code of 1986, as amended; provided, however, that  
4048 the maximum amount of qualified low-income community investments  
4049 issued for a single qualified active low-income community  
4050 business, on an aggregate basis with all of its affiliates, that  
4051 may be included for purposes of allocating any credits under this  
4052 section shall not exceed Ten Million Dollars (\$10,000,000.00), in  
4053 the aggregate, whether issued by one (1) or several qualified  
4054 community development entities.

4055 (2) A taxpayer that holds a qualified equity investment on  
4056 the credit allowance date shall be entitled to a credit applicable  
4057 against the taxes imposed by Sections 27-7-5, 27-15-103, 27-15-109  
4058 and 27-15-123 during the taxable year that includes the credit  
4059 allowance date. The amount of the credit shall be equal to the  
4060 applicable percentage of the adjusted purchase price paid to the  
4061 qualified community development entity for the qualified equity  
4062 investment. The amount of the credit that may be utilized in any  
4063 one (1) tax year shall be limited to an amount not greater than  
4064 the total tax liability of the taxpayer for the taxes imposed by  
4065 the above-referenced sections. The credit shall not be refundable



4066 or transferable. Any unused portion of the credit may be carried  
4067 forward for seven (7) taxable years beyond the credit allowance  
4068 date on which the credit was earned. The maximum aggregate amount  
4069 of qualified equity investments that may be allocated by the  
4070 Mississippi Development Authority may not exceed an amount that  
4071 would result in taxpayers claiming in any one (1) state fiscal  
4072 year credits in excess of Fifteen Million Dollars  
4073 (\$15,000,000.00), exclusive of credits that might be carried  
4074 forward from previous taxable years; however, a maximum of  
4075 one-third (1/3) of this amount may be allocated as credits for  
4076 taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123. Any  
4077 taxpayer claiming a credit under this section against the taxes  
4078 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123  
4079 shall not be required to pay any additional tax under Section  
4080 27-15-123 as a result of claiming such credit. The Mississippi  
4081 Development Authority shall allocate credits within this limit as  
4082 provided for in subsection (4) of this section.

4083 (3) Tax credits authorized by this section that are earned  
4084 by a partnership, limited liability company, S corporation or  
4085 other similar pass-through entity, shall be allocated among all  
4086 partners, members or shareholders, respectively, either in  
4087 proportion to their ownership interest in such entity or as the  
4088 partners, members or shareholders mutually agree as provided in an  
4089 executed document. Such allocation shall be made each taxable



4090 year of such pass-through entity which contains a credit allowance  
4091 date.

4092 (4) The qualified community development entity shall apply  
4093 for credits with the Mississippi Development Authority on forms  
4094 prescribed by the Mississippi Development Authority. The  
4095 qualified community development entity must pay an application fee  
4096 of One Thousand Dollars (\$1,000.00) to the Mississippi Development  
4097 Authority at the time the application is submitted. In the  
4098 application the qualified community development entity shall  
4099 certify to the Mississippi Development Authority the dollar amount  
4100 of the qualified equity investments made or to be made in this  
4101 state, including in any federal Indian reservation located within  
4102 the state's geographical boundary, during the first twelve-month  
4103 period following the initial credit allowance date. The  
4104 Mississippi Development Authority shall allocate credits based on  
4105 the dollar amount of qualified equity investments as certified in  
4106 the application. Once the Mississippi Development Authority has  
4107 allocated credits to a qualified community development entity, if  
4108 the corresponding qualified equity investment has not been issued  
4109 as of the date of such allocation, then the corresponding  
4110 qualified equity investment must be issued not later than one  
4111 hundred twenty (120) days from the date of such allocation. If  
4112 the qualified equity investment is not issued within such time  
4113 period, the allocation shall be cancelled and returned to the  
4114 Mississippi Development Authority for reallocation. Upon final



4115 documentation of the qualified low-income community investments,  
4116 if the actual dollar amount of the investments is lower than the  
4117 amount estimated, the Mississippi Development Authority shall  
4118 adjust the tax credit allowed under this section. The Department  
4119 of Revenue may recapture all of the credit allowed under this  
4120 section if:

4121 (a) Any amount of federal tax credits available with  
4122 respect to a qualified equity investment that is eligible for a  
4123 tax credit under this section is recaptured under Section 45D of  
4124 the Internal Revenue Code of 1986, as amended; or

4125 (b) The qualified community development entity redeems  
4126 or makes any principal repayment with respect to a qualified  
4127 equity investment prior to the seventh anniversary of the issuance  
4128 of the qualified equity investment; or

4129 (c) The qualified community development entity fails to  
4130 maintain at least eighty-five percent (85%) of the proceeds of the  
4131 qualified equity investment in qualified low-income community  
4132 investments in Mississippi at any time prior to the seventh  
4133 anniversary of the issuance of the qualified equity investment.

4134 Any credits that are subject to recapture under this  
4135 subsection shall be recaptured from the taxpayer that actually  
4136 claimed the credit.

4137 The Mississippi Development Authority shall not allocate any  
4138 credits under this section after July 1, 2024.





4139           (5) Each qualified community development entity that  
4140 receives qualified equity investments to make qualified low-income  
4141 community investments in Mississippi must annually report to the  
4142 Mississippi Development Authority the North American Industry  
4143 Classification System Code, the county, the dollars invested, the  
4144 number of jobs assisted and the number of jobs assisted with wages  
4145 over one hundred percent (100%) of the federal poverty level for a  
4146 family of four (4) of each qualified low-income community  
4147 investment.

4148           (6) The Mississippi Development Authority shall file an  
4149 annual report on all qualified low-income community investments  
4150 with the Governor, the Clerk of the House of Representatives, the  
4151 Secretary of the Senate and the Secretary of State describing the  
4152 North American Industry Classification System Code, the county,  
4153 the dollars invested, the number of jobs assisted and the number  
4154 of jobs assisted with wages over one hundred percent (100%) of the  
4155 federal poverty level for a family of four (4) of each qualified  
4156 low-income community investment. The annual report will be posted  
4157 on the Mississippi Development Authority's Internet website.

4158           (7) (a) The purpose of this subsection is to authorize the  
4159 creation and establishment of public benefit corporations for  
4160 financing arrangements regarding public property and facilities.

4161                   (b) As used in this subsection:



4162 (i) "New Markets Tax Credit transaction" means any  
4163 financing transaction which utilizes either this section or  
4164 Section 45D of the Internal Revenue Code of 1986, as amended.

4165 (ii) "Public benefit corporation" means a  
4166 nonprofit corporation formed or designated by a public entity to  
4167 carry out the purposes of this subsection.

4168 (iii) "Public entity or public entities" includes  
4169 utility districts, regional solid waste authorities, regional  
4170 utility authorities, community hospitals, regional airport  
4171 authorities, municipal airport authorities, community and junior  
4172 colleges, educational building corporations established by or on  
4173 behalf of the state institutions of higher learning, school  
4174 districts, planning and development districts, county economic  
4175 development districts, urban renewal agencies, any other regional  
4176 or local economic development authority, agency or governmental  
4177 entity, and any other regional or local industrial development  
4178 authority, agency or governmental entity.

4179 (iv) "Public property or facilities" means any  
4180 property or facilities owned or leased by a public entity or  
4181 public benefit corporation.

4182 (c) Notwithstanding any other provision of law to the  
4183 contrary, public entities are authorized pursuant to this  
4184 subsection to create one or more public benefit corporations or  
4185 designate an existing corporation as a public benefit corporation  
4186 for the purpose of entering into financing agreements and engaging



4187 in New Markets Tax Credit transactions, which shall include,  
4188 without limitation, arrangements to plan, acquire, renovate,  
4189 construct, lease, sublease, manage, operate and/or improve new or  
4190 existing public property or facilities located within the  
4191 boundaries or service area of the public entity. Any financing  
4192 arrangement authorized under this subsection shall further any  
4193 purpose of the public entity and may include a term of up to fifty  
4194 (50) years.

4195 (d) Notwithstanding any other provision of law to the  
4196 contrary and in order to facilitate the acquisition, renovation,  
4197 construction, leasing, subleasing, management, operating and/or  
4198 improvement of new or existing public property or facilities to  
4199 further any purpose of a public entity, public entities are  
4200 authorized to enter into financing arrangements in order to  
4201 transfer public property or facilities to and/or from public  
4202 benefit corporations, including, without limitation, sales,  
4203 sale-leasebacks, leases and lease-leasebacks, provided such  
4204 transfer is related to any New Markets Tax Credit transaction  
4205 furthering any purpose of the public entity. Any such transfer  
4206 under this paragraph (d) and the public property or facilities  
4207 transferred in connection therewith shall be exempted from any  
4208 limitation or requirements with respect to leasing, acquiring,  
4209 and/or constructing public property or facilities.

4210 (e) With respect to a New Markets Tax Credit  
4211 transaction, public entities and public benefit corporations are



4212 authorized to enter into financing arrangements with any  
4213 governmental, nonprofit or for-profit entity in order to leverage  
4214 funds not otherwise available to public entities for the  
4215 acquisition, construction and/or renovation of properties  
4216 transferred to such public benefit corporations. The use of any  
4217 funds loaned by or contributed by a public benefit corporation or  
4218 borrowed by or otherwise made available to a public benefit  
4219 corporation in such financing arrangement shall be dedicated  
4220 solely to (i) the development of new properties or facilities  
4221 and/or the renovation of existing properties or facilities or  
4222 operation of properties or facilities, and/or (ii) the payment of  
4223 costs and expenditures related to any such financing arrangements,  
4224 including, but not limited to, funding any reserves required in  
4225 connection therewith, the repayment of any indebtedness incurred  
4226 in connection therewith, and the payment of fees and expenses  
4227 incurred in connection with the closing, administration,  
4228 accounting and/or compliance with respect to the New Markets Tax  
4229 Credit transaction.

4230 (f) A public benefit corporation created pursuant to  
4231 this subsection shall not be a political subdivision of the state  
4232 but shall be a nonprofit corporation organized and governed under  
4233 the provisions of the laws of this state and shall be a special  
4234 purpose corporation established to facilitate New Markets Tax  
4235 Credit transactions consistent with the requirements of this  
4236 section.



