

By: Representative Lamar

To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1988

1 AN ACT TO AMEND SECTION 27-7-22.41, MISSISSIPPI CODE OF 1972,  
2 WHICH PROVIDES AN INCOME TAX CREDIT, INSURANCE PREMIUM TAX CREDIT  
3 AND AD VALOREM TAX CREDIT FOR CONTRIBUTIONS MADE BY CERTAIN  
4 TAXPAYERS TO CERTAIN ELIGIBLE CHARITABLE ORGANIZATIONS, TO  
5 INCREASE THE MAXIMUM AGGREGATE AMOUNT OF TAX CREDITS THAT MAY BE  
6 ALLOCATED BY THE DEPARTMENT OF REVENUE UNDER THIS SECTION DURING A  
7 CALENDAR YEAR; TO AUTHORIZE ADDITIONAL TAX CREDITS FOR CALENDAR  
8 YEAR 2024 FOR CONTRIBUTIONS TO CERTAIN ELIGIBLE CHARITABLE  
9 ORGANIZATIONS; TO PROVIDE THAT A TAXPAYER WHO IS ALLOCATED A TAX  
10 CREDIT DURING A CALENDAR YEAR MAY USE THE CREDIT AGAINST INCOME  
11 TAXES AND INSURANCE PREMIUM TAXES IMPOSED FOR THE IMMEDIATELY  
12 PRECEDING TAXABLE YEAR, PROVIDED THAT THE TAXPAYER HAS NOT ALREADY  
13 FILED A RETURN FOR SUCH TAXES; TO PROVIDE THAT TAXPAYERS WHO  
14 APPLIED DURING THE MONTH OF JANUARY 2024, FOR TAX CREDITS FOR  
15 CALENDAR YEAR 2024, BUT WHO WERE UNABLE TO BE AWARDED CREDITS DUE  
16 TO THE LIMIT ON THE AGGREGATE AMOUNT OF CREDITS AUTHORIZED FOR  
17 CALENDAR YEAR 2024, SHALL BE GIVEN PRIORITY FOR SUCH ADDITIONAL  
18 TAX CREDITS; TO REVISE THE PERCENTAGE OF TAX CREDITS ALLOCATED  
19 DURING A CALENDAR YEAR FOR CONTRIBUTIONS TO CERTAIN ELIGIBLE  
20 CHARITABLE ORGANIZATIONS THAT MAY BE ALLOCATED FOR CONTRIBUTIONS  
21 TO A SINGLE ORGANIZATION; TO BRING FORWARD SECTIONS 27-7-22,  
22 27-7-22.3, 27-7-22.5, 27-7-22.7, 27-7-22.13, 27-7-22.15,  
23 27-7-22.16, 27-7-22.17, 27-7-22.18, 27-7-22.19, 27-7-22.20,  
24 27-7-22.21, 27-7-22.22, 27-7-22.23, 27-7-22.25, 27-7-22.27,  
25 27-7-22.28, 27-7-22.29, 27-7-22.30, 27-7-22.31, 27-7-22.32,  
26 27-7-22.33, 27-7-22.34, 27-7-22.35, 27-7-22.36, 27-7-22.37,  
27 27-7-22.39, 27-7-22.40, 27-7-22.42, 27-7-22.43, 27-7-22.44,  
28 27-7-22.45, 27-7-22.46, 27-7-22.47, 27-7-22.48, 27-7-22.49,  
29 27-7-205, 27-7-207, 27-7-209, 57-73-21, 57-73-23, 57-87-5,  
30 57-87-7, 57-105-1, 57-10-409, 57-114-3, 57-114-7, 57-114-9,  
31 57-115-3 AND 57-115-5, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZE  
32 VARIOUS TAX CREDITS, FOR THE PURPOSES OF POSSIBLE AMENDMENT; AND  
33 FOR RELATED PURPOSES.



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

35 **SECTION 1.** Section 27-7-22.41, Mississippi Code of 1972, is  
36 amended as follows:

37 27-7-22.41. (1) For the purposes of this section, the  
38 following words and phrases shall have the meanings ascribed in  
39 this section unless the context clearly indicates otherwise:

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

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

44 (i) Licensed by or under contract with the  
45 Mississippi Department of Child Protection Services and provides  
46 services for:

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

49 2. The safety, care and well-being of  
50 children in custody with the Department of Child Protection  
51 Services, or

52 3. The express purpose of creating permanency  
53 for children through adoption; or

54 (ii) Certified by the department as an educational  
55 services charitable organization that is accredited by a regional  
56 accrediting organization and provides services to:

57 1. Children in a foster care placement  
58 program established by the Department of Child Protection



59 Services, children placed under the Safe Families for Children  
60 model, or children at significant risk of entering a foster care  
61 placement program established by the Department of Child  
62 Protection Services,

63 2. Children who have a chronic illness or  
64 physical, intellectual, developmental or emotional disability, or

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

69 (2) (a) The tax credit authorized in this section shall be  
70 available only to a taxpayer who is a business enterprise engaged  
71 in commercial, industrial or professional activities and operating  
72 as a corporation, limited liability company, partnership or sole  
73 proprietorship. Except as otherwise provided in this section, a  
74 credit is allowed against the taxes imposed by Sections 27-7-5,  
75 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
76 contributions made by a taxpayer during the taxable year to an  
77 eligible charitable organization. \* \* \* For calendar year 2022,  
78 and for calendar year 2023, for a taxpayer that is not operating  
79 as a corporation, a credit is also allowed against ad valorem  
80 taxes assessed and levied on real property for voluntary cash  
81 contributions made by the taxpayer during the taxable year to an  
82 eligible charitable organization. From and after January 1, 2024,  
83 a credit is also allowed against ad valorem taxes assessed and



84 levied on real property for voluntary cash contributions made by a  
85 taxpayer during the taxable year to an eligible charitable  
86 organization. The amount of credit that may be utilized by a  
87 taxpayer in a taxable year shall be limited to (i) an amount not  
88 to exceed fifty percent (50%) of the total tax liability of the  
89 taxpayer for the taxes imposed by such sections of law and (ii) an  
90 amount not to exceed fifty percent (50%) of the total tax  
91 liability of the taxpayer for ad valorem taxes assessed and levied  
92 on real property. Subject to such limitation on the amount of  
93 credit that a taxpayer may utilize in a taxable year, a taxpayer  
94 who is allocated a tax credit under this subsection during a  
95 calendar year may utilize the credit against the taxes imposed by  
96 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123 for the  
97 immediately preceding taxable year, provided that the taxpayer has  
98 not already filed an annual return for such taxes. Any tax credit  
99 claimed under this section but not used in any taxable year may be  
100 carried forward for five (5) consecutive years from the close of  
101 the tax year in which the credits were earned.

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

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



109           (3) Taxpayers taking a credit authorized by this section  
110 shall provide the name of the eligible charitable organization and  
111 the amount of the contribution to the department on forms provided  
112 by the department.

113           (4) An eligible charitable organization shall provide the  
114 department with a written certification that it meets all criteria  
115 to be considered an eligible charitable organization. An eligible  
116 charitable organization must also provide the department with  
117 written documented proof of its license and/or written contract  
118 with the Mississippi Department of Child Protection Services. The  
119 organization shall also notify the department of any changes that  
120 may affect eligibility under this section.

121           (5) The eligible charitable organization's written  
122 certification must be signed by an officer of the organization  
123 under penalty of perjury. The written certification shall include  
124 the following:

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

127                   (b) A statement that the organization does not provide,  
128 pay for or provide coverage of abortions and does not financially  
129 support any other entity that provides, pays for or provides  
130 coverage of abortions;

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



134 (d) Any other information that the department requires  
135 to administer this section.

136 (6) The department shall review each written certification  
137 and determine whether the organization meets all the criteria to  
138 be considered an eligible charitable organization and notify the  
139 organization of its determination. The department may also  
140 periodically request recertification from the organization. The  
141 department shall compile and make available to the public a list  
142 of eligible charitable organizations.

143 (7) Tax credits authorized by this section that are earned  
144 by a partnership, limited liability company, S corporation or  
145 other similar pass-through entity, shall be allocated among all  
146 partners, members or shareholders, respectively, either in  
147 proportion to their ownership interest in such entity or as the  
148 partners, members or shareholders mutually agree as provided in an  
149 executed document.

150 (8) (a) A taxpayer shall apply for credits with the  
151 department on forms prescribed by the department. In the  
152 application the taxpayer shall certify to the department the  
153 dollar amount of the contributions made or to be made during the  
154 calendar year. Within thirty (30) days after the receipt of an  
155 application, the department shall allocate credits based on the  
156 dollar amount of contributions as certified in the application.  
157 However, if the department cannot allocate the full amount of  
158 credits certified in the application due to the limit on the



159 aggregate amount of credits that may be awarded under this section  
160 in a calendar year, the department shall so notify the applicant  
161 within thirty (30) days with the amount of credits, if any, that  
162 may be allocated to the applicant in the calendar year. Once the  
163 department has allocated credits to a taxpayer, if the  
164 contribution for which a credit is allocated has not been made as  
165 of the date of the allocation, then the contribution must be made  
166 not later than sixty (60) days from the date of the allocation.  
167 If the contribution is not made within such time period, the  
168 allocation shall be cancelled and returned to the department for  
169 reallocation. Upon final documentation of the contributions, if  
170 the actual dollar amount of the contributions is lower than the  
171 amount estimated, the department shall adjust the tax credit  
172 allowed under this section.

173           (b) (i) A taxpayer who applied for a tax credit under  
174 this section during calendar year 2020, but who was unable to be  
175 awarded the credit due to the limit on the aggregate amount of  
176 credits authorized for calendar year 2020, shall be given priority  
177 for tax credits authorized to be allocated to taxpayers under this  
178 section by Section 27-7-22.39.

179                       (ii) A taxpayer who applied during the month of  
180 January 2024, for a tax credit under this section for calendar  
181 year 2024, but who was unable to be awarded the credit due to the  
182 limit on the aggregate amount of credits authorized for calendar  
183 year 2024, shall be given priority for the allocation and awarding



184 of the additional tax credits authorized for calendar year 2024  
185 under subsection (9) of this section.

186 (c) For the purposes of using a tax credit against ad  
187 valorem taxes assessed and levied on real property, a taxpayer  
188 shall present to the appropriate tax collector the tax credit  
189 documentation provided to the taxpayer by the Department of  
190 Revenue, and the tax collector shall apply the tax credit against  
191 such ad valorem taxes. The tax collector shall forward the tax  
192 credit documentation to the Department of Revenue along with the  
193 amount of the tax credit applied against ad valorem taxes, and the  
194 department shall disburse funds to the tax collector for the  
195 amount of the tax credit applied against ad valorem taxes. Such  
196 payments by the Department of Revenue shall be made from current  
197 tax collections.

198 (9) The aggregate amount of tax credits that may be  
199 allocated by the department under this section during a calendar  
200 year shall not exceed Five Million Dollars (\$5,000,000.00), and  
201 not more than fifty percent (50%) of tax credits allocated during  
202 a calendar year may be allocated for contributions to eligible  
203 charitable organizations described in subsection (1)(b)(ii) of  
204 this section. However, for calendar year 2021, the aggregate  
205 amount of tax credits that may be allocated by the department  
206 under this section during a calendar year shall not exceed Ten  
207 Million Dollars (\$10,000,000.00), for calendar year 2022, the  
208 aggregate amount of tax credits that may be allocated by the





209 department under this section during a calendar year shall not  
210 exceed Sixteen Million Dollars (\$16,000,000.00), \* \* \* for  
211 calendar year 2023, and for each calendar year thereafter through  
212 calendar year 2024, the aggregate amount of tax credits that may  
213 be allocated by the department under this section during a  
214 calendar year shall not exceed Eighteen Million Dollars  
215 (\$18,000,000.00), and for calendar year 2025, and for each  
216 calendar year thereafter, the aggregate amount of tax credits that  
217 may be allocated by the department under this section during a  
218 calendar year shall not exceed Forty-eight Million Dollars  
219 (\$48,000,000.00). However, for calendar year 2024, additional  
220 credits in the aggregate amount of Six Million Dollars  
221 (\$6,000,000.00) may be allocated for contributions to eligible  
222 charitable organizations described in subsection (1)(b)(ii) of  
223 this section and awarded according to the provisions of subsection  
224 (8)(b)(ii) of this section. For calendar year 2021, and for each  
225 calendar year thereafter, fifty percent (50%) of the tax credits  
226 allocated during a calendar year shall be allocated for  
227 contributions to eligible charitable organizations described in  
228 subsection (1)(b)(i) of this section and fifty percent (50%) of  
229 the tax credits allocated during a calendar year shall be  
230 allocated for contributions to eligible charitable organizations  
231 described in subsection (1)(b)(ii) of this section. For calendar  
232 year 2021, and for each calendar year thereafter, for credits  
233 allocated during a calendar year for contributions to eligible



234 charitable organizations described in subsection (1)(b)(i) of this  
235 section, no more than twenty-five percent (25%) of such credits  
236 may be allocated for contributions to a single eligible charitable  
237 organization. Except as otherwise provided in this section, for  
238 calendar year 2021, and for each calendar year thereafter through  
239 calendar year 2024, for credits allocated during a calendar year  
240 for contributions to eligible charitable organizations described  
241 in subsection (1)(b)(ii) of this section, no more than four and  
242 one-half percent (4-1/2%) of such credits may be allocated for  
243 contributions to a single eligible charitable organization. For  
244 calendar year 2025, and for each calendar year thereafter, for  
245 credits allocated during a calendar year for contributions to  
246 eligible charitable organizations described in subsection  
247 (1)(b)(ii) of this section, no more than three percent (3%) of  
248 such credits may be allocated for contributions to a single  
249 eligible charitable organization.

250 **SECTION 2.** Section 27-7-22, Mississippi Code of 1972, is  
251 brought forward as follows:

252 27-7-22. (1) For any qualified business, as defined in  
253 Section 57-51-5, which is located in a county, or portion thereof,  
254 designated as an enterprise zone pursuant to Title 57, Chapter 51,  
255 Mississippi Code of 1972, there shall be allowed as a credit  
256 against the tax imposed by this chapter, an amount equal to One  
257 Thousand Dollars (\$1,000.00) per net full-time employee as  
258 determined by the average annual employment of the business



259 reported to the Employment Security Commission. Such credit shall  
260 be allowed annually to each qualified business for a period not to  
261 exceed ten (10) years. If the amount allowable as a credit  
262 exceeds the tax imposed by this chapter, the amount of such excess  
263 shall not be refundable or carried forward to any other taxable  
264 year.

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

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

274 (2) For any qualified business, as defined in Section  
275 57-54-5, there shall be allowed as a credit against the tax  
276 imposed by this chapter, an amount equal to One Thousand Dollars  
277 (\$1,000.00) per net full-time employee as determined by the  
278 average annual employment of the business reported to the  
279 Employment Security Commission. Such credit shall be allowed  
280 annually to each qualified business for a period not to exceed ten  
281 (10) years. If the amount allowable as a credit exceeds the tax  
282 imposed by this chapter, the amount of such excess shall not be  
283 refundable or carried forward to any other taxable year.



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

289 If the Mississippi Advanced Technology Initiative Act is  
290 repealed, any qualified business which had been granted a tax  
291 credit under this subsection prior to the date of such repeal  
292 shall be entitled to such tax credit until the period for which it  
293 was granted expires.

294 (3) For any qualified company, certified as such by the  
295 Mississippi Board of Economic Development under Section 57-53-1,  
296 there shall be allowed as a credit against the tax imposed by this  
297 chapter, an amount equal to One Thousand Dollars (\$1,000.00) per  
298 net full-time employee in this state, provided there is a minimum  
299 of seventy-five (75) net full-time employees, as determined by the  
300 average annual employment of the company in this state reported to  
301 the Employment Security Commission. Such credit shall be allowed  
302 annually to each qualified company for a period not to exceed ten  
303 (10) years. If the amount allowable as a credit exceeds the tax  
304 imposed by this chapter, the amount of such excess shall not be  
305 refundable or carried forward to any other taxable year.

306 For the purpose of determining the credit allowed to a  
307 qualified company which has expanded its existing buildings and  
308 facilities, the number of net full-time employees shall be the



309 difference between the average annual employment of such company  
310 before and after such expansion.

311 (4) For any qualified business or industry which is  
312 certified as such by the Mississippi Board of Economic Development  
313 pursuant to the Mississippi Flexible Tax Incentive Act and awarded  
314 any mFlex tax incentive amount for such qualified business's or  
315 industry's qualified economic development project, there shall be  
316 allowed as a credit against the tax imposed by this chapter, an  
317 amount prescribed by, and subject to, the Mississippi Flexible Tax  
318 Incentive Act.

319 **SECTION 3.** Section 27-7-22.3, Mississippi Code of 1972, is  
320 brought forward as follows:

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

325 27-7-22.3. (1) For taxpayers who are required to pay a job  
326 assessment fee as provided in Section 57-10-413, there shall be  
327 allowed as a credit against the taxes imposed by this chapter, an  
328 amount equal to the amount of the job assessment fee imposed upon  
329 such taxpayer pursuant to Section 57-10-413. If the amount  
330 allowable as a credit exceeds the tax imposed by this article and  
331 Section 27-7-22.3, the amount of such excess shall not be  
332 refundable or carried forward to any other taxable year.



333           (2) For any approved company as defined in Section  
334 57-10-401, there shall be allowed against the taxes imposed by  
335 this chapter on the income of the approved company generated by or  
336 arising out of the economic development project (as defined in  
337 Section 57-10-401), a credit in an amount not to exceed the total  
338 debt service paid under a financing agreement entered into under  
339 Section 57-10-409. The tax credit allowed in this subsection  
340 shall not exceed the amount of taxes due the State of Mississippi.

341           **[In cases involving an economic development project for which**  
342 **the Mississippi Business Finance Corporation has not issued bonds**  
343 **for the purpose of financing the approved costs of such project**  
344 **prior to July 1, 1994, but has issued bonds for such project prior**  
345 **to July 1, 1997, or in cases involving an economic development**  
346 **project which has been induced by a resolution of the Board of**  
347 **Directors of the Mississippi Business Finance Corporation that has**  
348 **been filed with the State Tax Commission prior to July 1, 1997,**  
349 **this section shall read as follows:]**

350           27-7-22.3. (1) For taxpayers who are required to pay a job  
351 assessment fee as provided in Section 57-10-413, there shall be  
352 allowed as a credit against the taxes imposed by this chapter, an  
353 amount equal to the amount of the job assessment fee imposed upon  
354 such taxpayer pursuant to Section 57-10-413. If the amount  
355 allowable as a credit exceeds the tax imposed by this article and  
356 Section 27-7-22.3, the amount of such excess shall not be  
357 refundable or carried forward to any other taxable year.



358           (2) For any approved company as defined in Section  
359 57-10-401, there shall be allowed against the taxes imposed by  
360 this chapter on the income of the approved company generated by or  
361 arising out of the economic development project (as defined in  
362 Section 57-10-401), a credit in an amount not to exceed the total  
363 debt service paid under a financing agreement entered into under  
364 Section 57-10-409. The tax credit allowed in this subsection  
365 shall not exceed the amount of taxes due the State of Mississippi.  
366 The amount of income of the approved company generated by or  
367 arising out of the economic development project shall be  
368 determined by a formula adopted by the Mississippi Business  
369 Finance Corporation.

370           **[In cases involving an economic development project for which**  
371 **the Mississippi Business Finance Corporation has not issued bonds**  
372 **for the purpose of financing the approved costs of such project**  
373 **prior to July 1, 1997, or in cases involving an economic**  
374 **development project which has not been induced by a resolution of**  
375 **the Board of Directors of the Mississippi Business Finance**  
376 **Corporation that has been filed with the State Tax Commission**  
377 **prior to July 1, 1997, this section shall read as follows:]**

378           27-7-22.3. For any approved company as defined in Section  
379 57-10-401, there shall be allowed against the taxes imposed by  
380 this chapter on the income of the approved company generated by or  
381 arising out of the economic development project (as defined in  
382 Section 57-10-401), a credit in an amount not to exceed the total



383 debt service paid under a financing agreement entered into under  
384 Section 57-10-409; provided, however, that the tax credit allowed  
385 in this subsection shall not exceed eighty percent (80%) of the  
386 amount of taxes due the State of Mississippi prior to the  
387 application of the credit. To the extent that financing agreement  
388 annual payments exceed the amount of the credit authorized  
389 pursuant to this section in any taxable year, such excess payment  
390 may be recouped from excess credits in succeeding years not to  
391 exceed three (3) years following the date upon which the credit  
392 was earned. The amount of income of the approved company  
393 generated by or arising out of the economic development project  
394 shall be determined by a formula adopted by the Mississippi  
395 Business Finance Corporation.

396       **SECTION 4.** Section 27-7-22.5, Mississippi Code of 1972, is  
397 brought forward as follows:

398       27-7-22.5. (1) (a) For any manufacturer, distributor,  
399 wholesale or retail merchant who pays to a county, municipality,  
400 school district, levee district or any other taxing authority of  
401 the state or a political subdivision thereof, ad valorem taxes  
402 imposed on commodities, raw materials, works-in-process, products,  
403 goods, wares and merchandise held for resale, a credit against the  
404 income taxes imposed under this chapter shall be allowed for the  
405 portion of the ad valorem taxes so paid in the amounts prescribed  
406 in subsection (2).





407 (b) (i) For any person, firm or corporation who pays  
408 to a county, municipality, school district, levee district or any  
409 other taxing authority of the state or a political subdivision  
410 thereof, ad valorem taxes imposed on rental equipment, a credit  
411 against the income taxes imposed under this chapter shall be  
412 allowed for the portion of the ad valorem taxes so paid in the  
413 amounts prescribed in subsection (2).

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

- 417 1. Under rental agreements with no specific  
418 term;
- 419 2. Under at-will or open-ended agreements; or
- 420 3. Under rental agreements with terms  
421 ordinarily of less than three hundred sixty-five (365) days; and
- 422 4. Is not subject to privilege taxes imposed  
423 in Chapter 19, Title 27, Mississippi Code of 1972.

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

427 (2) The tax credit allowed by this section shall not exceed  
428 the amounts set forth in paragraphs (a) through (g) of this  
429 subsection; and may be claimed for each location where such  
430 commodities, raw material, works-in-process, products, goods,  
431 wares, merchandise and/or rental equipment are found and upon



432 which the ad valorem taxes have been paid. Any tax credit claimed  
433 under this section but not used in any taxable year may be carried  
434 forward for five (5) consecutive years from the close of the tax  
435 year in which the credit was earned.

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

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

444 (c) For the 1996 taxable year, the tax credit for each  
445 location of the taxpayer shall not exceed the lesser of Four  
446 Thousand Dollars (\$4,000.00) or the amount of income taxes due the  
447 State of Mississippi that are attributable to such location.

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

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



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

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

466 (3) Any amount of ad valorem taxes paid by a taxpayer that  
467 is applied toward the tax credit allowed in this section may not  
468 be used as a deduction by the taxpayer for state income tax  
469 purposes. In the case of a taxpayer that is a partnership,  
470 limited liability company or S corporation, the credit may be  
471 applied only to the tax attributable to partnership, limited  
472 liability company or S corporation income derived from the  
473 taxpayer.

474 **SECTION 5.** Section 27-7-22.7, Mississippi Code of 1972, is  
475 brought forward as follows:

476 27-7-22.7. (1) As used in this section, the term "port"  
477 means a state, county or municipal port or harbor established  
478 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
479 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
480 59-11-1 through 59-11-7.



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

486           (3) Except as otherwise provided by subsection (5) of this  
487 section, the amount of the credit allowed pursuant to this section  
488 shall be the total of the following charges on export cargo paid  
489 by the corporation:

- 490                   (a) Receiving into the port;
- 491                   (b) Handling to a vessel; and
- 492                   (c) Wharfage.

493           (4) The credit provided for in this section shall not exceed  
494 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
495 for the taxable year reduced by the sum of all other credits  
496 allowable to such taxpayer under this chapter, except credit for  
497 tax payments made by or on behalf of the taxpayer. Any unused  
498 portion of the credit may be carried forward for the succeeding  
499 five (5) years. The maximum cumulative credit that may be claimed  
500 by a taxpayer pursuant to this section and for the period of time  
501 beginning on January 1, 1994, and ending on December 31, 2005, is  
502 limited to One Million Two Hundred Thousand Dollars  
503 (\$1,200,000.00).

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



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

509 (6) The purpose of the tax credit provided for in this  
510 section is to promote the increased use of ports and related  
511 facilities in this state, particularly by those taxpayers which  
512 would not otherwise use such ports and related facilities without  
513 the benefit of such tax credit, and increase the number of port  
514 related jobs and other economic development benefits associated  
515 with the increased use of such ports and related facilities. It  
516 is the intent of the Legislature that in determining whether or  
517 not such tax credit will be continued in future years, the  
518 attainment of the purposes set forth in this subsection must be  
519 demonstrated by the material contained in the reports prepared by  
520 the Mississippi Development Authority under Section 27-7-22.9.

521 **SECTION 6.** Section 27-7-22.13, Mississippi Code of 1972, is  
522 brought forward as follows:

523 27-7-22.13. (1) For the purposes of this section, the term  
524 "financial institution" shall have the meaning set forth in  
525 Section 27-7-24.1(h) (i), (ii), (iii), (iv), or (viii).

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



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

533 (b) The purchase by a Mississippi domiciled financial  
534 institution of all or substantially all of the assets (including  
535 all or substantially all of the branches) of an out-of-state  
536 financial institution;

537 (c) The purchase by an out-of-state financial  
538 institution of all or substantially all of the assets (including  
539 all or substantially all of the branches) of a Mississippi  
540 domiciled financial institution;

541 (d) The purchase by a Mississippi domiciled financial  
542 institution of all or substantially all of the assets (including  
543 all or substantially all of the branches) of an out-of-state  
544 financial institution in a state other than the State of  
545 Mississippi even though:

546 (i) Two (2) or more financial institutions are not  
547 merged or consolidated; or

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

550 (e) The purchase by an out-of-state financial  
551 institution of all or substantially all of the assets (including  
552 all or substantially all of the branches) in the State of  
553 Mississippi of a financial institution even though:

554 (i) Two (2) or more financial institutions are not  
555 merged or consolidated; or



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

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

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

564 (b) The number of employees listed on the Employer's  
565 Quarterly Contribution Report filed with the Mississippi  
566 Employment Security Commission by the financial institution for  
567 the same month one (1) year following completion of the  
568 transaction, exclusive of the number of employees gained in  
569 connection with intervening transactions.