4237 (g) Neither this subsection nor anything herein  
4238 contained is or shall be construed as a restriction or limitation  
4239 upon any powers which the public entity or public benefit  
4240 corporation might otherwise have under any laws of this state, and  
4241 this subsection is cumulative to any such powers. This subsection  
4242 does and shall be construed to provide a complete additional and  
4243 alternative method for the doing of the things authorized thereby  
4244 and shall be regarded as supplemental and additional to powers  
4245 conferred by other laws.

4246 (8) The Mississippi Development Authority shall promulgate  
4247 rules and regulations to implement the provisions of this section.

4248 **SECTION 48.** Section 57-10-409, Mississippi Code of 1972, is  
4249 brought forward as follows:

4250 **[In cases involving an economic development project for which**  
4251 **the Mississippi Business Finance Corporation has issued bonds for**  
4252 **the purpose of financing the approved costs of such project prior**  
4253 **to July 1, 1994, this section shall read as follows:]**

4254 57-10-409. The corporation may enter into, with any approved  
4255 company, a financing agreement with respect to its economic  
4256 development project. The terms and provisions of each financing  
4257 agreement shall be determined by negotiations between the  
4258 corporation and the approved company, except that each financing  
4259 agreement shall include the following provisions:

4260 (a) If the corporation issues any bonds in connection  
4261 with an economic development project, the term of the financing



4262 agreement shall not be less than the last maturity of the bonds  
4263 issued with respect to the economic development project, except  
4264 that the financing agreement may terminate upon the earlier  
4265 redemption of all of the bonds issued with respect to the economic  
4266 development project and may grant to the approved company an  
4267 option to purchase the economic development project from the  
4268 corporation upon the termination of the financing agreement for  
4269 such consideration and under such terms and conditions the  
4270 corporation may approve. Nothing in this paragraph shall limit  
4271 the extension of the term of a financing agreement if there is a  
4272 refunding of the correlative bonds or otherwise.

4273           (b) If the corporation issues any bonds in connection  
4274 with an economic development project, the financing agreement  
4275 shall specify that the annual obligations of the approved company  
4276 under Sections 57-10-401 through 57-10-445 shall equal in each  
4277 year at least the annual debt service for that year on the bonds  
4278 issued with respect to the economic development project; and the  
4279 approved company shall pay such obligation of the financing  
4280 agreement to the trustee for bonds issued for the benefit of the  
4281 approved company, at such time and in such amounts sufficient to  
4282 amortize such bonds.

4283           (c) If the corporation loans funds to an approved  
4284 company that is a private company under the Mississippi Small  
4285 Enterprise Development Finance Act, the financing agreement shall



4286 include the terms and conditions of the loan required by Section  
4287 57-71-1 et seq.

4288 (d) (i) In consideration for financing agreement  
4289 payment, the approved company may be permitted the following  
4290 during the period of time in which the financing agreement is in  
4291 effect, not to exceed twenty-five (25) years:

4292 1. A tax credit on the amount provided for in  
4293 Section 27-7-22.3(2), Mississippi Code of 1972; plus

4294 2. The aggregate assessment withheld by the  
4295 approved company in each year.

4296 (ii) The income tax credited to the approved  
4297 company referred to herein shall be credited in the fiscal year of  
4298 the financing agreement in which the tax return of the approved  
4299 company is filed. The approved company shall not be required to  
4300 pay estimated tax payments under Section 27-7-319, Mississippi  
4301 Code of 1972.

4302 (e) (i) The financing agreement shall provide that the  
4303 assessments, when added to the credit for the state corporate  
4304 income tax herein granted, shall not exceed the total financing  
4305 agreement annual payment by the approved company in any year;  
4306 however, to the extent that financing agreement annual payments  
4307 exceed credits received and assessments collected in any year, the  
4308 excess payment may be recouped from excess credits or assessment  
4309 collections in succeeding years.



4310                   (ii) If during any fiscal year of the financing  
4311 agreement the total of the income tax credit granted to the  
4312 approved company plus the assessment collected from the wages of  
4313 the employees equals the annual payment pursuant to the financing  
4314 agreement, and if all excess payments pursuant to the financing  
4315 agreement accumulated in prior years have been recouped, the  
4316 assessment collected from the wages of the employees shall cease  
4317 for the remainder of the fiscal year of the financing agreement.

4318                   (f) The financing agreement shall provide that:

4319                   (i) It may be assigned by the approved company  
4320 only upon the prior written consent of the corporation following  
4321 the adoption of a resolution by the corporation to such effect;  
4322 and

4323                   (ii) Upon the default by the approved company in  
4324 the obligation to render its annual payment, the corporation shall  
4325 have the right, at its option, to declare the financing agreement  
4326 in default and to accelerate the total of all annual payments that  
4327 are to be made or to terminate the financing agreement and cause  
4328 to be sold the economic development project at public or private  
4329 sale, or to pursue any other remedies available under the Uniform  
4330 Commercial Code, as from time to time amended, or otherwise  
4331 available in law or equity.

4332                   **[In cases involving an economic development project for which**  
4333 **the Mississippi Business Finance Corporation has not issued bonds**  
4334 **for the purpose of financing the approved costs of such project**





4335 prior to July 1, 1994, but has issued bonds for such project prior  
4336 to July 1, 1997, or in cases involving an economic development  
4337 project which has been induced by a resolution of the Board of  
4338 Directors of the Mississippi Business Finance Corporation that has  
4339 been filed with the State Tax Commission prior to July 1, 1997,  
4340 this section shall read as follows:]

4341 57-10-409. The corporation may enter into, with any approved  
4342 company, a financing agreement with respect to its economic  
4343 development project. The terms and provisions of each financing  
4344 agreement shall be determined by negotiations between the  
4345 corporation and the approved company, except that each financing  
4346 agreement shall include the following provisions:

4347 (a) If the corporation issues any bonds in connection  
4348 with an economic development project, the term of the financing  
4349 agreement shall not be less than the last maturity of the bonds  
4350 issued with respect to the economic development project, except  
4351 that the financing agreement may terminate upon the earlier  
4352 redemption of all of the bonds issued with respect to the economic  
4353 development project and may grant to the approved company an  
4354 option to purchase the economic development project from the  
4355 corporation upon the termination of the financing agreement for  
4356 such consideration and under such terms and conditions the  
4357 corporation may approve. Nothing in this paragraph shall limit  
4358 the extension of the term of a financing agreement if there is a  
4359 refunding of the correlative bonds or otherwise.



4360 (b) If the corporation issues any bonds in connection  
4361 with an economic development project, the financing agreement  
4362 shall specify that the annual obligations of the approved company  
4363 under Sections 57-10-401 through 57-10-445 shall equal in each  
4364 year at least the annual debt service for that year on the bonds  
4365 issued with respect to the economic development project; and the  
4366 approved company shall pay such obligation of the financing  
4367 agreement to the trustee for bonds issued for the benefit of the  
4368 approved company, at such time and in such amounts sufficient to  
4369 amortize such bonds.

4370 (c) If the corporation loans funds to an approved  
4371 company that is a private company under the Mississippi Small  
4372 Enterprise Development Finance Act, the financing agreement shall  
4373 include the terms and conditions of the loan required by Section  
4374 57-71-1 et seq.

4375 (d) (i) In consideration for financing agreement  
4376 payment, the approved company may be permitted the following  
4377 during the period of time in which the financing agreement is in  
4378 effect, not to exceed twenty-five (25) years:

4379 1. A tax credit on the amount provided for in  
4380 Section 27-7-22.3(2), Mississippi Code of 1972; plus

4381 2. The aggregate assessment withheld by the  
4382 approved company in each year.

4383 (ii) The income tax credited to the approved  
4384 company referred to herein shall be credited in the fiscal year of



4385 the financing agreement in which the tax return of the approved  
4386 company is filed. The approved company shall not be required to  
4387 pay estimated tax payments under Section 27-7-319, Mississippi  
4388 Code of 1972.

4389 (e) (i) The financing agreement shall provide that the  
4390 assessments, when added to the credit for the state corporate  
4391 income tax herein granted, shall not exceed the total financing  
4392 agreement annual payment by the approved company in any year;  
4393 however, to the extent that financing agreement annual payments  
4394 exceed credits received and assessments collected in any year, the  
4395 excess payment may be recouped from excess credits or assessment  
4396 collections in succeeding years not to exceed three (3) years  
4397 following the termination of the period of time during which the  
4398 financing agreement is in effect.

4399 (ii) If during any fiscal year of the financing  
4400 agreement the total of the income tax credit granted to the  
4401 approved company plus the assessment collected from the wages of  
4402 the employees equals the annual payment pursuant to the financing  
4403 agreement, and if all excess payments pursuant to the financing  
4404 agreement accumulated in prior years have been recouped, the  
4405 assessment collected from the wages of the employees shall cease  
4406 for the remainder of the fiscal year of the financing agreement.

4407 (f) The financing agreement shall provide that:

4408 (i) It may be assigned by the approved company  
4409 only upon the prior written consent of the corporation following



4410 the adoption of a resolution by the corporation to such effect;  
4411 and

4412 (ii) Upon the default by the approved company in  
4413 the obligation to render its annual payment, the corporation shall  
4414 have the right, at its option, to declare the financing agreement  
4415 in default and to accelerate the total of all annual payments that  
4416 are to be made or to terminate the financing agreement and cause  
4417 to be sold the economic development project at public or private  
4418 sale, or to pursue any other remedies available under the Uniform  
4419 Commercial Code, as from time to time amended, or otherwise  
4420 available in law or equity.

4421 **[In cases involving an economic development project for which**  
4422 **the Mississippi Business Finance Corporation has not issued bonds**  
4423 **for the purpose of financing the approved costs of such project**  
4424 **prior to July 1, 1997, or in cases involving an economic**  
4425 **development project which has not been induced by a resolution of**  
4426 **the Board of Directors of the Mississippi Business Finance**  
4427 **Corporation that has been filed with the State Tax Commission**  
4428 **prior to July 1, 1997, this section shall read as follows:]**

4429 57-10-409. The corporation may enter into, with any approved  
4430 company, a financing agreement with respect to its economic  
4431 development project. The terms and provisions of each financing  
4432 agreement shall be determined by negotiations between the  
4433 corporation and the approved company, except that each financing  
4434 agreement shall include the following provisions:



4435           (a) If the corporation issues any bonds in connection  
4436 with an economic development project, the term of the financing  
4437 agreement shall not be less than the last maturity of the bonds  
4438 issued with respect to the economic development project, except  
4439 that the financing agreement may terminate upon the earlier  
4440 redemption of all of the bonds issued with respect to the economic  
4441 development project and may grant to the approved company an  
4442 option to purchase the economic development project from the  
4443 corporation upon the termination of the financing agreement for  
4444 such consideration and under such terms and conditions the  
4445 corporation may approve. Nothing in this paragraph shall limit  
4446 the extension of the term of a financing agreement if there is a  
4447 refunding of the correlative bonds or otherwise.

4448           (b) If the corporation issues any bonds in connection  
4449 with an economic development project, the financing agreement  
4450 shall specify that the annual obligations of the approved company  
4451 under Sections 57-10-401 through 57-10-445 shall equal in each  
4452 year at least the annual debt service for that year on the bonds  
4453 issued with respect to the economic development project; and the  
4454 approved company shall pay such obligation of the financing  
4455 agreement to the trustee for bonds issued for the benefit of the  
4456 approved company, at such time and in such amounts sufficient to  
4457 amortize such bonds.

4458           (c) If the corporation loans funds to an approved  
4459 company that is a private company under the Mississippi Small



4460 Enterprise Development Finance Act, the financing agreement shall  
4461 include the terms and conditions of the loan required by Section  
4462 57-71-1 et seq.

4463 (d) (i) In consideration for financing agreement  
4464 payment, the approved company may be permitted a tax credit on the  
4465 amount provided for in Section 27-7-22.3(2), Mississippi Code of  
4466 1972, during the period of time in which the financing agreement  
4467 is in effect, not to exceed twenty-five (25) years.

4468 (ii) The income tax credited to the approved  
4469 company referred to herein shall be credited in the fiscal year of  
4470 the financing agreement in which the tax return of the approved  
4471 company is filed. The approved company shall not be required to  
4472 pay estimated tax payments under Section 27-7-319, Mississippi  
4473 Code of 1972.

4474 (e) The financing agreement shall provide that:

4475 (i) It may be assigned by the approved company  
4476 only upon the prior written consent of the corporation following  
4477 the adoption of a resolution by the corporation to such effect;  
4478 and

4479 (ii) Upon the default by the approved company in  
4480 the obligation to render its annual payment, the corporation shall  
4481 have the right, at its option, to declare the financing agreement  
4482 in default and to accelerate the total of all annual payments that  
4483 are to be made or to terminate the financing agreement and cause  
4484 to be sold the economic development project at public or private



4485 sale, or to pursue any other remedies available under the Uniform  
4486 Commercial Code, as from time to time amended, or otherwise  
4487 available in law or equity.

4488           **SECTION 49.** Section 57-114-3, Mississippi Code of 1972, is  
4489 brought forward as follows:

4490           57-114-3. For purposes of this chapter, the following words  
4491 shall have the meanings ascribed herein unless the context  
4492 otherwise requires:

4493           (a) "Affiliate" means, with respect to a specified  
4494 entity, (i) another person or entity that directly or indirectly,  
4495 through one or more intermediaries, controls or is controlled by  
4496 or is under common control with the specified person or entity,  
4497 where the term "control" means the ownership or possession,  
4498 directly or indirectly, of the power to direct more than fifty  
4499 percent (50%) of the voting equity securities or a similar  
4500 ownership interest in the specified controlled entity, or (ii) any  
4501 member of an affiliated group of corporations, of which the  
4502 specified entity is also a member, which are each subject to  
4503 income taxation in Mississippi and may elect to file a combined  
4504 Mississippi income tax return in accordance with state law.

4505           (b) "Authority" means the Mississippi Development  
4506 Authority.

4507           (c) "Annual report" means the report described in  
4508 Section 57-114-13.



4509           (d) "Applicable accounting rules" shall mean the  
4510 accounting principles generally recognized as applicable to a  
4511 qualified business or industry and pursuant to which such  
4512 qualified business or industry regularly prepares and maintains  
4513 its financial and accounting books and records, and which  
4514 specifically incorporate Generally Accepted Accounting Principles  
4515 or International Financial Reporting Standards, as appropriate.

4516           (e) "Applicant" means any corporation, limited  
4517 liability company, partnership, person or sole proprietorship,  
4518 business trust or other legal entity and subunit or affiliate  
4519 thereof that applies to the authority, in the manner prescribed by  
4520 this chapter, seeking (i) certification by the authority that such  
4521 applicant is a qualified business or industry and that its  
4522 proposed new project or expansion of an existing business or  
4523 industrial operation is a qualified economic development project,  
4524 and (ii) an award in connection therewith of an mFlex tax  
4525 incentive.

4526           (f) "Average state or county wage" shall mean, as of  
4527 the project certification date, the lesser of the most recently  
4528 published average annual wage per person as determined and  
4529 published by the Mississippi Department of Employment Security for  
4530 the state or the county in which the qualified project is or will  
4531 be located; provided that, if a qualified project is or will be  
4532 located in two (2) or more counties, the average state or county  
4533 wage, as used in this chapter, shall mean, as of the project





4534 certification date, only the most recently published average  
4535 annual wage per person as determined and published by the  
4536 Mississippi Department of Employment Security for the state.

4537 (g) "Average employer wage" means the qualified annual  
4538 payroll for all new full-time jobs created in the State of  
4539 Mississippi by a qualified business or industry divided by the  
4540 number of new full-time jobs thereof for which such qualified  
4541 annual payroll was paid or is otherwise payable.

4542 (h) "Base full-time job" means a job (i) for which an  
4543 employee was already hired by the qualified business or industry  
4544 before, and is employed as of, the project certification date;  
4545 (ii) that offers a minimum of one thousand eight hundred twenty  
4546 (1,820) hours of an employee's time per year (i.e., thirty-five  
4547 (35) hours per week on average) for a normal four (4) consecutive  
4548 quarter period of the qualified business or industry's operations  
4549 or a job for which the employee was hired before, and is employed  
4550 as of, the project certification date and is compensated based on  
4551 one thousand eight hundred twenty (1,820) hours for such annual  
4552 period (including in each case an employee who, after hiring,  
4553 elects to take unpaid time off or is on short-term or long-term  
4554 disability); and (iii) the employee holding such job receives  
4555 salary or wages subject to state income tax withholdings. The  
4556 term "base full-time job" also means a base-leased employee.  
4557 Part-time jobs may not be combined to add up to a base full-time  
4558 job.



4559                   (i) "Base-leased employee" means a nontemporary  
4560 employee:

4561                   (i) Who was leased by the qualified business or  
4562 industry before the project certification date from another  
4563 business or enterprise that is 1. in the business of leasing  
4564 employees, and 2. is registered with the Office of the Secretary  
4565 of State and qualified to do business in the state;

4566                   (ii) Who is leased as of the project certification  
4567 date;

4568                   (iii) Who is not otherwise an employee of such  
4569 qualified business or industry;

4570                   (iv) Who, as of the project certification date,  
4571 was already performing services for, and under the supervision of,  
4572 the qualified business or industry pursuant to a leasing agreement  
4573 between the qualified business or industry and such other employee  
4574 leasing firm;

4575                   (v) Whose job-performing services for the  
4576 qualified business or industry offers a minimum of one thousand  
4577 eight hundred twenty (1,820) hours of an employee's time per year  
4578 (i.e., thirty-five (35) hours per week on average) for an entire  
4579 normal work year of the qualified business or industry's  
4580 operations or a job for which the employee is leased before the  
4581 project certification date and is compensated based on one  
4582 thousand eight hundred twenty (1,820) hours for such annual period  
4583 (including in each case an employee who, after being leased,



4584 elects to take unpaid time off or is on short-term or long-term  
4585 disability); and

4586                   (vi) Whose job receives salary or wages subject to  
4587 state income tax withholdings. Individuals employed by an  
4588 independent contractor performing one or more services for the  
4589 qualified business or industry pursuant to a services or  
4590 management agreement (e.g., security services, landscaping  
4591 services, and cafeteria management and food services) shall not be  
4592 considered as base-leased employees.

4593                   (j) "Contractor tax" shall mean the tax levied by  
4594 Section 27-65-21, except for the tax upon the sale of  
4595 manufacturing or processing machinery for a manufacturer or custom  
4596 processor.

4597                   (k) "Construction contract" shall mean any contract or  
4598 portion of any contract for any one or more of the activities  
4599 described in Section 27-65-21 for which the contractor tax applies  
4600 and is payable by the contractor that is party thereto.

4601                   (l) "Manufacturing machinery," as used in this chapter,  
4602 shall have the same meaning ascribed to such term in Section  
4603 27-65-11, as interpreted by any regulations promulgated by the  
4604 Department of Revenue with respect to such section.

4605                   (m) "mFlex agreement" means the written agreement  
4606 entered into between a qualified business or industry and the  
4607 authority in accordance with Section 57-114-7(4)(c).



4608           (n) "mFlex tax incentive" means the tax incentive  
4609 authorized by this chapter to be calculated and awarded by the  
4610 authority, and thereafter applied as a credit to offset state  
4611 taxes, in accordance with, and subject to, this chapter.

4612           (o) "Minimum job creation requirement" means the  
4613 creation by the qualified business or industry, following the  
4614 project certification date, of at least ten (10) new full-time  
4615 jobs in the state.

4616           (p) "Minimum qualified investment" means a qualified  
4617 investment of not less than Two Million Five Hundred Thousand  
4618 Dollars (\$2,500,000.00).

4619           (q) "New full-time job" means a job:

4620               (i) For which an employee is hired by the  
4621 qualified business or industry after the project certification  
4622 date;

4623               (ii) That offers a minimum of one thousand eight  
4624 hundred twenty (1,820) hours of an employee's time per year (i.e.,  
4625 thirty-five (35) hours per week on average) for a normal four (4)  
4626 consecutive quarter period of the qualified business or industry's  
4627 operations or a job for which the employee is hired after the  
4628 project certification date and is compensated based on one  
4629 thousand eight hundred twenty (1,820) hours for such annual period  
4630 (including in each case an employee who, after hiring, elects to  
4631 take unpaid time off or is on short-term or long-term disability);  
4632 and



4633 (iii) The employee holding such job receives  
4634 salary or wages subject to state income tax withholdings. The  
4635 term "new full-time job" also means new-leased employee.  
4636 Part-time jobs may not be combined to add up to a new full-time  
4637 job.