570 (4) The base amount of the credit provided in this section  
571 shall be equal to the net gain in the number of employees  
572 multiplied by One Thousand Five Hundred Dollars (\$1,500.00). The  
573 financial institution may claim as a credit against income tax an  
574 amount equal to one hundred percent (100%) of the base amount in  
575 the tax year the determination is made, eighty percent (80%) in  
576 the next year, sixty percent (60%) in the third year, forty  
577 percent (40%) in the fourth year and twenty percent (20%) in the  
578 fifth year. The credit allowed by this section shall not exceed  
579 the amount of the taxes due to the State of Mississippi by the  
580 financial institution. Any amount allowable as a credit pursuant



581 to this section that exceeds the financial institution's tax  
582 liability shall not be refunded or carried forward to any other  
583 taxable year.

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

587 (6) The commission may promulgate regulations to implement  
588 this section.

589 **SECTION 7.** Section 27-7-22.15, Mississippi Code of 1972, is  
590 brought forward as follows:

591 27-7-22.15. (1) As used in this section, the following  
592 words and phrases shall have the meanings ascribed to herein  
593 unless the context clearly indicates otherwise:

594 (a) "Approved reforestation practices" means the  
595 following practices for establishing a crop of trees suitable for  
596 manufacturing into forest products:

597 (i) "Pine and hardwood tree planting practices"  
598 including the cost of seedlings, planting by hand or machine, and  
599 site preparation.

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

604 (iii) "Direct seeding practices" to establish a  
605 crop of pine or oak trees by directly applying seed/acorns to the





606 site including the cost of seed/acorns, seeding and site  
607 preparation.

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

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

613 (b) "Eligible tree species" means pine and hardwood  
614 commercial tree species suitable for manufacturing into forest  
615 products.

616 (c) "Cost-share assistance" means partial financial  
617 payment for approved reforestation practices from the state  
618 government as authorized under Sections 49-19-201 through  
619 49-19-227, or the federal government.

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

624 (e) "Eligible lands" means nonindustrial private lands  
625 owned by a private individual, group or association, but shall not  
626 mean lands owned by private corporations which manufacture  
627 products or provide public utility services of any type or any  
628 subsidiary of such corporations.

629 (f) "Reforestation prescription or plan" means a  
630 written description of the approved reforestation practices that



631 the eligible owner plans to use and includes a legal description  
632 and map of the area to be reforested, a list of the tree seedling  
633 or seed species to be used in the reforestation and the site  
634 preparation practices that will be utilized.

635 (2) Subject to the limitations provided in subsection (3) of  
636 this section, upon submission to the State Tax Commission of the  
637 written verification provided for in subsection (5) of this  
638 section and such other documentation as the State Tax Commission  
639 may require, any eligible owner who incurs costs for approved  
640 reforestation practices for eligible tree species on eligible  
641 lands shall be allowed a credit, in an amount equal to the lesser  
642 of fifty percent (50%) of the actual costs of the approved  
643 reforestation practices or fifty percent (50%) of the average cost  
644 of approved practices as established by the Mississippi Forestry  
645 Commission under Section 49-19-219, against the taxes imposed  
646 pursuant to this chapter for the tax year in which the costs are  
647 incurred.

648 (3) The maximum amount of the credit provided for in  
649 subsection (2) of this section that may be utilized in any one (1)  
650 taxable year shall not exceed the lesser of Ten Thousand Dollars  
651 (\$10,000.00) or the amount of income tax imposed upon the eligible  
652 owner for the taxable year reduced by the sum of all other credits  
653 allowable to the eligible owner under this chapter, except credit  
654 for tax payments made by or on behalf of the eligible owner. Any  
655 unused portion of the credit may be carried forward for succeeding



656 tax years. The maximum dollar amount of the credit provided for  
657 in subsection (2) of this section that an eligible owner may  
658 utilize during his lifetime shall be Seventy-five Thousand Dollars  
659 (\$75,000.00) in the aggregate.

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

666 (5) To be eligible for the tax credit, an eligible owner  
667 must have a reforestation prescription or plan prepared for the  
668 eligible lands by a graduate forester of a college, school or  
669 university accredited by the Society of American Foresters or by a  
670 registered forester under the Foresters Registration Law of 1977.  
671 The forester must verify in writing that the reforestation  
672 practices were completed and that the reforestation prescription  
673 or plan was followed.

674 **SECTION 8.** Section 27-7-22.16, Mississippi Code of 1972, is  
675 brought forward as follows:

676 27-7-22.16. (1) (a) Except as otherwise provided under  
677 this subsection, the words and phrases used in this section shall  
678 have the meanings ascribed to them in Section 49-35-5, Mississippi  
679 Code of 1972.



680           (b) "Remediation costs" means reasonable costs paid for  
681 the assessment, investigation, remediation, monitoring and related  
682 activities at a brownfield agreement site which are consistent  
683 with the remedy selected for the site, and costs paid to the  
684 Department of Environmental Quality for the processing of the  
685 brownfield agreement application and administration of a  
686 brownfield agreement. Remediation costs shall not include (i)  
687 costs incurred before June 24, 1999; (ii) costs incurred after the  
688 issuance of a No Further Action letter under Section 49-35-15,  
689 Mississippi Code of 1972; (iii) costs incurred before the  
690 acceptance of a brownfield agreement site into the Mississippi  
691 Brownfields Voluntary Cleanup and Redevelopment program; (iv)  
692 costs incurred for any legal services or litigation costs; and (v)  
693 any funds provided by any federal, state or local governmental  
694 agency or political subdivision.

695           (2) Subject to the limitations provided in subsection (4) of  
696 this section, upon submission to the State Tax Commission of  
697 information provided for in subsection (5) of this section and any  
698 other documentation as the State Tax Commission may require, any  
699 brownfield party who (a) has conducted remediation at a brownfield  
700 agreement site in accordance with Sections 49-35-1 through  
701 49-35-25 and (b) has incurred remediation costs for activities  
702 under Sections 49-35-1 through 49-35-25, as approved by the  
703 Commission on Environmental Quality, shall be allowed a credit in  
704 an amount equal to twenty-five percent (25%) of the remediation



705 costs at the brownfield agreement site as approved by the  
706 commission, against the taxes imposed under this chapter for the  
707 tax year in which the costs are incurred.

708 (3) (a) Before applying for the tax credit authorized in  
709 this section, a brownfield party shall submit an application to  
710 the Department of Environmental Quality for certification that the  
711 brownfield party has conducted remediation at a brownfield  
712 agreement site in accordance with Sections 49-35-1 through  
713 49-35-25 during the tax year(s) for which the credit is sought.  
714 The application shall be on forms prescribed by the Commission on  
715 Environmental Quality and provided by the Department. The  
716 application shall include the following:

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

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

725 (iii) Any other information which the Commission  
726 on Environmental Quality or the State Tax Commission deems  
727 appropriate.

728 (b) Within sixty (60) days after receipt by the  
729 Department of a completed application, the department shall



730 approve or disapprove the application. The Department shall  
731 notify the brownfield party in writing of its decision. If the  
732 department approves the application, the department shall provide  
733 the brownfield party with certification that the brownfield party  
734 has conducted remediation at a brownfield agreement site in  
735 accordance with Sections 49-35-1 through 49-35-25 during the tax  
736 year(s) for which the credit is sought. If the Department  
737 disapproves the application, the Department shall notify the  
738 brownfield party in writing and state the reasons for the  
739 disapproval.

740 (c) Within thirty (30) days after receipt of the  
741 Department's decision, the brownfield party may request a hearing  
742 before the Commission regarding the Department's decision to  
743 disapprove the application. An appeal of the Commission's  
744 decision may be taken as provided under Section 49-17-41.

745 (d) The Department's review of the application under  
746 this section shall be considered a part of the administration of  
747 the brownfield agreement.

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

751 (4) (a) The annual credit provided for in this section  
752 shall not exceed the lesser of Forty Thousand Dollars (\$40,000.00)  
753 or the amount of the income tax imposed upon the brownfield party  
754 at the brownfield agreement site for the taxable year as reduced



755 by the sum of all other credits allowable to the brownfield party  
756 under this chapter, except for credit for tax payments made by or  
757 on behalf of the brownfield party. Any unused portion of the  
758 credit may be carried forward for succeeding tax years.

759 (b) The maximum total credit under this section for a  
760 brownfield agreement site is One Hundred Fifty Thousand Dollars  
761 (\$150,000.00).

762 (5) To be eligible for the tax credit, the brownfield party  
763 must submit a copy of the letter from the commission stating the  
764 amount of remediation costs approved by the commission for the  
765 given tax year.

766 **SECTION 9.** Section 27-7-22.17, Mississippi Code of 1972, is  
767 brought forward as follows:

768 27-7-22.17. (1) Permanent business enterprises engaged in  
769 operating a project and companies that are members of an  
770 affiliated group that includes such permanent business enterprises  
771 are allowed a job tax credit for taxes imposed by Section 27-7-5  
772 equal to Five Thousand Dollars (\$5,000.00) annually for each net  
773 new full-time employee job for a period of twenty (20) years from  
774 the date the credit commences; however, if the permanent business  
775 enterprise is located in an area that has been declared by the  
776 Governor to be a disaster area and as a direct result of the  
777 disaster the business enterprise is unable to maintain the  
778 required number of employees, the commissioner may extend this  
779 time period for not more than two (2) years. The credit shall



780 commence on the date selected by the permanent business  
781 enterprise; however, the commencement date shall not be more than  
782 five (5) years from the date the business enterprise commences  
783 commercial production. For the year in which the commencement  
784 date occurs, the number of new full-time jobs shall be determined  
785 by using the monthly average number of full-time employees subject  
786 to the Mississippi income tax withholding. Thereafter, the number  
787 of new full-time jobs shall be determined by comparing the monthly  
788 average number of full-time employees subject to the Mississippi  
789 income tax withholding for the taxable year with the corresponding  
790 period of the prior taxable year. Once a permanent business  
791 enterprise creates or increases employment three thousand (3,000)  
792 or more, such enterprise and the members of the affiliated group  
793 that include such enterprise, shall be eligible for the credit.  
794 The credit is not allowed for any year of the twenty-year period  
795 in which the overall monthly average number of full-time employees  
796 subject to the Mississippi income tax withholding falls below  
797 three thousand (3,000); however, if the permanent business  
798 enterprise is located in an area that has been declared by the  
799 Governor to be a disaster area and as a direct result of the  
800 disaster the business enterprise is unable to maintain the  
801 required number of employees, the commissioner may waive the  
802 employment requirement for a period of time not to exceed two (2)  
803 years. The State Tax Commission shall adjust the credit allowed





804 each year for the net new employment fluctuations above three  
805 thousand (3,000).

806 (2) Any tax credit claimed under this section but not used  
807 in any taxable year may be carried forward for five (5)  
808 consecutive years from the close of the tax year in which the  
809 credits were earned; however, if the permanent business enterprise  
810 is located in an area that has been declared by the Governor to be  
811 a disaster area and as a direct result of the disaster the  
812 business enterprise is unable to use the existing carryforward,  
813 the commissioner may extend the period that the credit may be  
814 carried forward for a period of time not to exceed two (2) years.  
815 The credit that may be utilized each year shall be limited to an  
816 amount not greater than the total state income tax liability of  
817 the permanent business enterprise and the state income tax  
818 liability of any member of the affiliated group that includes such  
819 enterprise that is generated by, or arises out of, the project.

820 (3) The tax credits provided for in this section shall be in  
821 lieu of the tax credits provided for in Section 57-73-21 and any  
822 permanent business enterprise or any member of the affiliated  
823 group that includes such enterprise utilizing the tax credit  
824 authorized in this section shall not utilize the tax credit  
825 authorized in Section 57-73-21.

826 (4) As used in this section:

827 (a) "Project" means a project as defined in Section  
828 57-75-5(f) (iv).



829 (b) "Affiliated group" means one or more corporations  
830 connected through stock ownership with a common parent corporation  
831 where at least eighty percent (80%) of the voting power of all  
832 classes of stock and at least eighty percent (80%) of each class  
833 of the nonvoting stock of each of the member corporations, except  
834 the common parent corporation, is directly owned by one or more of  
835 the other member corporations; and the common parent corporation  
836 directly owns stock possessing at least eighty percent (80%) of  
837 the voting power of all classes of stock and at least eighty  
838 percent (80%) of each class of the nonvoting stock of at least one  
839 (1) of the other member corporations. As used in this subsection,  
840 the term "stock" does not include nonvoting stock that is limited  
841 and preferred as to dividends.

842 **SECTION 10.** Section 27-7-22.18, Mississippi Code of 1972, is  
843 brought forward as follows:

844 27-7-22.18. (1) Any enterprise owning or operating a  
845 project as defined in Section 57-75-5(f)(xviii) is allowed a job  
846 tax credit for taxes imposed by Section 27-7-5 equal to Five  
847 Thousand Dollars (\$5,000.00) annually for each net new full-time  
848 employee job for a period of ten (10) years from the date the  
849 credit commences. The credit shall commence on the date selected  
850 by the enterprise; provided, however, that the commencement date  
851 shall not be more than two (2) years from the date the project  
852 becomes fully operational. For the year in which the commencement  
853 date occurs, the enterprise must select a date on which it has at



854 least four hundred fifty (450) full-time employees subject to the  
855 Mississippi income tax withholding. From that date to the end of  
856 the year, the credit will be determined based on the remaining  
857 monthly average of full-time employees subject to the Mississippi  
858 income tax withholding. For each year thereafter, the number of  
859 new full-time jobs created shall be determined by calculating the  
860 monthly average number of full-time employees subject to the  
861 Mississippi income tax withholding for the year. For every year  
862 subsequent to the year the commencement date occurs, the credit is  
863 not allowed for any year in which the overall monthly average  
864 number of full-time employees subject to the Mississippi income  
865 tax withholding falls below the minimum jobs requirement provided  
866 in Section 57-75-5(f) (xviii). The State Tax Commission shall  
867 adjust the credit allowed each year for the net new employment  
868 fluctuations.

869 (2) For the first five (5) years in which a tax credit is  
870 claimed under this section, any tax credit claimed but not used in  
871 any taxable year may be carried forward for five (5) consecutive  
872 years from the close of the tax year in which the credits were  
873 earned. For the remainder of the ten-year period, any tax credit  
874 claimed under this section but not used in any taxable year may be  
875 carried forward for three (3) consecutive years from the close of  
876 the tax year in which the credits were earned. The credit that  
877 may be utilized each year shall be limited to an amount not



878 greater than the total state income tax liability of the  
879 enterprise that is generated by, or arises out of, the project.

880 (3) The tax credits provided for in this section shall be in  
881 lieu of the tax credits provided for in Section 57-73-21 and any  
882 enterprise utilizing the tax credit authorized in this section  
883 shall not utilize the tax credit authorized in Section 57-73-21.

884 **SECTION 11.** Section 27-7-22.19, Mississippi Code of 1972, is  
885 brought forward as follows:

886 27-7-22.19. (1) Integrated suppliers are allowed a job tax  
887 credit for taxes imposed by Section 27-7-5 equal to One Thousand  
888 Dollars (\$1,000.00) annually for each net new full-time employee  
889 for five (5) years from the date the credit commences; however, if  
890 the integrated supplier is located in an area that has been  
891 declared by the Governor to be a disaster area and as a direct  
892 result of the disaster the integrated supplier is unable to  
893 maintain the required number of employees, the commissioner may  
894 extend this time period for not more than two (2) years. The  
895 credit shall commence on the date selected by the integrated  
896 supplier; provided, however, that the commencement date shall not  
897 be more than five (5) years from the date the integrated supplier  
898 commences commercial production. For the year in which the  
899 commencement date occurs, the number of new full-time jobs shall  
900 be determined by using the monthly average number of full-time  
901 employees subject to Mississippi income tax withholding.  
902 Thereafter, the number of new full-time jobs shall be determined



903 by comparing the monthly average number of full-time employees  
904 subject to Mississippi income tax withholding for the taxable year  
905 with the corresponding period of the prior taxable year. Only  
906 those integrated suppliers that increase employment by twenty (20)  
907 or more are eligible for the credit. The credit is not allowed  
908 during any of the five (5) years if the net employment increase  
909 falls below twenty (20); however, if the integrated supplier is  
910 located in an area that has been declared by the Governor to be a  
911 disaster area and as a direct result of the disaster the  
912 integrated supplier is unable to maintain the required number of  
913 employees, the commissioner may waive the employment requirement  
914 for a period of time not to exceed two (2) years. The State Tax  
915 Commission shall adjust the credit allowed each year for the net  
916 new employment fluctuations above the minimum level of twenty  
917 (20).

918 (2) Any tax credit claimed under this section but not used  
919 in any taxable year may be carried forward for five (5)  
920 consecutive years from the close of the tax year in which the  
921 credits were earned; however, if the integrated supplier is  
922 located in an area that has been declared by the Governor to be a  
923 disaster area and as a direct result of the disaster the  
924 integrated supplier is unable to use the existing carryforward,  
925 the commissioner may extend the period that the credit may be  
926 carried forward for a period of time not to exceed two (2) years.  
927 The credit that may be utilized each year shall be limited to an



928 amount not greater than fifty percent (50%) of the taxpayer's  
929 state income tax liability which is attributable to income derived  
930 from operation in the state for that year.

931 (3) The tax credits provided for in this section shall be in  
932 lieu of the tax credits provided for in Section 57-73-21, and any  
933 integrated supplier utilizing the tax credit authorized in this  
934 section shall not utilize the tax credit authorized in Section  
935 57-73-21.

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

940 **SECTION 12.** Section 27-7-22.20, Mississippi Code of 1972, is  
941 brought forward as follows:

942 27-7-22.20. (1) An enterprise owning or operating a project  
943 as defined in Section 57-75-5(f)(xviii) is allowed an annual  
944 investment tax credit for taxes imposed by Section 27-7-5 equal to  
945 seven and one-half percent (7-1/2%) of the eligible investments  
946 made by the enterprise. The credit shall commence on the date  
947 selected by the enterprise; provided, however, that the  
948 commencement date shall not be more than two (2) years from the  
949 date the project becomes fully operational. For the purposes of  
950 this section, the term "eligible investment" means the amount of  
951 investment in a project as defined in Section 57-75-5(f)(xviii)  
952 that is greater than Four Hundred Million Dollars



953 (\$400,000,000.00) and used in the initial establishment of the  
954 project.

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

962 (3) The credit received under this section is subject to  
963 recapture if the property for which the tax credit was received is  
964 disposed of, or converted to, other than business use. The amount  
965 of the credit subject to recapture is one hundred percent (100%)  
966 of the credit in the first year and fifty percent (50%) of the  
967 credit in the second year. This subsection shall not apply in  
968 cases in which an entire facility is sold.

969 **SECTION 13.** Section 27-7-22.21, Mississippi Code of 1972, is  
970 brought forward as follows:

971 27-7-22.21. (1) As used in this section, the following  
972 words and phrases shall have the following meanings, unless the  
973 context clearly indicates otherwise:

974 (a) "Eligible land" means nonindustrial private lands  
975 in the state that are adjacent to and along a stream which is  
976 fully nominated to the Mississippi Scenic Streams Stewardship  
977 Program, or nonindustrial private lands in the state which are



978 considered to be priority sites for conservation under the  
979 Mississippi Natural Heritage Program.

980 (b) "Eligible owner" means a private individual, group  
981 or association other than a private corporation, or any subsidiary  
982 thereof, which manufactures products or provides public utility  
983 services of any type.

984 (c) "Interest in land" means any right in real  
985 property, including access thereto or improvements thereon, or  
986 water, including, but not limited to, a fee simple easement, a  
987 conservation easement, provided such interest complies with the  
988 requirements of the United States Internal Revenue Code Section  
989 170(h), partial interest, mineral right, remainder or future  
990 interest, or other interest or right in real property.

991 (d) "Land" or "lands" means real property, with or  
992 without improvements thereon, rights-of-way, water and riparian  
993 rights, easements, privileges and all other rights or interests of  
994 any land or description in, relating to, or connected with real  
995 property.

996 (e) "Allowable transaction costs" mean the costs of the  
997 appraisal of the lands or interests in lands, including  
998 conservation easements, that are being donated, of the baseline  
999 survey of the natural features, animals and plants present on the  
1000 site, of engineering and surveying fees, of maintenance fees, of  
1001 monitoring fees and of legal fees, including the costs of document  
1002 preparation, title review and title insurance.





1003           (f) "Specified conservation purposes" mean the  
1004 preservation of stream bank habitats and the stability of stream  
1005 banks, or the protection of land necessary because of high  
1006 biodiversity significance or high protection urgency due to the  
1007 presence of exemplary natural communities or species of special  
1008 concern, including threatened or endangered species.

1009           (2) For the taxable years beginning on or after January 1,  
1010 2003, for any income taxpayer who is an eligible owner, a credit  
1011 against the taxes imposed by this chapter shall be allowed in the  
1012 amounts provided in this section upon the donation of land or an  
1013 interest in land for specified conservation purposes.

1014           (3) The credit provided for in this section shall be fifty  
1015 percent (50%) of the allowable transaction costs involved in the  
1016 donation for the tax year in which the allowable transaction costs  
1017 occur. The aggregate amount of the credit provided in this  
1018 section for allowable transaction costs shall not exceed the  
1019 lesser of Ten Thousand Dollars (\$10,000.00) or the amount of tax  
1020 imposed upon the taxpayer for the taxable year reduced by the sum  
1021 of all other credits allowable to such taxpayer under this  
1022 chapter, except credit for tax payments made by or on behalf of  
1023 the taxpayer. Any unused portion of the credit may be carried  
1024 forward for ten (10) succeeding tax years. The maximum dollar  
1025 amount of the credit provided for in this section that an eligible  
1026 owner may utilize during his lifetime shall be Ten Thousand  
1027 Dollars (\$10,000.00) in the aggregate.



1028 (4) To be eligible for the credit provided for in this  
1029 section, an eligible owner must demonstrate that the donation  
1030 qualifies as a conservation contribution under Section 170(h) of  
1031 the United States Internal Revenue Code of 1986, by means of being  
1032 a donation in perpetuity, for conservation purposes and made to a  
1033 qualified holder or donee. A letter from the donee indicating  
1034 acceptance and a completed copy of the appropriate United States  
1035 Internal Revenue Service form shall constitute proof of  
1036 acceptance. The eligible owner also must submit any other  
1037 documentation that the State Tax Commission may require.

1038 **SECTION 14.** Section 27-7-22.22, Mississippi Code of 1972, is  
1039 brought forward as follows:

1040 27-7-22.22. (1) A credit is allowed against the taxes  
1041 imposed by this chapter to a taxpayer for allowing land owned by  
1042 the taxpayer to be used as a natural area preserve, a wildlife  
1043 refuge or habitat area, a wildlife management area, or for the  
1044 purpose of providing public outdoor recreational opportunities, as  
1045 authorized under Section 49-1-29, 49-5-71 or 49-5-155, subject to  
1046 the following conditions and limitations:

1047 (a) The land may not be under lease to the Mississippi  
1048 Commission on Wildlife, Fisheries and Parks, and the commission  
1049 must approve the land as being suitable for the uses described in  
1050 this section.



1051           (b) The amount of the tax credit allowed by this  
1052 section shall be Five Dollars and Fifty Cents (\$5.50) per acre of  
1053 land in each taxable year.

1054           (c) In no event shall the amount of the tax credits  
1055 allowed by this section for a taxable year exceed the taxpayer's  
1056 liability for those taxes. Any unused credit amount shall be  
1057 allowed to be carried forward for five (5) years from the close of  
1058 the taxable year in which the land was approved for such a use.  
1059 No such credit shall be allowed the taxpayer against prior years'  
1060 tax liability.

1061           (2) To claim a credit allowed by this section, the taxpayer  
1062 shall provide any information required by the Mississippi  
1063 Commission on Wildlife, Fisheries and Parks or the Mississippi  
1064 Commissioner of Revenue. Every taxpayer claiming a credit under  
1065 this section shall maintain and make available for inspection by  
1066 the Mississippi Commission on Wildlife, Fisheries and Parks or the  
1067 Mississippi Commissioner of Revenue any records that either entity  
1068 considers necessary to determine and verify the amount of the  
1069 credit to which the taxpayer is entitled. The burden of proving  
1070 eligibility for a credit and the amount of the credit rests upon  
1071 the taxpayer, and no credit may be allowed to a taxpayer that  
1072 fails to maintain adequate records or to make them available for  
1073 inspection.

1074           (3) Upon approval of the Commission on Wildlife, Fisheries  
1075 and Parks under subsection (1) (a), a taxpayer seeking to claim any



1076 tax credit provided for under this section must submit an  
1077 application to the Mississippi Commissioner of Revenue for  
1078 approval of the tax credit. The Mississippi Commissioner of  
1079 Revenue shall promulgate the rules and forms on which the  
1080 application is to be submitted. The Mississippi Commissioner of  
1081 Revenue shall review the application and may approve such  
1082 application upon determining that it meets the requirements of  
1083 this section within sixty (60) days after receiving the  
1084 application.

1085       **SECTION 15.** Section 27-7-22.23, Mississippi Code of 1972, is  
1086 brought forward as follows:

1087       27-7-22.23. (1) As used in this section, the term "port"  
1088 means a state, county or municipal port or harbor established  
1089 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
1090 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
1091 59-11-1 through 59-11-7.

1092       (2) Subject to the provisions of this section, for any  
1093 income taxpayer utilizing the port facilities at any port for the  
1094 import of cargo that is unloaded from a carrier calling at any  
1095 such port, a credit against the taxes imposed pursuant to this  
1096 chapter shall be allowed in the amounts provided in this section.  
1097 In order to be eligible for the credit authorized under this  
1098 section, a taxpayer must locate its United States headquarters in  
1099 Mississippi on or after July 1, 2004, employ at least five (5)  
1100 permanent full-time employees who actually work at such



1101 headquarters and have a minimum capital investment of Two Million  
1102 Dollars (\$2,000,000.00) in Mississippi. For the purposes of this  
1103 section, "full-time employee" shall mean an employee who works at  
1104 least thirty-five (35) hours per week.