4638 (r) "New-leased employee" means a nontemporary  
4639 employee:

4640 (i) Who is leased by the qualified business or  
4641 industry after the project certification date from another  
4642 business or enterprise that is 1. in the business of leasing  
4643 employees, and 2. is registered with the Office of the Secretary  
4644 of State and qualified to do business in the state;

4645 (ii) Who is not otherwise an employee of such  
4646 qualified business or industry;

4647 (iii) Who performs services for the qualified  
4648 business or industry pursuant to a leasing agreement between the  
4649 qualified business or industry and such other employee-leasing  
4650 firm;

4651 (iv) Whose job-performing services for the  
4652 qualified business or industry offers a minimum of one thousand  
4653 eight hundred twenty (1,820) hours of an employee's time per year  
4654 (i.e., thirty-five (35) hours per week on average) for an entire  
4655 normal work year of the qualified business or industry's  
4656 operations or a job for which the employee is leased after the  
4657 project certification date and is compensated based on one



4658 thousand eight hundred twenty (1,820) hours for such annual period  
4659 (including in each case an employee who, after being leased,  
4660 elects to take unpaid time off or is on short-term or long-term  
4661 disability); and

4662 (v) Whose job receives salary or wages subject to  
4663 state income tax withholdings. Individuals employed by an  
4664 independent contractor performing one or more services for the  
4665 qualified business or industry pursuant to a services or  
4666 management agreement (e.g., security services, landscaping  
4667 services, and cafeteria management and food services) shall not be  
4668 considered as a new-leased employees.

4669 (s) "Nonmanufacturing equipment" means all tangible  
4670 personal property that is not manufacturing machinery, including,  
4671 but not limited to, office furniture, fixtures, office computers  
4672 and communications equipment, and warehouse equipment such as  
4673 racking and shelving.

4674 (t) "Part-time job" means a job (i) for which an  
4675 employee is hired by the qualified business or industry that  
4676 requires fewer than one thousand eight hundred twenty (1,820)  
4677 hours of an employee's time per year (i.e., requires fewer than  
4678 thirty-five (35) hours per week on average) for an entire normal  
4679 work year of the qualified business or industry's operations or a  
4680 job for which the employee is hired and is compensated based on  
4681 fewer than one thousand eight hundred twenty (1,820) hours for  
4682 such annual period; and (iii) for which the employee holding such



4683 job receives salary or wages subject to state income tax  
4684 withholdings.

4685 (u) "Project certification date" means the actual date  
4686 of the authority's certification, or the effective date of  
4687 certification determined and prescribed by the authority, of the  
4688 qualified business or industry and its qualified economic  
4689 development project as eligible for the state tax credits  
4690 determined and awarded by the authority, as authorized by, and in  
4691 accordance with, this chapter.

4692 (v) "Qualified annual payroll" means the sum of the  
4693 annual salary and wages for new full-time jobs of the qualified  
4694 business or industry, excluding the amount or value of any  
4695 benefits that are not subject to state income taxes.

4696 (w) "Qualified business or industry" means any  
4697 corporation, limited liability company, partnership, person or  
4698 sole proprietorship, business trust or other legal entity and  
4699 subunit or affiliate thereof, which makes a qualified minimum  
4700 investment in a qualified economic development project.

4701 (x) "Qualified economic development project" or  
4702 "qualified project" means the location in the state of one or more  
4703 of the following enumerated enterprises for which a corporation,  
4704 limited liability company, partnership, sole proprietorship,  
4705 business trust or other legal entity, or subunit or affiliate  
4706 thereof, makes or causes to be made from the minimum qualified



4707 investment and/or satisfies or causes to be satisfied the minimum  
4708 job creation requirement:

4709                   (i) A new warehouse and/or distribution enterprise  
4710 or an expansion of an existing warehouse and/or distribution  
4711 enterprise; provided that, in any such instance, such warehouse  
4712 and/or distribution enterprise or expansion thereof is certified  
4713 by the authority to qualify as such;

4714                   (ii) A new manufacturing, remanufacturing,  
4715 assembly, processing and/or refinery enterprise or an expansion of  
4716 an existing manufacturing, remanufacturing, assembly, processing  
4717 and/or refinery enterprise; provided that, in any such instance,  
4718 such manufacturing, remanufacturing, assembly, processing and/or  
4719 refinery enterprise or expansion thereof is certified by the  
4720 authority to qualify as such;

4721                   (iii) A new research or research and development  
4722 enterprise or an expansion of an existing research or research and  
4723 development enterprise; provided that, in any such instance, such  
4724 research and development enterprise or an expansion thereof is  
4725 certified by the authority to qualify as such;

4726                   (iv) A new regional or national headquarters of  
4727 the qualified business or industry or an expansion of an existing  
4728 regional or national headquarters of the qualified business or  
4729 industry; provided that, in any such instance, such regional or  
4730 national headquarters or expansion thereof is certified by the  
4731 authority to qualify as such;





4732 (v) An air transportation, repair and/or  
4733 maintenance enterprise or an expansion of an existing air  
4734 transportation, repair and/or maintenance enterprise; provided  
4735 that, in either instance, such air transportation, repair and/or  
4736 maintenance enterprise or expansion thereof is certified by the  
4737 authority to qualify as such;

4738 (vi) A ship or other maritime vessel or barge  
4739 transportation, repair and/or maintenance enterprise or an  
4740 expansion of an existing ship or other maritime vessel or barge  
4741 transportation, repair and/or maintenance enterprise; provided  
4742 that, in either instance, the ship or other maritime vessel or  
4743 barge transportation, repair and/or maintenance enterprise or  
4744 expansion thereof is certified by the authority to qualify as  
4745 such;

4746 (vii) A new data/information processing enterprise  
4747 or an expansion of an existing new data/information processing  
4748 enterprise; provided that, in any such instance such  
4749 data/information processing enterprise or expansion thereof is  
4750 certified by the authority to qualify as such;

4751 (viii) A new technology intensive enterprise or an  
4752 expansion of an existing technology intensive enterprise; provided  
4753 that, in either instance, the technology intensive enterprise or  
4754 expansion thereof is certified by the authority to qualify as  
4755 such; provided further, that a business or enterprise primarily  
4756 engaged in creating computer programming codes to develop



4757 applications, websites and/or software shall qualify as a  
4758 technology intensive enterprise;

4759                   (ix) A new telecommunications enterprise  
4760 principally engaged in the creation, display, management, storage,  
4761 processing, transmission and/or distribution, for compensation, of  
4762 images, text, voice, video or data by wire or by wireless means,  
4763 or engaged in the construction, design, development, manufacture,  
4764 maintenance or distribution for compensation of devices, products,  
4765 software or structures used in the above activities, or an  
4766 expansion of an existing telecommunications enterprise as herein  
4767 described; provided that, in any such instance, any such  
4768 telecommunications enterprise or expansion thereof is certified by  
4769 the authority to qualify as such; provided further, that  
4770 commercial broadcast radio stations, television stations or news  
4771 organizations primarily serving in-state markets shall not be  
4772 included within the definition of the term "telecommunications  
4773 enterprise";

4774                   (x) A new data center enterprise principally  
4775 engaged in the utilization of hardware, software, technology,  
4776 infrastructure and/or workforce, to store, manage or manipulate  
4777 digital data, or an expansion of an existing data center  
4778 enterprise as herein described; provided that, in such instance,  
4779 any such data center enterprise or expansion thereof is certified  
4780 by the authority to qualify as such.



4781           (y) "Qualified investment" means any expenditures made  
4782 or caused to be made by the qualified business or industry  
4783 following the project certification date for construction,  
4784 installation, equipping and operation of a qualified economic  
4785 development project from any source or combination of sources,  
4786 excluding any funds contributed by the state or any agency or  
4787 other political subdivision thereof, or by any local government or  
4788 any agency or other political subdivision thereof, to the extent  
4789 such expenditures can be capitalized under applicable accounting  
4790 rules or otherwise by the Internal Revenue Code, whether or not  
4791 the qualified business or industry elects to capitalize the same,  
4792 as reflected in its financial statements, including, but not  
4793 limited to, all costs associated with the acquisition,  
4794 installation and/or construction of, or capital leasehold interest  
4795 in, any buildings and other real property improvements, fixtures,  
4796 equipment, machinery, landscaping, fire protection, depreciable  
4797 fixed assets, engineering and design costs.

4798           (z) "Reporting year" means the twelve-month period  
4799 ending on the last day of the month during which the annual  
4800 anniversary of a project certification date occurs, and for which  
4801 an annual report must be filed with the authority by a qualified  
4802 business or industry in accordance with Section 57-114-13.

4803           (aa) "State" means the State of Mississippi.

4804           (bb) "State tax" means:



4805 (i) Any sales and use tax imposed on, and payable  
4806 directly to the Department of Revenue by, the qualified business  
4807 or industry in accordance with state law, except for contractor's  
4808 tax and the taxes levied by Section 27-65-24(1) (b);

4809 (ii) All income tax imposed pursuant to law on  
4810 income earned by the qualified business or industry pursuant to  
4811 state law;

4812 (iii) Franchise tax imposed pursuant to state law  
4813 on the value of capital used, invested or employed by the business  
4814 enterprise certified by the Mississippi Development Authority; and

4815 (iv) Withholding tax required to be deducted and  
4816 withheld from employee wages pursuant to Section 27-7-301 et seq.

4817 **SECTION 50.** Section 57-114-7, Mississippi Code of 1972, is  
4818 brought forward as follows:

4819 57-114-7. (1) The authority shall evaluate an application  
4820 to determine whether the applicant's proposed project is a  
4821 qualified economic development project and whether it is therefore  
4822 eligible for an award by the authority of an mFlex tax incentive,  
4823 as calculated in accordance with Section 57-114-9.

4824 (2) Upon approval of an applicant's application, the  
4825 authority shall issue a certification (a) designating the  
4826 applicant's project as a "qualified economic development project"  
4827 and eligible for the mFlex tax incentive authorized by this  
4828 chapter; (b) awarding the initial mFlex tax incentive calculated  
4829 pursuant to Section 57-114-9; and (c) imposing those mandatory



4830 conditions pursuant to subsection (4) of this section and any  
4831 discretionary conditions otherwise imposed by the authority.