1105 (3) (a) Except as otherwise provided by subsection (4) of  
1106 this section, the amount of the credit allowed pursuant to this  
1107 section shall be the total of the following charges on import of  
1108 cargo paid by the corporation:

- 1109 (i) Receiving into the port;
- 1110 (ii) Handling from a vessel; and
- 1111 (iii) Wharfage.

1112 (b) The credit allowed pursuant to this section shall  
1113 not include charges paid by a corporation on the import of forest  
1114 products.

1115 (4) The credit provided for in this section shall not exceed  
1116 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
1117 for the taxable year reduced by the sum of all other credits  
1118 allowable to such taxpayer under this chapter, except credit for  
1119 tax payments made by or on behalf of the taxpayer. Any unused  
1120 portion of the credit may be carried forward for the succeeding  
1121 five (5) years. The maximum cumulative credit that may be claimed  
1122 by a taxpayer under this section is limited to One Million Dollars  
1123 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
1124 more than twenty-five (25) permanent full-time employees at its  
1125 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)



1126 if the taxpayer employs more than twenty-five (25), but not more  
1127 than one hundred (100) permanent full-time employees at its  
1128 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
1129 if the taxpayer employs more than one hundred (100), but not more  
1130 than two hundred (200) permanent full-time employees at its  
1131 headquarters in Mississippi; and Four Million Dollars  
1132 (\$4,000,000.00) if the taxpayer employs more than two hundred  
1133 (200) permanent full-time employees at its headquarters in  
1134 Mississippi.

1135 (5) To obtain the credit provided for in this section, a  
1136 taxpayer must provide to the Department of Revenue a statement  
1137 from the governing authority of the port certifying the amount of  
1138 charges paid by the taxpayer for which a credit is claimed and any  
1139 other information required by the Department of Revenue.

1140 **SECTION 16.** Section 27-7-22.25, Mississippi Code of 1972, is  
1141 brought forward as follows:

1142 27-7-22.25. (1) As used in this section, the term "airport"  
1143 means an airport established pursuant to Chapters 3 and 5, Title  
1144 61, Mississippi Code of 1972.

1145 (2) Subject to the provisions of this section, for any  
1146 income taxpayer utilizing the facilities at any airport for the  
1147 export or import of cargo that is unloaded from a carrier at any  
1148 such airport, a credit against the taxes imposed pursuant to this  
1149 chapter shall be allowed in the amounts provided in this section.  
1150 In order to be eligible for the credit authorized under this



1151 section, a taxpayer must locate its United States headquarters in  
1152 Mississippi on or after July 1, 2005, employ at least five (5) new  
1153 permanent full-time employees who actually work at such  
1154 headquarters and, after July 1, 2005, invest a minimum of Two  
1155 Million Dollars (\$2,000,000.00), in the aggregate, in real  
1156 property and/or personal property in Mississippi. For the  
1157 purposes of this section, "full-time employee" shall mean an  
1158 employee who works at least thirty-five (35) hours per week.

1159 (3) Except as otherwise provided by subsection (4) of this  
1160 section, the amount of the credit allowed pursuant to this section  
1161 shall be the total of the following charges on import or export of  
1162 cargo paid by the corporation:

- 1163 (a) Receiving into the airport;
- 1164 (b) Aircraft marshalling or handling fees; and
- 1165 (c) Aircraft landing fees.

1166 (4) The credit provided for in this section shall not exceed  
1167 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
1168 for the taxable year reduced by the sum of all other credits  
1169 allowable to such taxpayer under this chapter, except credit for  
1170 tax payments made by or on behalf of the taxpayer. Any unused  
1171 portion of the credit may be carried forward for the succeeding  
1172 five (5) years. The maximum cumulative credit that may be claimed  
1173 by a taxpayer under this section is limited to One Million Dollars  
1174 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
1175 more than twenty-five (25) permanent full-time employees at its



1176 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)  
1177 if the taxpayer employs more than twenty-five (25), but not more  
1178 than one hundred (100) permanent full-time employees at its  
1179 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
1180 if the taxpayer employs more than one hundred (100), but not more  
1181 than two hundred (200) permanent full-time employees at its  
1182 headquarters in Mississippi; and Four Million Dollars  
1183 (\$4,000,000.00) if the taxpayer employs more than two hundred  
1184 (200) permanent full-time employees at its headquarters in  
1185 Mississippi.

1186 (5) To obtain the credit provided for in this section, a  
1187 taxpayer must provide to the Department of Revenue a statement  
1188 from the governing authority of the airport certifying the amount  
1189 of charges paid by the taxpayer for which a credit is claimed and  
1190 any other information required by the Department of Revenue.

1191 (6) Any taxpayer who is eligible, before July 1, 2025, for  
1192 the credit provided for in this section, shall remain eligible for  
1193 such credit after July 1, 2025, notwithstanding the repeal of this  
1194 section.

1195 **SECTION 17.** Section 27-7-22.27, Mississippi Code of 1972, is  
1196 brought forward as follows:

1197 27-7-22.27. (1) As used in this section:

1198 (a) "Business enterprises" means entities primarily  
1199 engaged in:





1200 (i) Manufacturing, processing, warehousing,  
1201 distribution, wholesaling and research and development, or  
1202 (ii) Permanent business enterprises designated by  
1203 rule and regulation of the Mississippi Development Authority as  
1204 air transportation and maintenance facilities, final destination  
1205 or resort hotels having a minimum of one hundred fifty (150) guest  
1206 rooms, recreational facilities that impact tourism, movie industry  
1207 studios, telecommunications enterprises, data or information  
1208 processing enterprises or computer software development  
1209 enterprises or any technology intensive facility or enterprise.

1210 (b) "Economically distressed community" means an area  
1211 within a municipality that contains groupings of census tracts  
1212 that include and are contiguous to the central business district,  
1213 where within such census tract groupings at least thirty percent  
1214 (30%) of the residents have incomes that are less than the  
1215 national poverty level as published by the United States Bureau of  
1216 the Census in the most recent decennial census for which data is  
1217 available; in which the unemployment rate is at least one and  
1218 one-half (1-1/2) times greater than the national average, as  
1219 determined by the most recent data from the United States Bureau  
1220 of Labor Statistics, including estimates of unemployment developed  
1221 using the calculation method of the United States Bureau of Labor  
1222 Statistics Census Share; and

1223 (i) The municipal population of which is at least  
1224 four thousand (4,000) if any portion of the municipality is



1225 located within a metropolitan area with a population of fifty  
1226 thousand (50,000), or more; or

1227 (ii) The municipal population of which is at least  
1228 one thousand (1,000) if no portion of the municipality is located  
1229 within a metropolitan area with a population of fifty thousand  
1230 (50,000), or more.

1231 (c) "Telecommunications enterprises" means entities  
1232 engaged in the creation, display, management, storage, processing,  
1233 transmission or distribution for compensation of images, text,  
1234 voice, video or data by wire or by wireless means, or entities  
1235 engaged in the construction, design, development, manufacture,  
1236 maintenance or distribution for compensation of devices, products,  
1237 software or structures used in the above activities. Companies  
1238 organized to do business as commercial broadcast radio stations,  
1239 television stations or news organizations primarily serving  
1240 in-state markets shall not be included within the definition of  
1241 the term "telecommunications enterprises."

1242 (2) The governing authorities of a municipality may  
1243 designate an area within such municipality as an economically  
1244 distressed community.

1245 (3) Upon designation of an area within a municipality as an  
1246 economically distressed community, the governing authorities of a  
1247 municipality shall apply to the State Tax Commission for  
1248 certification of the area as an economically distressed community.  
1249 Such application shall provide the information necessary to



1250 establish certification as an economically distressed community.  
1251 The State Tax Commission shall certify an area within a  
1252 municipality as an economically distressed community if it finds  
1253 that the designation meets the criteria provided for in subsection  
1254 (1)(b) of this section.

1255 (4) Permanent business enterprises in areas within  
1256 municipalities certified by the State Tax Commission as  
1257 economically distressed communities are allowed a job tax credit  
1258 for taxes imposed by Section 27-7-5 equal to ten percent (10%) of  
1259 the payroll of the enterprise for net new full-time employee jobs  
1260 for five (5) years beginning with years two (2) through six (6)  
1261 after the creation of the minimum number of jobs required by this  
1262 subsection. The number of new full-time jobs must be determined  
1263 by comparing the monthly average number of full-time employees  
1264 subject to the Mississippi income tax withholding for the taxable  
1265 year with the corresponding period of the prior taxable year.  
1266 Only those permanent business enterprises that increase employment  
1267 by ten (10) or more in an economically distressed community are  
1268 eligible for the credit. Credit is not allowed during any of the  
1269 five (5) years if the net employment increase falls below ten  
1270 (10). The State Tax Commission shall adjust the credit allowed  
1271 each year for the net new employment fluctuations above the  
1272 minimum level of ten (10).

1273 (5) Tax credits for five (5) years for the taxes imposed by  
1274 Section 27-7-5 shall be awarded for additional net new full-time



1275 jobs created by business enterprises qualified under this section.  
1276 The State Tax Commission shall adjust the credit allowed in the  
1277 event of payroll fluctuations during the additional five (5) years  
1278 of credit.

1279 (6) The sale, merger, acquisition, reorganization,  
1280 bankruptcy or relocation from one (1) county to another county  
1281 within the state of any business enterprise may not create new  
1282 eligibility in any succeeding business entity, but any unused job  
1283 tax credit may be transferred and continued by any transferee of  
1284 the business enterprise. The State Tax Commission shall determine  
1285 whether or not qualifying net increases or decreases have occurred  
1286 or proper transfers of credit have been made and may require  
1287 reports, promulgate regulations, and hold hearings as needed for  
1288 substantiation and qualification.

1289 (7) Any tax credit claimed under this section but not used  
1290 in any taxable year may be carried forward for five (5) years from  
1291 the close of the tax year in which the qualified jobs were  
1292 established but the credit established by this section taken in  
1293 any one (1) tax year must be limited to an amount not greater than  
1294 fifty percent (50%) of the taxpayer's state income tax liability  
1295 which is attributable to income derived from operations in the  
1296 state for that year.

1297 (8) No business enterprise for the transportation, handling,  
1298 storage, processing or disposal of hazardous waste is eligible to  
1299 receive the tax credits provided in this section.



1300 (9) The credits allowed under this section shall not be used  
1301 by any business enterprise or corporation other than the business  
1302 enterprise actually qualifying for the credits.

1303 (10) A business enterprise that receives a tax credit under  
1304 this section shall not be eligible for the tax credit authorized  
1305 in Section 57-73-21(2), (3) and (4).

1306 **SECTION 18.** Section 27-7-22.28, Mississippi Code of 1972, is  
1307 brought forward as follows:

1308 27-7-22.28. As used in Sections 27-7-22.28 and 27-7-22.29,  
1309 the following terms and phrases shall have the meanings ascribed  
1310 in this section unless the context clearly indicates otherwise:

1311 (a) "Alternative energy project" means a business  
1312 enterprise engaged in manufacturing or producing alternative  
1313 energy in this state with not less than fifty percent (50%) of the  
1314 finished product being derived from resources or products from  
1315 this state.

1316 (b) "Authority" means the Mississippi Development  
1317 Authority.

1318 (c) "Producer" means a manufacturer or producer of  
1319 alternative energy through an alternative fuels project.

1320 (d) "State" means the State of Mississippi.

1321 **SECTION 19.** Section 27-7-22.29, Mississippi Code of 1972, is  
1322 brought forward as follows:

1323 27-7-22.29. (1) Producers are allowed a job tax credit for  
1324 taxes imposed by Section 27-7-5 equal to One Thousand Dollars



1325 (\$1,000.00) annually for each net new full-time employee job for a  
1326 period of twenty (20) years from the date the credit begins;  
1327 however, if the producer is located in an area that has been  
1328 declared by the Governor to be a disaster area and as a direct  
1329 result of the disaster the producer is unable to maintain the  
1330 required number of employees, the commissioner may extend this  
1331 time period for not more two (2) years. The credit shall begin on  
1332 the date selected by the producer; however, the beginning date  
1333 shall not be more than five (5) years from the date the producer  
1334 begins manufacturing or producing alternative energy. For the  
1335 year in which the beginning date occurs, the number of new  
1336 full-time jobs shall be determined by using the monthly average  
1337 number of full-time employees subject to the Mississippi income  
1338 tax withholding. Thereafter, the number of new full-time jobs  
1339 shall be determined by comparing the monthly average number of  
1340 full-time employees subject to the Mississippi income tax  
1341 withholding for the taxable year with the corresponding period of  
1342 the prior taxable year. Once a producer creates twenty-five (25)  
1343 or more new full-time employee jobs, the producer shall be  
1344 eligible for the credit; however, if the producer is located in an  
1345 area that has been declared by the Governor to be a disaster area  
1346 and as a direct result of the disaster the producer is unable to  
1347 maintain the required number of employees, the commissioner may  
1348 waive the employment requirement for a period of time not to  
1349 exceed two (2) years. The credit is not allowed for any year of



1350 the twenty-year period in which the overall monthly average number  
1351 of full-time employees subject to the Mississippi income tax  
1352 withholding falls below twenty-five (25). The State Tax  
1353 Commission shall adjust the credit allowed each year for the net  
1354 new employment fluctuations above twenty-five (25).

1355 (2) Any tax credit claimed under this section but not used  
1356 in any taxable year may be carried forward for five (5)  
1357 consecutive years from the close of the tax year in which the  
1358 credits were earned; however, if the producer is located in an  
1359 area that has been declared by the Governor to be a disaster area  
1360 and as a direct result of the disaster the producer is unable to  
1361 use the existing carryforward, the commissioner may extend the  
1362 period that the credit may be carried forward for a period of time  
1363 not to exceed two (2) years. The credit that may be utilized each  
1364 year shall be limited to an amount not greater than the total  
1365 state income tax liability of the producer that is generated by,  
1366 or arises out of, the alternative energy project.

1367 (3) The tax credits provided for in this section shall be in  
1368 lieu of the tax credits provided for in Section 57-73-21 and any  
1369 producer utilizing the tax credit authorized in this section shall  
1370 not utilize the tax credit authorized in Section 57-73-21.

1371 **SECTION 20.** Section 27-7-22.30, Mississippi Code of 1972, is  
1372 brought forward as follows:

1373 27-7-22.30. (1) As used in this section:



1374 (a) "Manufacturing enterprise" means an enterprise  
1375 that:

1376 (i) Falls within the definition of the term  
1377 "manufacturer" in Section 27-65-11; and

1378 (ii) Has operated in this state for not less than  
1379 two (2) years prior to application for the credit authorized by  
1380 this section.

1381 The term "manufacturing enterprise" does not include any  
1382 medical cannabis establishment as defined in the Mississippi  
1383 Medical Cannabis Act.

1384 (b) "Eligible investment" means an investment of at  
1385 least One Million Dollars (\$1,000,000.00) in buildings and/or  
1386 equipment for the manufacturing enterprise.

1387 (2) A manufacturing enterprise is allowed a manufacturing  
1388 investment tax credit for taxes imposed by Section 27-7-5 equal to  
1389 five percent (5%) of the eligible investments made by the  
1390 manufacturing enterprise.

1391 (3) Any tax credit claimed under this section but not used  
1392 in any taxable year may be carried forward for five (5) years from  
1393 the close of the tax year in which the eligible investment was  
1394 made, but the credit established by this section taken in any one  
1395 tax year shall not exceed fifty percent (50%) of the taxpayer's  
1396 state income tax liability which is attributable to income derived  
1397 from operations in the state for that year reduced by the sum of





1398 all other income tax credits allowable to the taxpayer, except  
1399 credit for tax payments made by or on behalf of the taxpayer.

1400 (4) The maximum credit that may be claimed by a taxpayer on  
1401 any project shall be limited to One Million Dollars  
1402 (\$1,000,000.00).

1403 (5) The credit received under this section is subject to  
1404 recapture if the property for which the tax credit was received is  
1405 disposed of, or converted to, other than business use. The amount  
1406 of the credit subject to recapture is one hundred percent (100%)  
1407 of the credit in the first year and fifty percent (50%) of the  
1408 credit in the second year. This subsection shall not apply in  
1409 cases in which an entire facility is sold.

1410 (6) The sale, merger, acquisition, reorganization,  
1411 bankruptcy or relocation from one (1) county to another county  
1412 within the state of any manufacturing enterprise may not create  
1413 new eligibility in any succeeding business entity, but any unused  
1414 manufacturing investment tax credit may be transferred and  
1415 continued by any transferee of the enterprise. The department  
1416 shall determine whether or not qualifying net increases or  
1417 decreases have occurred or proper transfers of credit have been  
1418 made and may require reports, promulgate regulations, and hold  
1419 hearings as needed for substantiation and qualification.

1420 (7) No manufacturing enterprise for the transportation,  
1421 handling, storage, processing or disposal of hazardous waste is  
1422 eligible to receive the tax credits provided in this section.



1423 (8) The credits allowed under this section shall not be used  
1424 by any business enterprise or corporation other than the  
1425 manufacturing enterprise actually qualifying for the credits.

1426 **SECTION 21.** Section 27-7-22.31, Mississippi Code of 1972, is  
1427 brought forward as follows:

1428 27-7-22.31. (1) As used in this section:

1429 (a) "Certified historic structure" means a property  
1430 located in Mississippi that has been:

1431 (i) Listed individually on the National Register  
1432 of Historic Places; or

1433 (ii) Determined eligible for the National Register  
1434 of Historic Places by the Secretary of the United States  
1435 Department of the Interior and will be listed within thirty (30)  
1436 months of claiming the rebate or credit authorized by this  
1437 section; or

1438 (iii) Property designated a Mississippi Landmark  
1439 by the Department of Archives and History pursuant to Section  
1440 39-7-3 et seq.

1441 (b) "Eligible property" means property located in  
1442 Mississippi and offered or used for residential or business  
1443 purposes.

1444 (c) "Structure in a certified historic district" means  
1445 a structure (and its structural components) located in Mississippi  
1446 which:



1447 (i) Is listed in the National Register of Historic  
1448 Places; or

1449 (ii) Has been determined eligible for the National  
1450 Register of Historic Places by the Secretary of the United States  
1451 Department of the Interior and will be listed within thirty (30)  
1452 months of claiming the rebate or credit authorized by this  
1453 section; or

1454 (iii) Is located in a registered historic district  
1455 listed on the National Register of Historic Places or located in a  
1456 potential district that has been determined eligible for the  
1457 National Register of Historic Places by the Secretary of the  
1458 United States Department of the Interior and will be listed within  
1459 thirty (30) months of claiming the rebate or credit authorized by  
1460 this section, and is certified by the Secretary of the United  
1461 States Department of the Interior as being of historic  
1462 significance to the district; or

1463 (iv) Is certified by the Mississippi Department of  
1464 Archives and History as contributing to the historic significance  
1465 of:

1466 1. A certified historic district listed on  
1467 the National Register of Historic Places; or

1468 2. A potential district that has been  
1469 determined eligible for the National Register of Historic Places  
1470 by the Secretary of the United States Department of the Interior



1471 and will be listed within thirty (30) months of claiming the  
1472 rebate or credit authorized by this section; or

1473                   3. A local district that has been certified  
1474 by the United States Department of the Interior.

1475                   (d) "Department" means the Department of Archives and  
1476 History.

1477                   (2) Any taxpayer incurring costs and expenses for the  
1478 rehabilitation of eligible property, which is a certified historic  
1479 structure or a structure in a certified historic district, shall  
1480 be entitled to a rebate or credit against the taxes imposed  
1481 pursuant to this chapter in an amount equal to twenty-five percent  
1482 (25%) of the total costs and expenses of rehabilitation incurred  
1483 after January 1, 2006, which shall include, but not be limited to,  
1484 qualified rehabilitation expenditures as defined under Section  
1485 47(c) (2) (A) of the Internal Revenue Code of 1986, as amended, and  
1486 the related regulations thereunder:

1487                   (a) If the costs and expenses associated with  
1488 rehabilitation exceed:

1489                   (i) Five Thousand Dollars (\$5,000.00) in the case  
1490 of an owner-occupied dwelling; or

1491                   (ii) Fifty percent (50%) of the adjusted basis in  
1492 the property in the case of all other properties; and

1493                   (b) The rehabilitation is consistent with the standards  
1494 of the Secretary of the United States Department of the Interior  
1495 as determined by the department.



1496 (3) Any taxpayer eligible for the rebate or credit  
1497 authorized by this section may claim the rebate or credit in  
1498 phases if:

1499 (a) There is a written set of architectural plans and  
1500 specifications for all phases of the rehabilitation (written plans  
1501 outlining and describing all phases of the rehabilitation shall be  
1502 accepted as written plans and specifications);

1503 (b) The written set of architectural plans and  
1504 specifications are completed before the physical work on the  
1505 rehabilitation begins; and

1506 (c) The project receives final certification by the  
1507 department within sixty (60) months of the project start date  
1508 certified in the first phase.

1509 (4) (a) (i) If the amount of the tax credit established by  
1510 this section exceeds the total state income tax liability for the  
1511 credit year, the amount that exceeds the total state income tax  
1512 liability may be carried forward for the ten (10) succeeding tax  
1513 years.

1514 (ii) In lieu of claiming a tax credit, the  
1515 taxpayer may elect to claim a rebate in the amount of seventy-five  
1516 percent (75%) of the amount that would be eligible to claim as a  
1517 credit. The election may be made at any time after the  
1518 certification of the rebate. If the taxpayer has utilized a tax  
1519 credit on an income tax return prior to making an election to



1520 claim a rebate, then the available rebate will be reduced by the  
1521 amount of credit utilized.

1522 (iii) Rebate requests shall be submitted to the  
1523 department on forms prescribed by the department. The department  
1524 will then provide the taxpayer with a voucher for the approved  
1525 amount. Within twelve (12) months of the issuance of the voucher  
1526 by the department, the taxpayer may submit the voucher to the  
1527 Department of Revenue to receive payment. Rebates shall be made  
1528 from current tax collections.

1529 (b) Not-for-profit entities, including, but not limited  
1530 to, nonprofit corporations organized under Section 79-11-101 et  
1531 seq., shall be ineligible for the rebate or credit authorized by  
1532 this section. Credits granted to a partnership, a limited  
1533 liability company taxed as a partnership or multiple owners of  
1534 property shall be passed through to the partners, members or  
1535 owners on a pro rata basis or pursuant to an executed agreement  
1536 among the partners, members or owners documenting an alternative  
1537 distribution method. Partners, members or other owners of a  
1538 pass-through entity are not eligible to elect a refund of excess  
1539 credit in lieu of a carryforward of the credit. However, a  
1540 partnership or limited liability company taxed as a partnership  
1541 may elect to claim a rebate at the entity level on a form  
1542 prescribed by the department. Additionally, excess tax credits  
1543 that are attributable to rehabilitated property that was placed in  
1544 service by a pass-through entity prior to January 1, 2011, and



1545 that have previously been allocated to and are held by another  
1546 pass-through entity prior to January 1, 2011, may be refunded to  
1547 such other pass-through entity.

1548 (5) (a) (i) To claim the rebate or credit authorized  
1549 pursuant to this section, the taxpayer shall apply to the  
1550 department which shall determine the amount of eligible  
1551 rehabilitation costs and expenses and whether the rehabilitation  
1552 is consistent with the standards of the Secretary of the United  
1553 States Department of the Interior. The department shall issue a  
1554 certificate evidencing the date of the rebate or credit and amount  
1555 of eligible rebate or credit if the taxpayer is found to be  
1556 eligible for the tax rebate or credit. The taxpayer shall attach  
1557 the certificate to all income tax returns on which the credit is  
1558 claimed. Except as otherwise provided in this paragraph (a), the  
1559 department shall not issue certificates evidencing the eligible  
1560 rebate or credit which will result in rebates or credits being  
1561 awarded in excess of Twelve Million Dollars (\$12,000,000.00) in  
1562 any one (1) calendar year for projects with total qualified  
1563 rehabilitation costs and expenses of One Million Seven Hundred  
1564 Fifty Thousand Dollars (\$1,750,000.00) or more. The department  
1565 shall also not issue certificates evidencing the eligible rebate  
1566 or credit which will result in rebates or credits being awarded in  
1567 excess of Twelve Million Dollars (\$12,000,000.00) in any one (1)  
1568 calendar year for projects with total qualified rehabilitation



1569 costs and expenses of less than One Million Seven Hundred Fifty  
1570 Thousand Dollars (\$1,750,000.00).

1571 (ii) If claiming a credit instead of a rebate, the  
1572 taxpayer shall claim such credit on the income tax return for the  
1573 tax year for which the credit is certified.

1574 (b) The date of the rebate or credit shall be certified  
1575 in the following order:

1576 (i) The rebate or credit shall be certified based  
1577 on the date of project completion.

1578 (ii) If the eligible rebate or credit exceeds the  
1579 available limit in the year in which the project is completed, the  
1580 rebate or credit shall be certified based on the date the  
1581 certification is issued by the department. The department shall  
1582 issue the certification in the first calendar year in which the  
1583 requested rebate or credit would not exceed the calendar year  
1584 limit.

1585 (c) The aggregate amount of tax rebates or credits that  
1586 may be awarded under this section shall not exceed One Hundred  
1587 Eighty Million Dollars (\$180,000,000.00).

1588 (6) (a) The rebate or credit received by a taxpayer  
1589 pursuant to this section is subject to recapture if:

1590 (i) The property is one that has been determined  
1591 eligible for the National Register of Historic Places but is not  
1592 listed on the National Register of Historic Places within thirty





1593 (30) months of claiming the rebate or credit authorized by this  
1594 section;

1595 (ii) The potential district in which the property  
1596 is located is not listed on the National Register of Historic  
1597 Places within thirty (30) months of claiming the rebate or credit  
1598 authorized by this section; or

1599 (iii) The project has not received final  
1600 certification by the department within sixty (60) months of the  
1601 project start date certified in the first phase.