4832 (3) Upon the issuance of the certification and execution of  
4833 the mFlex agreement by a qualified business or industry and the  
4834 authority, the qualified business or industry may apply the amount  
4835 of its mFlex tax incentive as a credit to offset (a) any state  
4836 taxes (except for withholding tax required to be deducted and  
4837 withheld from employee wages pursuant to Section 27-7-301 et  
4838 seq.), as incurred thereby, up to the full amount of the mFlex tax  
4839 incentive awarded by the authority for the associated qualified  
4840 economic development project, and (b) only up to twenty percent  
4841 (20%) of the mFlex tax incentive amount may be applied as a credit  
4842 during the course of any reporting year to offset withholding tax  
4843 deducted and withheld from employee wages pursuant to Section  
4844 27-7-301 et seq.; provided that the amount of the mFlex tax  
4845 incentive available to be applied as a credit to offset such state  
4846 taxes shall be subject to any subsequent adjustments made by the  
4847 authority to such award pursuant to Section 57-114-13, and any  
4848 performance requirements set out in the mFlex agreement. The  
4849 amount of the mFlex tax incentive available to be applied as a  
4850 credit to offset any state taxes described in Section  
4851 57-114-3(bb) (i) shall be limited to those such taxes payable  
4852 directly by the qualified business or industry to the Department  
4853 of Revenue pursuant to a direct pay permit issued by the  
4854 Department of Revenue under Section 27-65-93. The amount of the



4855 mFlex tax incentive available to be applied as a credit to offset  
4856 any state taxes may not be applied as a credit to offset any state  
4857 taxes incurred prior to the issuance of the certification by the  
4858 authority and execution of the mFlex agreement by the qualified  
4859 business or industry and the authority.

4860 (4) The following conditions shall apply to each such  
4861 certification made, and each mFlex tax incentive awarded, by the  
4862 authority in accordance with this chapter:

4863 (a) Any certification and mFlex tax incentive award  
4864 issued by the authority under this chapter is nontransferable and  
4865 cannot be applied, used or assigned to any other person or  
4866 business or tax account without prior approval by the authority,  
4867 except for one or more affiliates of the qualified business or  
4868 industry disclosed thereby on its application or in a subsequent  
4869 annual report submitted to the authority in accordance with this  
4870 chapter;

4871 (b) No qualified business or industry may claim or use  
4872 the mFlex tax incentive awarded thereto under this chapter unless  
4873 the qualified business or industry is in full compliance with all  
4874 state and local tax laws, and related ordinances, permits and  
4875 other applicable governmental approvals; and

4876 (c) Each qualified business or industry must enter into  
4877 an mFlex agreement with the authority which sets out, at a  
4878 minimum, (i) the obligation of the business or industry to provide  
4879 an annual report to the authority pursuant to Section 57-114-13



4880 that demonstrates the actual amount of its qualified investment,  
4881 including actual expenditures on manufacturing machinery,  
4882 nonmanufacturing equipment and component building materials, the  
4883 number of new full-time jobs created and maintained as a result of  
4884 the project, and any other relevant information as may be required  
4885 by the authority; and (ii) terms for readjustment or recapture of  
4886 all or a portion of the mFlex tax incentive awarded thereto  
4887 pursuant to Section 57-114-13 if the applicant 1. fails to satisfy  
4888 the minimum job creation requirement if certification of the  
4889 project is predicated on satisfaction of the minimum job creation  
4890 requirement and not the minimum qualified investment, or 2. fails  
4891 to satisfy the minimum qualified investment if certification of  
4892 the project is predicated on satisfaction of the minimum job  
4893 creation requirement and not the minimum qualified investment,  
4894 and/or 3. fails to otherwise satisfy any other additional  
4895 performance requirements of the qualified business or industry or  
4896 its qualified economic development project that are imposed by the  
4897 authority.

4898 (5) In addition to those mandatory conditions prescribed by  
4899 this chapter that apply to each certification and award of an  
4900 mFlex tax incentive made by the authority in accordance herewith,  
4901 the authority is authorized to impose any other conditions upon  
4902 any certification and award of an mFlex tax incentive made by the  
4903 authority as it shall find best promotes economic development in  
4904 the state.



4905           (6) Upon certifying a qualified business or industry as  
4906 eligible for, and awarding, an mFlex tax incentive under this  
4907 chapter, the authority shall forward the certification along with  
4908 any other necessary information to the Department of Revenue so  
4909 that the mFlex tax incentive awarded to the qualified business or  
4910 industry can be recorded by the Department of Revenue and used to  
4911 verify each state tax credit subsequently applied by the qualified  
4912 business or industry.

4913           (7) Within thirty (30) days following the end of each  
4914 calendar quarter, the authority shall provide to the Governor,  
4915 Lieutenant Governor and the Speaker of the House of  
4916 Representatives a copy of each certification made, together with a  
4917 copy of each mFlex agreement approved and executed, during the  
4918 immediately preceding calendar quarter.

4919           **SECTION 51.** Section 57-114-9, Mississippi Code of 1972, is  
4920 brought forward as follows:

4921           57-114-9. **Calculation and application of an mFlex tax**  
4922 **incentive award.** The total amount of the initial mFlex tax  
4923 incentive determined and awarded by the authority to the certified  
4924 applicant shall be calculated by the authority as follows:

4925           (a) Subject to paragraph (f) below, one and one-half  
4926 percent (1.5%) of the total purchase or sales price, or value,  
4927 including any installation costs thereof, as applicable, of all  
4928 manufacturing or processing machinery acquired, leased or  
4929 otherwise moved into the state following the project certification





4930 date to establish and equip the qualified economic development  
4931 project; plus

4932 (b) Subject to paragraph (f) below, seven percent (7%)  
4933 of the total purchase or sales price, or value, including any  
4934 installation costs thereof, as applicable, of all nonmanufacturing  
4935 equipment, other than tagged over-the-road vehicles, acquired,  
4936 leased or otherwise moved into the state following the project  
4937 certification date to establish and equip the qualified economic  
4938 development project; plus

4939 (c) Subject to paragraph (f) below, two percent (2%) of  
4940 the total contract price or compensation paid to any contractor  
4941 pursuant to any construction contract entered into following the  
4942 project certification date by the qualified business or industry  
4943 or any affiliate thereof, to construct, build, erect, repair or  
4944 add to any building, facility, structure or other improvement to  
4945 real property described in Section 27-65-21(1)(a)(i) to establish  
4946 and construct the qualified economic development project; plus, if  
4947 applicable;

4948 (d) To the extent that the average employer wage is  
4949 equal to or more than seventy-five percent (75%) of the average  
4950 state or county wage, then an additional fifteen percent (15%) of  
4951 the product derived by multiplying the average employer wage by  
4952 the number of new full-time jobs; plus, if applicable;

4953 (e) (i) To the extent that 1. the qualified economic  
4954 development project is an enterprise enumerated in Section



4955 57-114-3(x) (i) or (x) (ii); 2. the number of new full-time jobs  
4956 totals fifty (50) or more; 3. the qualified investment totals Ten  
4957 Million Dollars (\$10,000,000) or more; 4. the average employer  
4958 wage is equal to or more than one hundred ten percent (110%) of  
4959 the average state or county wage; and 5. all full-time employees  
4960 are eligible for and offered health insurance coverage funded in  
4961 whole or at least fifty percent (50%) by the qualified business or  
4962 industry (or by a leasing company with respect to leased  
4963 employees), then an additional thirty percent (30%) of the product  
4964 derived by multiplying the average employer wage by the number of  
4965 new full-time jobs; or

4966 (ii) To the extent that subparagraph (i) of this  
4967 paragraph (e) does not apply, but 1. the number of new full-time  
4968 jobs totals twenty-five (25) or more; 2. the average employer wage  
4969 is equal to or more than one hundred twenty-five percent (125%) of  
4970 the average state or county wage; and 3. all full-time employees  
4971 are eligible for and offered health insurance coverage funded in  
4972 whole or at least fifty percent (50%) by the qualified business or  
4973 industry (or by a leasing company with respect to leased  
4974 employees), then an additional thirty percent (30%) of the product  
4975 derived by multiplying the average employer wage by the number of  
4976 new full-time jobs; provided, however, that the initial mFlex tax  
4977 incentive award amount determined by the authority and awarded on  
4978 the project certification date shall be based upon estimates  
4979 provided by the qualified business or industry to the authority



4980 with respect to paragraphs (a) through (d) of this section, which  
4981 estimates shall be memorialized as project performance measures  
4982 agreed to by the qualified business or industry in the mFlex  
4983 agreement; provided, further, that such initial award amount shall  
4984 be subject to any subsequent adjustments made by the authority  
4985 pursuant to Section 57-114-13;

4986 (f) To the extent that all or any portion of the  
4987 purchases to establish a qualified economic development project  
4988 which are financed by proceeds from bonds issued pursuant to  
4989 Section 57-10-201 et seq. or Section 57-10-401 et seq., the mFlex  
4990 tax incentive determined in accordance with this section shall  
4991 exclude the amount calculated in accordance with paragraphs (a),  
4992 (b) and (c) above; provided that, this paragraph (f) shall not  
4993 apply in determining the mFlex tax incentive for a qualified  
4994 economic development project to the extent that (i) the qualified  
4995 economic development project is an expansion of an existing  
4996 project, (ii) all or any portion of the purchases to establish the  
4997 existing project were financed by proceeds from bonds issued  
4998 pursuant to Section 57-10-201 et seq. or Section 57-10-401 et  
4999 seq., and (iii) no purchases to establish the expansion  
5000 constituting a qualified economic development project are financed  
5001 by proceeds from bonds issued pursuant to Section 57-10-201 et  
5002 seq. or Section 57-10-401 et seq.

5003 **SECTION 52.** Section 57-115-3, Mississippi Code of 1972, is  
5004 brought forward as follows:



5005           57-115-3. As used in this chapter, the following terms and  
5006 phrases shall have the meanings ascribed in this section unless  
5007 the context clearly indicates otherwise:

5008           (a) "Affiliate" means:

5009                   (i) Any person who, directly or indirectly,  
5010 beneficially owns, controls, or holds power to vote fifteen  
5011 percent (15%) or more of the outstanding voting securities or  
5012 other voting ownership interest of a Mississippi small business  
5013 investment company or insurance company; and

5014                   (ii) Any person, fifteen percent (15%) or more of  
5015 whose outstanding voting securities or other voting ownership  
5016 interests are directly or indirectly beneficially owned,  
5017 controlled, or held, with power to vote by a Mississippi small  
5018 business investment company or insurance company. Notwithstanding  
5019 this paragraph (a), an investment by a participating investor in a  
5020 Mississippi small business investment company pursuant to an  
5021 allocation of tax credits under this chapter does not cause that  
5022 Mississippi small business investment company to become an  
5023 affiliate of that participating investor.