1602 (b) The taxpayer shall notify the department and the  
1603 Department of Revenue if any of the situations that subject the  
1604 credit to recapture occur.

1605 (7) (a) The board of trustees of the department shall  
1606 establish fees to be charged for the services performed by the  
1607 department under this section and shall publish the fee schedule.  
1608 The fees contained in the schedule shall be in amounts reasonably  
1609 calculated to recover the costs incurred by the department for the  
1610 administration of this section. Any taxpayer desiring to  
1611 participate in the tax credits authorized by this section shall  
1612 pay the appropriate fee as contained in the fee schedule to the  
1613 department, which shall be used by the department, without  
1614 appropriation, to offset the administrative costs of the  
1615 department associated with its duties under this section.

1616 (b) There is hereby created within the State Treasury a  
1617 special fund into which shall be deposited all the fees collected



1618 by the department pursuant to this section. Money deposited into  
1619 the fund shall not lapse at the end of any fiscal year and  
1620 investment earnings on the proceeds in such special fund shall be  
1621 deposited into such fund. Money from the fund shall be disbursed  
1622 upon warrants issued by the State Fiscal Officer upon requisitions  
1623 signed by the executive director of the department to assist the  
1624 department in carrying out its duties under this section.

1625 (8) This section shall only apply to taxpayers:

1626 (a) Who have been issued a certificate evidencing the  
1627 eligible credit before December 31, 2030; or

1628 (b) Who, before December 31, 2030, have received a  
1629 determination in writing from the Mississippi Department of  
1630 Archives and History, in accordance with the department's Historic  
1631 Preservation Certificate Application, Part 2, that the  
1632 rehabilitation is consistent with the historic character of the  
1633 property and that the property meets the United States Secretary  
1634 of the Interior's Standards for Rehabilitation, or will meet the  
1635 standards if certain specified conditions are met, and, who are  
1636 issued a certificate evidencing the eligible credit on or after  
1637 December 31, 2030.

1638 **SECTION 22.** Section 27-7-22.32, Mississippi Code of 1972, is  
1639 brought forward as follows:

1640 27-7-22.32. (1) (a) There shall be allowed as a credit  
1641 against the tax imposed by this chapter the amount of the  
1642 qualified adoption expenses paid or incurred, not to exceed Five



1643 Thousand Dollars (\$5,000.00), for each dependent child residing  
1644 outside Mississippi but legally adopted by a taxpayer under the  
1645 laws of this state during calendar year 2023 or during any  
1646 calendar year thereafter. A taxpayer claiming a credit under this  
1647 paragraph (a) may not claim a credit under paragraph (b) of this  
1648 subsection for the adoption of the same child.

1649 (b) There shall be allowed as a credit against the tax  
1650 imposed by this chapter the amount of Ten Thousand Dollars  
1651 (\$10,000.00) for each dependent child residing in Mississippi and  
1652 legally adopted by a taxpayer under the laws of this state during  
1653 calendar year 2023 or during any calendar year thereafter. A  
1654 taxpayer claiming a credit under this paragraph (b) may not claim  
1655 a credit under paragraph (a) of this subsection for the adoption  
1656 of the same child.

1657 (2) The tax credit under this section may be claimed for the  
1658 taxable year in which the adoption becomes final under the laws of  
1659 this state. Any tax credit claimed under this section but not  
1660 used in any taxable year may be carried forward for the five (5)  
1661 succeeding tax years. A tax credit is allowed under this section  
1662 for any child for which an exemption is claimed during the same  
1663 taxable year under Section 27-7-21(e). For the purposes of this  
1664 section, the term "qualified adoption expenses" means and has the  
1665 same definition as that term has in 26 USCA 23.

1666 **SECTION 23.** Section 27-7-22.33, Mississippi Code of 1972, is  
1667 brought forward as follows:



1668           27-7-22.33. (1) A taxpayer shall be allowed a credit  
1669 against the income taxes imposed under this chapter in an amount  
1670 equal to twenty-five percent (25%) of the premium costs paid  
1671 during the taxable year for a qualified long-term care insurance  
1672 policy as defined in Section 7702B of the Internal Revenue Code  
1673 that offers coverage to either the individual, the individual's  
1674 spouse, the individual's parent or parent-in-law, or the  
1675 individual's dependent as defined in Section 152 of the Internal  
1676 Revenue Code.

1677           (2) No taxpayer shall be entitled to the credit with respect  
1678 to the same expended amounts for qualified long-term care  
1679 insurance which are claimed by another taxpayer.

1680           (3) The credit allowed by this section shall not exceed Five  
1681 Hundred Dollars (\$500.00) or the taxpayer's income tax liability,  
1682 whichever is less, for each qualified long-term care insurance  
1683 policy. Any unused tax credit shall not be allowed to be carried  
1684 forward to apply to the taxpayer's succeeding year's tax  
1685 liability.

1686           (4) No credit shall be allowed under this section with  
1687 respect to any premium for qualified long-term care insurance  
1688 either deducted or subtracted by the taxpayer in arriving at his  
1689 net taxable income under this section or with respect to any  
1690 premiums for qualified long-term care insurance which were  
1691 excluded from his net taxable income.



1692           **SECTION 24.** Section 27-7-22.34, Mississippi Code of 1972, is  
1693 brought forward as follows:

1694           27-7-22.34. (1) As used in this section, "qualified  
1695 business or industry" means any company that has been certified by  
1696 the Mississippi Major Economic Impact Authority as a project as  
1697 defined in Section 57-75-5(f)(xxii).

1698           (2) A qualified business or industry shall be allowed a job  
1699 tax credit for taxes imposed by Section 27-7-5 equal to Five  
1700 Thousand Dollars (\$5,000.00) annually for each net new full-time  
1701 employee job for a period of twenty (20) years from the date the  
1702 credit commences; however, if the qualified business or industry  
1703 is located in an area that has been declared by the Governor to be  
1704 a disaster area and as a direct result of the disaster the  
1705 business or industry is unable to maintain the required number of  
1706 employees, the commissioner may extend this time period for not  
1707 more than two (2) years. The credit shall commence on the date  
1708 selected by the business or industry; however, the commencement  
1709 date shall not be more than six (6) years from the date the  
1710 business or industry commences commercial production. For the  
1711 year in which the commencement date occurs, the number of new  
1712 full-time jobs shall be determined by using the monthly average  
1713 number of full-time employees subject to the Mississippi income  
1714 tax withholding. Thereafter, the number of new full-time jobs  
1715 shall be determined by comparing the monthly average number of  
1716 full-time employees subject to the Mississippi income tax



1717 withholding for the taxable year with the corresponding period of  
1718 the prior taxable year. Once a qualified business or industry  
1719 creates or increases employment by five hundred (500) or more,  
1720 such business or industry shall be eligible for the credit. The  
1721 credit is not allowed for any year of the twenty-year period in  
1722 which the overall monthly average number of full-time employees  
1723 subject to the Mississippi income tax withholding falls below five  
1724 hundred (500); however, if the qualified business or industry is  
1725 located in an area that has been declared by the Governor to be a  
1726 disaster area and as a direct result of the disaster the business  
1727 or industry is unable to maintain the required number of  
1728 employees, the commissioner may waive the employment requirement  
1729 for a period of time not to exceed two (2) years. The State Tax  
1730 Commission shall adjust the credit allowed each year for the net  
1731 new employment fluctuations above five hundred (500).

1732 (3) Any tax credit claimed under this section but not used  
1733 in any taxable year may be carried forward for five (5)  
1734 consecutive years from the close of the tax year in which the  
1735 credits were earned; however, if the qualified business or  
1736 industry is located in an area that has been declared by the  
1737 Governor to be a disaster area and as a direct result of the  
1738 disaster the business or industry is unable to use the existing  
1739 carryforward, the commissioner may extend the period that the  
1740 credit may be carried forward for a period of time not to exceed  
1741 two (2) years. The credit that may be utilized each year shall be



1742 limited to an amount not greater than the total state income tax  
1743 liability of the qualified business or industry that is generated  
1744 by, or arises out of, the project.

1745 (4) The tax credits provided for in this section shall be in  
1746 lieu of the tax credits provided for in Section 57-73-21 and any  
1747 qualified business or industry utilizing the tax credit authorized  
1748 in this section shall not utilize the tax credit authorized in  
1749 Section 57-73-21.

1750 **SECTION 25.** Section 27-7-22.35, Mississippi Code of 1972, is  
1751 brought forward as follows:

1752 27-7-22.35. (1) As used in this section:

1753 (a) "Eligible facility" means and includes a new  
1754 facility that creates at least twenty (20) full-time jobs with a  
1755 minimum capital investment from private sources of Fifty Million  
1756 Dollars (\$50,000,000.00), that:

1757 (i) Consists of all components necessary for the  
1758 production of electric energy from the direct firing or co-firing  
1759 of biomass or waste heat recovery, and if applicable, other energy  
1760 sources;

1761 (ii) Produces both electric energy and useful  
1762 thermal energy, such as heat or steam, through the sequential use  
1763 of energy (cogeneration); and

1764 (iii) Consists of all components necessary for the  
1765 production of synfuel.



1766           An eligible facility includes all burners and boilers, any  
1767 handling and delivery equipment that supplies fuel directly to and  
1768 is integrated with such burners and boilers, steam headers,  
1769 turbines, generators, property used for the collection, processing  
1770 or storage of biomass or synfuel, transformers, pipelines and all  
1771 other property used in the transmission of electricity or synfuel  
1772 and related depreciable property.

1773           (b) "Biomass" means and includes any of the following:

1774                   (i) Forest-related mill residues, pulping  
1775 by-product and other by-products of wood processing, thinnings,  
1776 slash, limbs, bark, brush and other cellulosic plant material or  
1777 nonmerchantable forest-related products;

1778                   (ii) Solid wood waste materials, including  
1779 dunnage, manufacturing and construction wood wastes, demolition  
1780 and storm debris and landscape or right-of-way trimmings;

1781                   (iii) Agriculture wastes, including orchard tree  
1782 crops, vineyard, grain, legumes, sugar and other crop by-products  
1783 or residues and livestock waste nutrients;

1784                   (iv) All plant and grass material that is grown  
1785 exclusively as a fuel for the production of electricity;

1786                   (v) Refuse derived fuels consisting of organic  
1787 components and fibers of waste water treatment solids; or

1788                   (vi) Whole trees.

1789           (c) "Synfuel" means any liquid or gaseous fuel obtained  
1790 from biomass.





1791 (d) "Waste heat recovery" means systems that produce  
1792 electricity from currently unused waste heat resulting from  
1793 combustion or other processes and which do not use an additional  
1794 combustion process. The term does not include any system whose  
1795 primary purpose is the generation of electricity.

1796 (2) An enterprise owning or operating an eligible facility  
1797 is allowed an annual investment tax credit for taxes imposed by  
1798 Section 27-7-5 equal to five percent (5%) of investments made by  
1799 the enterprise in the initial establishment of an eligible  
1800 facility. The credit shall commence on the date selected by the  
1801 enterprise; provided, however, that the commencement date shall  
1802 not be more than two (2) years from the date the eligible facility  
1803 becomes fully operational.

1804 (3) Any tax credit claimed under this section but not used  
1805 in any taxable year may be carried forward for five (5)  
1806 consecutive years from the close of the tax year in which the  
1807 credits were earned. The credit that may be utilized in any one  
1808 (1) tax year shall be limited to an amount not greater than fifty  
1809 percent (50%) of the total state income tax liability of the  
1810 enterprise for that year that is generated by, or arises out of,  
1811 the eligible facility.

1812 **SECTION 26.** Section 27-7-22.36, Mississippi Code of 1972, is  
1813 brought forward as follows:

1814 27-7-22.36. (1) As used in this section:



1815           (a) "Full-time employee" means an employee who works at  
1816 least thirty-five (35) hours per week.

1817           (b) "New cut and sew job" means a job in which the  
1818 employee cuts and sews upholstery for upholstered household  
1819 furniture and which job did not exist in this state before January  
1820 1, 2010.

1821           (2) Any enterprise owning or operating an upholstered  
1822 household furniture manufacturing facility is allowed a job tax  
1823 credit for taxes imposed by this chapter equal to Two Thousand  
1824 Dollars (\$2,000.00) annually for each full-time employee employed  
1825 in a new cut and sew job for a period of five (5) years from the  
1826 date the credit commences. The credit shall commence on the date  
1827 selected by the enterprise. For the year in which the  
1828 commencement date occurs, the credit will be determined based on  
1829 the monthly average number of full-time employees employed in new  
1830 cut and sew jobs subject to the Mississippi income tax withholding  
1831 who are employed by the enterprise. For each year thereafter, the  
1832 number of new cut and sew jobs shall be determined by comparing  
1833 the monthly average number of full-time employees employed in new  
1834 cut and sew jobs subject to the Mississippi income tax withholding  
1835 for the taxable year with the corresponding period of the prior  
1836 taxable year. The Department of Revenue shall verify that the  
1837 jobs claimed by enterprises to obtain the credit meet the  
1838 definition of the term "new cut and sew job." The Department of



1839 Revenue shall adjust the credit allowed each year for employment  
1840 fluctuations.

1841 (3) The credit that may be used each year shall be limited  
1842 to an amount not greater than the total state income tax liability  
1843 of the enterprise. Any tax credit claimed under this section but  
1844 not used in any taxable year may be carried forward for five (5)  
1845 consecutive years from the close of the tax year in which the  
1846 credits were earned.