5024           (b) "Allocation date" means the date on which credits  
5025 are allocated to the participating investors of a Mississippi  
5026 small business investment company under this chapter.

5027           (c) "MDA" means the Mississippi Development Authority.

5028           (d) "Department" means the Mississippi Department of  
5029 Banking and Consumer Finance.



5030 (e) "Designated capital" means an amount of money that:  
5031 (i) Is invested by a participating investor in a  
5032 Mississippi small business investment company; and  
5033 (ii) Fully funds the purchase price of a  
5034 participating investor's equity interest in a Mississippi small  
5035 business investment company or a qualified debt instrument issued  
5036 by a Mississippi small business investment company, or both.

5037 (f) "Mississippi small business investment company"  
5038 means a partnership, corporation, trust, or limited liability  
5039 company, organized on a for-profit basis, that:  
5040 (i) Has its principal office located in  
5041 Mississippi or is headquartered in Mississippi;  
5042 (ii) Has as its primary business activity the  
5043 investment of cash in qualified businesses; and  
5044 (iii) Is certified by the MDA as meeting the  
5045 criteria described in this section to qualify as either a primary  
5046 or secondary Mississippi small business investment company.

5047 (g) "Participating investor" means any insurer that  
5048 contributes designated capital pursuant to this chapter.

5049 (h) "Person" means any natural person or entity,  
5050 including, but not limited to, a corporation, general or limited  
5051 partnership, trust, or limited liability company.

5052 (i) "Qualified business" means a business that is  
5053 independently owned and operated and meets all of the following  
5054 requirements:



5055 (i) It is headquartered in Mississippi, its  
5056 principal business operations are located in Mississippi and at  
5057 least eighty percent (80%) of its employees are located in  
5058 Mississippi;

5059 (ii) It has not more than one hundred (100)  
5060 employees at the time of the first qualified investment in the  
5061 business;

5062 (iii) It is not more than ten percent (10%)  
5063 engaged in:

5064 1. Professional services provided by  
5065 accountants, doctors, or lawyers;

5066 2. Banking or lending;

5067 3. Real estate development;

5068 4. Retail;

5069 5. Insurance; or

5070 6. Making loans to or investments in a  
5071 Mississippi small business investment company or an affiliate; and

5072 (iv) It is not a franchise of and has no financial  
5073 relationship with a Mississippi small business investment company  
5074 or any affiliate of a Mississippi small business investment  
5075 company prior to a Mississippi small business investment company's  
5076 first qualified investment in the business.

5077 A business classified as a qualified business at the time of  
5078 the first qualified investment in the business will remain  
5079 classified as a qualified business and may receive continuing



5080 qualified investments from any Mississippi small business  
5081 investment company. Continuing investments will constitute  
5082 qualified investments even though the business may not meet the  
5083 definition of a qualified business at the time of such continuing  
5084 investments; however, the business cannot fail to satisfy  
5085 subparagraph (iii) and (iv) of this paragraph (i).

5086 (j) "Qualified debt instrument" means a debt instrument  
5087 issued by a Mississippi small business investment company that  
5088 meets all of the following criteria:

5089 (i) It is issued at par value or a premium;

5090 (ii) It has an original maturity date of at least  
5091 four (4) years from the date of issuance and a repayment schedule  
5092 that is not faster than a level principal amortization over four  
5093 (4) years; and

5094 (iii) Has no interest or payment features that  
5095 allow for the prepayment of interest or are tied to the  
5096 profitability of the Mississippi small business investment company  
5097 or the success of its investments.

5098 (k) "Qualified distribution" means any distribution or  
5099 payment by a Mississippi small business investment company in  
5100 connection with the following:

5101 (i) Reasonable costs and expenses of forming,  
5102 syndicating and organizing the Mississippi small business  
5103 investment company, including fees paid for professional services  
5104 and the costs of financing and insuring the obligations of a



5105 Mississippi small business investment company, provided no such  
5106 payment is made to more than one (1) participating investor or an  
5107 affiliate or related party of a participating investor;

5108 (ii) An annual management fee not to exceed two  
5109 percent (2%) of designated capital on an annual basis to offset  
5110 the costs and expenses of managing and operating a Mississippi  
5111 small business investment company;

5112 (iii) Any projected increase in federal or state  
5113 taxes, including penalties and interest related to state and  
5114 federal income taxes, or to the equity owners of the company  
5115 resulting from the earnings or other tax liability of the company  
5116 to the extent that the increase is related to the ownership,  
5117 management, or operation of the company;

5118 (iv) Reasonable and necessary fees in accordance  
5119 with industry custom for ongoing professional services, including,  
5120 but not limited to, legal and accounting services related to the  
5121 operation of a Mississippi small business investment company, not  
5122 including lobbying or governmental relations; and

5123 (v) Payments of principal and interest to holders  
5124 of qualified debt instruments issued by a Mississippi small  
5125 business investment company which may be made without restriction.

5126 (1) "Qualified investment" means the investment of  
5127 money by a Mississippi small business investment company in a  
5128 qualified business for the purchase of any debt, debt  
5129 participation, equity, or hybrid security of any nature and





5130 description, including a debt instrument or security that has the  
5131 characteristics of debt but which provides for conversion into  
5132 equity or equity participation instruments such as options or  
5133 warrants; provided that any debt, debt participation or other debt  
5134 instrument or security shall have a maturity of at least three (3)  
5135 years. Any repayment of a qualified investment prior to one (1)  
5136 year from the date of issuance shall result in the amount of the  
5137 qualified investment being reduced by fifty percent (50%) for  
5138 purposes of the cumulative investment requirement set forth in  
5139 Section 57-115-9(1)(c).

5140 (m) "State premium tax liability" means any liability  
5141 incurred by an insurance company under the provisions of Section  
5142 27-15-103, 27-15-109 or 27-15-123 or in the case of a repeal or a  
5143 reduction by the state of the liability imposed by Section  
5144 27-15-103, 27-15-109 or 27-15-123.

5145 **SECTION 53.** Section 57-115-5, Mississippi Code of 1972, is  
5146 brought forward as follows:

5147 57-115-5. (1) (a) The MDA must provide a standardized  
5148 format for applying for the Mississippi small business investment  
5149 credit authorized under this chapter, and for certification as a  
5150 Mississippi small business investment company.

5151 (b) An applicant for certification as a primary  
5152 Mississippi small business investment company must:

5153 (i) File an application with the MDA which shall  
5154 include a business plan detailing:



5155                   1. The approximate percentage of designated  
5156 capital the applicant will invest in qualified businesses by the  
5157 second, fourth and sixth anniversaries of its allocation date;

5158                   2. The industry segments listed by the North  
5159 American Industrial Classification System code and percentage of  
5160 designated capital in which the applicant will invest; and

5161                   3. The number of jobs that will be created or  
5162 retained as a result of the applicant's investments once all  
5163 designated capital has been invested. A job shall be considered  
5164 created or retained if the job pays one hundred twenty-five  
5165 percent (125%) of the state average annual wage and is maintained  
5166 for at least three (3) years. The application shall project, at a  
5167 minimum, that one (1) job shall be created or maintained for each  
5168 One Hundred Fifty Thousand Dollars (\$150,000.00) in credits  
5169 awarded to the participating investors of the Mississippi small  
5170 business investment company;

5171                   (ii) Pay a nonrefundable application fee of Seven  
5172 Thousand Five Hundred Dollars (\$7,500.00) at the time of filing  
5173 the application;

5174                   (iii) Submit as part of its application an audited  
5175 balance sheet that contains an unqualified opinion of an  
5176 independent certified public accountant issued not more than  
5177 thirty-five (35) days before the application date that states that  
5178 the applicant has an equity capitalization of Five Hundred



5179 Thousand Dollars (\$500,000.00) or more in the form of unencumbered  
5180 cash, marketable securities or other liquid assets; and

5181 (iv) Have at least two (2) principals or persons,  
5182 at least one (1) of which is primarily located in Mississippi,  
5183 employed or engaged to manage the funds who each have a minimum of  
5184 five (5) years of money management experience in the venture  
5185 capital or private equity or lending industry.

5186 (c) An applicant for certification as a secondary  
5187 Mississippi small business investment company must:

5188 (i) File an application with the MDA which shall  
5189 include a business plan detailing:

5190 1. The approximate percentage of designated  
5191 capital the applicant will invest in qualified businesses by the  
5192 second, fourth and sixth anniversaries of its allocation date;

5193 2. The industry segments listed by the North  
5194 American Industrial Classification System code and percentage of  
5195 designated capital in which the applicant will invest; and

5196 3. The number of jobs that will be created or  
5197 retained as a result of the applicant's investments once all  
5198 designated capital has been invested. A job shall be considered  
5199 created or retained if the job pays one hundred twenty-five  
5200 percent (125%) of the state average annual wage and is maintained  
5201 for at least three (3) years. The application shall project, at a  
5202 minimum, that one (1) job shall be created or maintained for each  
5203 One Hundred Fifty Thousand Dollars (\$150,000.00) in credits



5204 awarded to the participating investors of the Mississippi small  
5205 business investment company;

5206 (ii) Pay a nonrefundable application fee of Three  
5207 Thousand Seven Hundred Fifty Dollars (\$3,750.00) at the time of  
5208 filing the application;

5209 (iii) Submit as part of its application an audited  
5210 balance sheet that contains an unqualified opinion of an  
5211 independent certified public accountant issued not more than  
5212 thirty-five (35) days before the application date that states that  
5213 the applicant has an equity capitalization of One Hundred Fifty  
5214 Thousand Dollars (\$150,000.00) or more in the form of unencumbered  
5215 cash, marketable securities or other liquid assets;

5216 (iv) Demonstrate that fifty percent (50%) of all  
5217 secondary investment company investments have been in Mississippi,  
5218 and all of the applicant's employees have lived in Mississippi for  
5219 at least two (2) years prior to the application being filed, and  
5220 that those who are employed or engaged to manage the funds have a  
5221 minimum of three (3) years of money management experience in the  
5222 venture capital or private equity or lending industry; and

5223 (v) Submit as part of its application a signed and  
5224 notarized partnership agreement letter with a certified primary  
5225 Mississippi small business investment company.

5226 (d) (i) Any participating partner or individual in a  
5227 certified secondary small business investment company that  
5228 successfully participated in the initial authorization and



5229 allocation of credits in 2012, and which is a partner in a  
5230 submitted application for credits allocated in subsection (4) (b)  
5231 of this section, while partnered with the same primary small  
5232 business investment company from the previous 2012 allocation,  
5233 shall have the requirements in paragraph (c) (iii) and (iv) of this  
5234 subsection waived as having been completed through the previous  
5235 allocation.

5236 (ii) Any participating partner or individual in a  
5237 certified secondary small business investment company that  
5238 successfully participated in the authorization and allocation of  
5239 credits in 2018, and which is a partner in a submitted application  
5240 for credits allocated in subsection (4) (c) of this section, while  
5241 partnered with the same primary small business investment company  
5242 from the previous 2018 allocation, shall have the requirements in  
5243 paragraph (c) (iii) and (iv) of this subsection waived as having  
5244 been completed through the previous allocation.

5245 (e) The MDA may certify partnerships, corporations,  
5246 trusts, or limited liability companies, organized on a for-profit  
5247 basis, which submit an application to be designated as a  
5248 Mississippi small business investment company if the applicant is  
5249 located, headquartered, and licensed or registered to conduct  
5250 business in Mississippi, has as its primary business activity the  
5251 investment of cash in qualified businesses, and meets all of the  
5252 criteria of this section.

5253 (f) The MDA must:



5254 (i) Review the organizational documents of each  
5255 applicant for certification and the business history of each  
5256 applicant;

5257 (ii) Determine whether the applicant has satisfied  
5258 all of the requirements of this section; and

5259 (iii) Determine whether the officers and the board  
5260 of directors, general partners, trustees, managers or members are  
5261 trustworthy and are thoroughly acquainted with the requirements of  
5262 this chapter.

5263 (g) Within forty-five (45) days after the receipt of an  
5264 application, the MDA may issue the certification or refuse the  
5265 certification and may communicate in detail to the applicant the  
5266 grounds for refusal, including suggestions for the removal of the  
5267 grounds.

5268 (h) The MDA must begin accepting applications to become  
5269 a Mississippi small business investment company not later than  
5270 August 1, 2012, for credits allocated in subsection (4)(a) of this  
5271 section, not later than August 1, 2018, for credits allocated in  
5272 subsection (4)(b) of this section, and not later than August 1,  
5273 2023, for credits allocated in subsection (4)(c) of this section.

5274 (i) Certification by the MDA and operation of a primary  
5275 Mississippi small business investment company is not subject to  
5276 completion of any relationship or agreement with a secondary  
5277 Mississippi small business investment company, and it is not the  
5278 intent of this chapter to compel any such agreement.



5279           (2)   (a)   An insurance company or affiliate of an insurance  
5280 company must not, directly or indirectly:

5281                   (i)   Beneficially own, whether through rights,  
5282 options, convertible interest, or otherwise, fifteen percent (15%)  
5283 or more of the voting securities or other voting ownership  
5284 interest of a Mississippi small business investment company;

5285                   (ii)   Manage a Mississippi small business  
5286 investment company; or

5287                   (iii)   Control the direction of investments for a  
5288 Mississippi small business investment company.

5289           (b)   A Mississippi small business investment company may  
5290 obtain one or more guaranties, indemnities, bonds, insurance  
5291 policies, or other payment undertakings for the benefit of its  
5292 participating investors from any entity, except that in no case  
5293 can more than one (1) participating investor of a Mississippi  
5294 small business investment company on an aggregate basis with all  
5295 affiliates of the participating investor, be entitled to provide  
5296 guaranties, indemnities, bonds, insurance policies, or other  
5297 payment undertakings in favor of the participating investors of a  
5298 Mississippi small business investment company and its affiliates  
5299 in this state.

5300           (c)   This subsection (2) does not preclude a  
5301 participating investor, insurance company or other party from  
5302 exercising its legal rights and remedies, including, without  
5303 limitation, interim management of a Mississippi small business



5304 investment company, in the event that a Mississippi small business  
5305 investment company is in default of its statutory obligations or  
5306 its contractual obligations to a participating investor, insurance  
5307 company, or other party, or from monitoring a Mississippi small  
5308 business investment company to ensure its compliance with this  
5309 chapter or disallowing any investments that have not been approved  
5310 by the MDA.

5311 (d) The MDA may contract with an independent third  
5312 party to review, investigate, and certify that the applications  
5313 comply with the provisions of this chapter.

5314 (3) (a) At the time of its investment of designated capital  
5315 a participating investor shall earn a vested credit against the  
5316 participating investor's state premium tax liability in an amount  
5317 equal to one hundred percent (100%) of the participating  
5318 investor's investment of designated capital in a Mississippi small  
5319 business investment company, subject to the limits imposed by this  
5320 section.

5321 (b) From and after January 1, 2015, a participating  
5322 investor may claim the credit allocated in subsection (4)(a) of  
5323 this section as follows: For each taxable year from 2015 through  
5324 2019, an amount equal to twenty percent (20%) of the participating  
5325 investor's investment of designated capital.

5326 (c) From and after January 1, 2021, a participating  
5327 investor may claim the credit allocated in subsection (4)(b) of  
5328 this section as follows:





5329 (i) For each taxable year from 2021 through 2025,  
5330 an amount equal to sixteen and sixty-six one-hundredths percent  
5331 (16.66%) of the participating investor's investment of designated  
5332 capital; and

5333 (ii) For the 2026 taxable year, an amount equal to  
5334 sixteen and seven-tenths percent (16.7%) of the participating  
5335 investor's investment of designated capital.

5336 (d) From and after January 1, 2027, a participating  
5337 investor may claim the credit allocated in subsection (4)(c) of  
5338 this section as follows:

5339 (i) For each taxable year from 2027 through 2031,  
5340 an amount equal to sixteen and sixty-six one-hundredths percent  
5341 (16.66%) of the participating investor's investment of designated  
5342 capital; and

5343 (ii) For the 2032 taxable year, an amount equal to  
5344 sixteen and seven-tenths percent (16.7%) of the participating  
5345 investor's investment of designated capital.

5346 (e) The credit for any taxable year cannot exceed the  
5347 state premium tax liability of the participating investor for the  
5348 taxable year. If the amount of the credit exceeds the state  
5349 premium tax liability of the participating investor for the  
5350 taxable year, the excess is an investment tax credit carryover for  
5351 five (5) years from the date the credit is first able to be  
5352 utilized in accordance with paragraph (a) of this subsection (3).



5353           (f) Notwithstanding any provision of this chapter to  
5354 the contrary, the granting of any credits against the insurance  
5355 premium tax shall not affect the insurance premium tax receipts  
5356 distributed pursuant to Sections 83-1-37, 83-1-39, 83-34-39,  
5357 45-11-5 and 21-29-233, which shall take priority over all other  
5358 distributions of premium tax receipts and shall be calculated  
5359 based upon gross insurance premium tax liability before the  
5360 application of the tax credits.

5361           (g) A participating investor claiming a credit under  
5362 this chapter is not required to pay any additional retaliatory tax  
5363 under Section 27-15-123 levied as a result of claiming the credit.

5364           (h) A participating investor is not required to reduce  
5365 the amount of tax pursuant to the state premium tax liability  
5366 included by the participating investor in connection with  
5367 ratemaking for any insurance contract written in this state  
5368 because of a reduction in the participating investor's tax  
5369 liability based on the tax credit allowed under this chapter.

5370           (i) If the taxes paid by a participating investor with  
5371 respect to its state premium tax liability constitute a credit  
5372 against any other tax that is imposed by this state, the  
5373 participating investor's credit against the other tax shall not be  
5374 reduced by virtue of the reduction in the participating investor's  
5375 tax liability based on the tax credit allowed under this chapter.

5376           (j) Final decertification of a Mississippi small  
5377 business investment company under this chapter prior to such



5378 Mississippi small business investment company meeting the  
5379 requirements of Section 57-115-7(1)(a)(ii), shall result in the  
5380 disallowance and the recapture of all of the credits allocated to  
5381 its participating investors under this chapter. Once a  
5382 Mississippi small business investment company has satisfied the  
5383 requirements of Section 57-115-7(1)(a)(ii), any subsequent  
5384 decertification shall not cause the disallowance or recapture of  
5385 any credits allocated to its participating investors under this  
5386 chapter.

5387           (k) The credits allowed under this chapter are not  
5388 transferable; however, a participating investor may transfer  
5389 credits to an affiliated insurance company provided it gives prior  
5390 written notice of such transfer to the MDA and the Department of  
5391 Revenue.

5392           (4) (a) (i) Through January 1, 2018, the aggregate amount  
5393 of investment tax credits that may be allocated to all  
5394 participating investors of Mississippi small business investment  
5395 companies under this section shall not exceed Fifty Million  
5396 Dollars (\$50,000,000.00), and no Mississippi small business  
5397 investment company, on an aggregate basis with its affiliates, may  
5398 file credit allocation claims that exceed Fifty Million Dollars  
5399 (\$50,000,000.00).

5400                   (ii) The Fifty Million Dollars (\$50,000,000.00)  
5401 aggregate amount of investment tax credits allocated in this  
5402 paragraph (a) shall be divided into a primary tax credit pool



5403 which may be applied for by certified primary Mississippi small  
5404 business investment companies and a secondary tax credit pool  
5405 which may be applied for by certified secondary Mississippi small  
5406 business investment companies. The secondary tax credit pool  
5407 shall be Three Million Five Hundred Thousand Dollars  
5408 (\$3,500,000.00) of the total Fifty Million Dollars  
5409 (\$50,000,000.00) aggregate amount of investment tax credits.  
5410 Secondary Mississippi small business investment companies may not  
5411 apply for more than One Million Seven Hundred Fifty Thousand  
5412 Dollars (\$1,750,000.00) worth of credits on a single application.  
5413 A certified secondary Mississippi small business investment  
5414 company may apply for additional tax credit allocation from the  
5415 secondary tax credit pool, if the credits are available, after  
5416 fifty percent (50%) of its previously allocated credits are used  
5417 in qualified investments.