1847 (4) The tax credits provided for in this section shall be in  
1848 lieu of the tax credits provided for in Section 57-73-21 and any  
1849 enterprise using the tax credit authorized in this section shall  
1850 not use the tax credit authorized in Section 57-73-21.

1851 (5) Any taxpayer who is eligible for the credit authorized  
1852 in this section prior to January 1, 2026, shall be eligible for  
1853 the credit authorized in this section, notwithstanding the repeal  
1854 of this section, and shall be allowed to carry forward the credit  
1855 after January 1, 2026, as provided for in subsection (3) of this  
1856 section.

1857 (6) This section shall be repealed from and after January 1,  
1858 2026.

1859 **SECTION 27.** Section 27-7-22.37, Mississippi Code of 1972, is  
1860 brought forward as follows:

1861 27-7-22.37. (1) There shall be allowed as a credit against  
1862 the tax imposed by Section 27-7-5 the amount of the qualified  
1863 prekindergarten program support contributions paid to approved



1864 providers, lead partners or collaboratives, not to exceed One  
1865 Million Dollars (\$1,000,000.00), by any individual, corporation or  
1866 other entity having taxable income under the laws of this state  
1867 during calendar year 2013 or during any calendar year thereafter.  
1868 In order to qualify for a tax credit, such contributions may  
1869 support the local match requirement of approved providers, lead  
1870 partners or collaboratives as is necessary to match  
1871 state-appropriated funds, and any such providers, lead partners or  
1872 collaboratives shall be approved by the State Department of  
1873 Education.

1874 (2) Any unused portion of the credit may be carried forward  
1875 for three (3) tax years.

1876 (3) Any prekindergarten program support contribution shall  
1877 be verified by submission to the Mississippi Department of Revenue  
1878 of a copy of the receipt provided to the donor taxpayer by the  
1879 prekindergarten program recipient or such other written  
1880 verification as may be required by the Department of Revenue.

1881 (4) The maximum amount of donations accepted by the  
1882 Department of Revenue in calendar year 2014 shall not exceed Eight  
1883 Million Dollars (\$8,000,000.00), in calendar year 2015 shall not  
1884 exceed Fifteen Million Dollars (\$15,000,000.00), and in calendar  
1885 year 2016 and calendar years thereafter shall not exceed  
1886 Thirty-two Million Dollars (\$32,000,000.00), or what is  
1887 appropriated by the Legislature to fund Chapter 493, Laws of 2013  
1888 each year.



1889 (5) The Mississippi Department of Revenue shall promulgate  
1890 rules necessary to effectuate the purposes of Chapter 493, Laws of  
1891 2013. Such rules shall include a means of informing the public of  
1892 the existence of the prekindergarten support program and the  
1893 application process for provider, lead partner and collaborative  
1894 candidates.

1895 **SECTION 28.** Section 27-7-22.39, Mississippi Code of 1972, is  
1896 brought forward as follows:

1897 27-7-22.39. (1) As used in this section:

1898 (a) "Low-income residents" means persons whose  
1899 household income is less than one hundred fifty percent (150%) of  
1900 the federal poverty level.

1901 (b) "Qualifying charitable organization" means a  
1902 charitable organization that is exempt from federal income  
1903 taxation under Section 501(c)(3) of the Internal Revenue Code or  
1904 is a designated community action agency that receives community  
1905 services block grant program monies pursuant to 42 USC 9901. The  
1906 organization must spend at least fifty percent (50%) of its budget  
1907 on services to residents of this state who receive temporary  
1908 assistance for needy families benefits or low-income residents of  
1909 this state and their households or to children who have a chronic  
1910 illness or physical, intellectual, developmental or emotional  
1911 disability who are residents of this state. A charitable  
1912 organization that is exempt from federal income tax under Section  
1913 501(c)(3) of the Internal Revenue Code and that meets all other



1914 requirements of this paragraph except that it does not spend at  
1915 least fifty percent (50%) of its overall budget in Mississippi may  
1916 be a qualifying charitable organization if it spends at least  
1917 fifty percent (50%) of its Mississippi budget on services to  
1918 qualified individuals in Mississippi and it certifies to the  
1919 department that one hundred percent (100%) of the voluntary cash  
1920 contributions from the taxpayer will be spent on services to  
1921 qualified individuals in Mississippi. Taxpayers choosing to make  
1922 donations through an umbrella charitable organization that  
1923 collects donations on behalf of member charities shall designate  
1924 that the donation be directed to a member charitable organization  
1925 that would qualify under this section on a stand-alone basis.  
1926 Qualifying charitable organization does not include any entity  
1927 that provides, pays for or provides coverage of abortions or that  
1928 financially supports any other entity that provides, pays for or  
1929 provides coverage of abortions.

1930           (c) "Qualifying foster care charitable organization"  
1931 means a qualifying charitable organization that each operating  
1932 year provides services to at least one hundred (100) qualified  
1933 individuals in this state and spends at least fifty percent (50%)  
1934 of its budget on services to qualified individuals in this state.  
1935 A charitable organization that is exempt from federal income tax  
1936 under Section 501(c)(3) of the Internal Revenue Code and that  
1937 meets all other requirements of this paragraph except that it does  
1938 not spend at least fifty percent (50%) of its overall budget in



1939 Mississippi may be a qualifying foster care charitable  
1940 organization if it spends at least fifty percent (50%) of its  
1941 Mississippi budget on services to qualified individuals in  
1942 Mississippi and it certifies to the department that one hundred  
1943 percent (100%) of the voluntary cash contributions from the  
1944 taxpayer will be spent on services to qualified individuals in  
1945 Mississippi. For the purposes of this paragraph, "qualified  
1946 individual" means a child in a foster care placement program  
1947 established by the Department of Child Protection Services, a  
1948 child placed under the Safe Families for Children model, or a  
1949 child at significant risk of entering a foster care placement  
1950 program established by the Department of Child Protection  
1951 Services.

1952 (d) "Services" means:

1953 (i) Cash assistance, medical care, child care,  
1954 food, clothing, shelter, and job-placement services or any other  
1955 assistance that is reasonably necessary to meet immediate basic  
1956 needs and that is provided and used in this state;

1957 (ii) Job-training or education services or funding  
1958 for parents, foster parents or guardians; or

1959 (iii) Job-training or education services or  
1960 funding provided as part of a foster care independent living  
1961 program.

1962 (2) (a) Except as provided in subsections (3) and (4) of  
1963 this section, a credit is allowed against the taxes imposed by



1964 this chapter for voluntary cash contributions by the taxpayer  
1965 during the taxable year to a qualifying charitable organization,  
1966 other than a qualifying foster care charitable organization, not  
1967 to exceed:

1968 (i) Through calendar year 2022, the lesser of Four  
1969 Hundred Dollars (\$400.00) or the amount of the contribution in any  
1970 taxable year for a single individual or a head of household; and  
1971 for calendar year 2023 and each calendar year thereafter, the  
1972 lesser of One Thousand Two Hundred Dollars (\$1,200.00) or the  
1973 amount of the contribution in any taxable year for a single  
1974 individual or a head of household.

1975 (ii) Through calendar year 2022, the lesser of  
1976 Eight Hundred Dollars (\$800.00) or the amount of the contribution  
1977 in any taxable year for a married couple filing a joint return;  
1978 and for calendar year 2023 and each calendar year thereafter, the  
1979 lesser of Two Thousand Four Hundred Dollars (\$2,400.00) or the  
1980 amount of the contribution in any taxable year for a married  
1981 couple filing a joint return.

1982 (b) From and after January 1, 2023, a credit is also  
1983 allowed against ad valorem taxes assessed and levied on real  
1984 property for voluntary cash contributions made by the individual  
1985 taxpayer during the taxable year to a qualifying charitable  
1986 organization, other than a qualifying foster care charitable  
1987 organization. The amount of credit that may be utilized by a  
1988 taxpayer in a taxable year shall be limited to an amount not to





1989 exceed fifty percent (50%) of the total tax liability of the  
1990 taxpayer for ad valorem taxes assessed and levied on real  
1991 property. Any tax credit claimed under this paragraph but not  
1992 used in any taxable year may be carried forward for five (5)  
1993 consecutive years from the close of the tax year in which the  
1994 credits were earned.

1995 (3) (a) A separate credit is allowed against the taxes  
1996 imposed by this chapter for voluntary cash contributions during  
1997 the taxable year to a qualifying foster care charitable  
1998 organization. A contribution to a qualifying foster care  
1999 charitable organization does not qualify for, and shall not be  
2000 included in, any credit amount under subsection (2) of this  
2001 section. If the voluntary cash contribution by the taxpayer is to  
2002 a qualifying foster care charitable organization, the credit shall  
2003 not exceed:

2004 (i) Through calendar year 2022, the lesser of Five  
2005 Hundred Dollars (\$500.00) or the amount of the contribution in any  
2006 taxable year for a single individual or a head of household; and  
2007 for calendar year 2023 and each calendar year thereafter, the  
2008 lesser of One Thousand Five Hundred Dollars (\$1,500.00) or the  
2009 amount of the contribution in any taxable year for a single  
2010 individual or a head of household.

2011 (ii) Through calendar year 2022, the lesser of One  
2012 Thousand Dollars (\$1,000.00) or the amount of the contribution in  
2013 any taxable year for a married couple filing a joint return; and



2014 for calendar year 2023 and each calendar year thereafter, the  
2015 lesser of Three Thousand Dollars (\$3,000.00) or the amount of the  
2016 contribution in any taxable year for a married couple filing a  
2017 joint return.

2018 (b) From and after January 1, 2023, a credit is also  
2019 allowed against ad valorem taxes assessed and levied on real  
2020 property for voluntary cash contributions made by the individual  
2021 taxpayer during the taxable year to a qualifying foster care  
2022 charitable organization. The amount of credit that may be  
2023 utilized by a taxpayer in a taxable year shall be limited to an  
2024 amount not to exceed fifty percent (50%) of the total tax  
2025 liability of the taxpayer for ad valorem taxes assessed and levied  
2026 on real property. Any tax credit claimed under this paragraph but  
2027 not used in any taxable year may be carried forward for five (5)  
2028 consecutive years from the close of the tax year in which the  
2029 credits were earned.

2030 (4) Subsections (2) and (3) of this section provide separate  
2031 credits against taxes imposed by this chapter depending on the  
2032 recipients of the contributions. A taxpayer, including a married  
2033 couple filing a joint return, in the same taxable year, may either  
2034 or both:

2035 (a) Contribute to a qualifying charitable organization,  
2036 other than a qualifying foster care charitable organization, and  
2037 claim a credit under subsection (2) of this section.



2038                   (b) Contribute to a qualifying foster care charitable  
2039 organization and claim a credit under subsection (3) of this  
2040 section.

2041                   (5) A husband and wife who file separate returns for a  
2042 taxable year in which they could have filed a joint return may  
2043 each claim only one-half (1/2) of the tax credit that would have  
2044 been allowed for a joint return.

2045                   (6) Except as otherwise provided in subsections (2) and (3)  
2046 of this section, if the allowable tax credit exceeds the taxes  
2047 otherwise due under this chapter on the claimant's income, or if  
2048 there are no taxes due under this chapter, the taxpayer may carry  
2049 forward the amount of the claim not used to offset the taxes under  
2050 this chapter for not more than five (5) consecutive taxable years'  
2051 income tax liability.

2052                   (7) The credit allowed by this section is in lieu of a  
2053 deduction pursuant to Section 170 of the Internal Revenue Code and  
2054 taken for state tax purposes.

2055                   (8) Taxpayers taking a credit authorized by this section  
2056 shall provide the name of the qualifying charitable organization  
2057 and the amount of the contribution to the department on forms  
2058 provided by the department.

2059                   (9) A qualifying charitable organization shall provide the  
2060 department with a written certification that it meets all criteria  
2061 to be considered a qualifying charitable organization. The



2062 organization shall also notify the department of any changes that  
2063 may affect the qualifications under this section.

2064 (10) The charitable organization's written certification  
2065 must be signed by an officer of the organization under penalty of  
2066 perjury. The written certification shall include the following:

2067 (a) Verification of the organization's status under  
2068 Section 501(c)(3) of the Internal Revenue Code or verification  
2069 that the organization is a designated community action agency that  
2070 receives community services block grant program monies pursuant to  
2071 42 USC 9901.

2072 (b) Financial data indicating the organization's budget  
2073 for the organization's prior operating year and the amount of that  
2074 budget spent on services to residents of this state who either:

2075 (i) Receive temporary assistance for needy  
2076 families benefits;

2077 (ii) Are low-income residents of this state;

2078 (iii) Are children who have a chronic illness or  
2079 physical, intellectual, developmental or emotional disability; or

2080 (iv) Are children in a foster care placement  
2081 program established by the Department of Child Protection  
2082 Services, children placed under the Safe Families for Children  
2083 model or children at significant risk of entering a foster care  
2084 placement program established by the