5418 (iii) If there are any tax credits remaining  
5419 available for allocation in the secondary tax credit pool on  
5420 August 1, 2013, those available tax credits shall revert to the  
5421 primary tax credit pool and be made available to primary  
5422 Mississippi small business investment companies according to rules  
5423 and regulations promulgated by the MDA. Prior to August 1, 2013,  
5424 primary Mississippi small business investment companies, including  
5425 any wholly owned subsidiary company, shall be prohibited from  
5426 making application to the MDA to be additionally certified as a  
5427 secondary Mississippi small business investment company for



5428 purposes of the tax credits allocated in this paragraph (a) and  
5429 prohibited from applying for any tax credit allocation from the  
5430 secondary tax credit pool. A certified primary Mississippi small  
5431 business investment company may have ownership equity in a  
5432 certified secondary Mississippi small business investment company,  
5433 but the equity interest owned by the certified primary Mississippi  
5434 small business investment company shall not exceed forty percent  
5435 (40%).

5436 (b) (i) From and after July 1, 2018, through January  
5437 1, 2023, an additional aggregate amount of investment tax credits  
5438 may be allocated to all participating investors of Mississippi  
5439 small business investment companies under this section. The  
5440 amount so allocated shall not exceed Forty-five Million Dollars  
5441 (\$45,000,000.00), and no Mississippi small business investment  
5442 company, on an aggregate basis with its affiliates, may file  
5443 credit allocation claims on the additional aggregate amount of tax  
5444 credits that exceed Forty-five Million Dollars (\$45,000,000.00).

5445 (ii) The Forty-five Million Dollars  
5446 (\$45,000,000.00) aggregate amount of investment tax credits  
5447 allocated in this paragraph (b) shall be divided into a primary  
5448 tax credit pool which may be applied for by certified primary  
5449 Mississippi small business investment companies and a secondary  
5450 tax credit pool which may be applied for by certified secondary  
5451 Mississippi small business investment companies. The secondary  
5452 tax credit pool shall be Three Million Five Hundred Thousand



5453 Dollars (\$3,500,000.00) of the total Forty-five Million Dollars  
5454 (\$45,000,000.00) aggregate amount of investment tax credits.  
5455 Secondary Mississippi small business investment companies may not  
5456 apply for more than One Million Seven Hundred Fifty Thousand  
5457 Dollars (\$1,750,000.00) worth of credits on a single application.  
5458 A certified secondary Mississippi small business investment  
5459 company may apply for additional tax credit allocation from the  
5460 secondary tax credit pool, if the credits are available, after  
5461 fifty percent (50%) of its previously allocated credits are used  
5462 in qualified investments.

5463                   (iii) If there are any tax credits remaining  
5464 available for allocation in the secondary tax credit pool on  
5465 August 1, 2019, those available tax credits shall revert to the  
5466 primary tax credit pool and be made available to primary  
5467 Mississippi small business investment companies according to rules  
5468 and regulations promulgated by the MDA. Prior to August 1, 2022,  
5469 primary Mississippi small business investment companies, including  
5470 any wholly owned subsidiary company, shall be prohibited from  
5471 making application to the MDA to be additionally certified as a  
5472 secondary Mississippi small business investment company for  
5473 purposes of the tax credits allocated in this paragraph (b) and  
5474 prohibited from applying for any tax credit allocation from the  
5475 secondary tax credit pool. A certified primary Mississippi small  
5476 business investment company may have ownership equity in a  
5477 certified secondary Mississippi small business investment company,



5478 but the equity interest owned by the certified primary Mississippi  
5479 small business investment company shall not exceed forty percent  
5480 (40%).

5481 (c) (i) From and after July 1, 2023, an additional  
5482 aggregate amount of investment tax credits may be allocated to all  
5483 participating investors of Mississippi small business investment  
5484 companies under this section. The amount so allocated shall not  
5485 exceed Forty-five Million Dollars (\$45,000,000.00), and no  
5486 Mississippi small business investment company, on an aggregate  
5487 basis with its affiliates, may file credit allocation claims on  
5488 the additional aggregate amount of tax credits that exceed  
5489 Forty-five Million Dollars (\$45,000,000.00).

5490 (ii) The Forty-five Million Dollars  
5491 (\$45,000,000.00) aggregate amount of investment tax credits  
5492 allocated in this paragraph (c) shall be divided into a primary  
5493 tax credit pool which may be applied for by certified primary  
5494 Mississippi small business investment companies and a secondary  
5495 tax credit pool which may be applied for by certified secondary  
5496 Mississippi small business investment companies. The secondary  
5497 tax credit pool shall be Three Million Five Hundred Thousand  
5498 Dollars (\$3,500,000.00) of the total Forty-five Million Dollars  
5499 (\$45,000,000.00) aggregate amount of investment tax credits.  
5500 Secondary Mississippi small business investment companies may not  
5501 apply for more than One Million Seven Hundred Fifty Thousand  
5502 Dollars (\$1,750,000.00) worth of credits on a single application.



5503 A certified secondary Mississippi small business investment  
5504 company may apply for additional tax credit allocation from the  
5505 secondary tax credit pool, if the credits are available, after  
5506 fifty percent (50%) of its previously allocated credits are used  
5507 in qualified investments.

5508 (iii) If there are any tax credits remaining  
5509 available for allocation in the secondary tax credit pool on  
5510 August 1, 2024, those available tax credits shall revert to the  
5511 primary tax credit pool and be made available to primary  
5512 Mississippi small business investment companies according to rules  
5513 and regulations promulgated by the MDA. Prior to August 1, 2027,  
5514 primary Mississippi small business investment companies, including  
5515 any wholly owned subsidiary company, shall be prohibited from  
5516 making application to the MDA to be additionally certified as a  
5517 secondary Mississippi small business investment company for  
5518 purposes of the tax credits allocated in this paragraph (c) and  
5519 prohibited from applying for any tax credit allocation from the  
5520 secondary tax credit pool. A certified primary Mississippi small  
5521 business investment company may have ownership equity in a  
5522 certified secondary Mississippi small business investment company,  
5523 but the equity interest owned by the certified primary Mississippi  
5524 small business investment company shall not exceed forty percent  
5525 (40%).

5526 (d) Credits must be allocated to investors in the order  
5527 that the credit allocation claims are filed with the MDA.





5528           (e) Any credit allocation claims filed with the MDA  
5529 before the initial credit allocation claim filing date will be  
5530 deemed to have been filed on the initial credit allocation claim  
5531 filing date. The MDA will set the initial credit allocation claim  
5532 filing date to be not less than one hundred twenty (120) days and  
5533 not more than one hundred fifty (150) days after the date the MDA  
5534 begins accepting applications for certification. Credit  
5535 allocation claims filed on the same day with the MDA must be  
5536 treated as having been filed contemporaneously.

5537           (f) If two (2) or more Mississippi small business  
5538 investment companies file credit allocation claims with the MDA on  
5539 behalf of their respective participating investors on the same day  
5540 and the aggregate amount of credit allocation claims exceeds the  
5541 aggregate limit of credits authorized under this subsection (4) or  
5542 the lesser amount of credits that remain unallocated on that day,  
5543 then the credits shall be allocated among the participating  
5544 investors who filed on that day on a pro rata basis with respect  
5545 to the amounts claimed. The pro rata allocation for any one (1)  
5546 participating investor is the product obtained by multiplying a  
5547 fraction, the numerator of which is the amount of the credit  
5548 allocation claim filed on behalf of a participating investor and  
5549 the denominator of which is the total of all credit allocation  
5550 claims filed on behalf of all participating investors on that day,  
5551 by the aggregate limit of credits authorized under this subsection



5552 (4) or the lesser amount of credits that remain unallocated on  
5553 that day.

5554 (g) Within ten (10) business days after the MDA  
5555 receives a credit allocation claim filed by a Mississippi small  
5556 business investment company on behalf of one or more of its  
5557 participating investors, the MDA may notify the Mississippi small  
5558 business investment company of the amount of credits allocated to  
5559 each of the participating investors of that Mississippi small  
5560 business investment company. In the event a Mississippi small  
5561 business investment company does not receive an investment of  
5562 designated capital from each participating investor required to  
5563 earn the amount of credits allocated to the participating investor  
5564 within ten (10) business days of the Mississippi small business  
5565 investment company's receipt of notice of allocation, then it  
5566 shall notify the MDA on or before the next business day, and the  
5567 credits allocated to the participating investor of the Mississippi  
5568 small business investment company will be forfeited. The MDA may  
5569 then reallocate those forfeited credits among the participating  
5570 investors of the other Mississippi small business investment  
5571 companies on a pro rata basis with respect to the credit  
5572 allocation claims filed on behalf of the participating investors.  
5573 The MDA may levy a fine of not more than Fifty Thousand Dollars  
5574 (\$50,000.00) on any participating investor that does not invest  
5575 the full amount of designated capital required to fund the credits



5576 allocated to it by the MDA in accordance with the credit  
5577 allocation claim filed on its behalf.

5578 (h) No participating investor, on an aggregate basis  
5579 with its affiliates, may file an allocation claim for more than  
5580 twenty-five percent (25%) of the maximum amount of investment tax  
5581 credits authorized under this subsection (4), regardless of  
5582 whether the claim is made in connection with one or more  
5583 Mississippi small business investment companies.

5584 **SECTION 54.** Section 1 of this act shall be codified as a new  
5585 section in Chapter 7, Title 27, Mississippi Code of 1972.

5586 **SECTION 55.** Nothing in this act shall affect or defeat any  
5587 claim, assessment, appeal, suit, right or cause of action for  
5588 taxes due or accrued under the income tax laws or ad valorem tax  
5589 laws before the date on which this act becomes effective, whether  
5590 such claims, assessments, appeals, suits or actions have been  
5591 begun before the date on which this act becomes effective or are  
5592 begun thereafter; and the provisions of the income tax laws and ad  
5593 valorem tax laws are expressly continued in full force, effect and  
5594 operation for the purpose of the assessment, collection and  
5595 enrollment of liens for any taxes due or accrued and the execution  
5596 of any warrant under such laws before the date on which this act  
5597 becomes effective, and for the imposition of any penalties,  
5598 forfeitures or claims for failure to comply with such laws.

5599 **SECTION 56.** Sections 1, 2 and 55 of this act shall take  
5600 effect and be in force from and after January 1, 2024. The



5601 reminder of this act shall take effect and be in force from and  
5602 after July 1, 2024.

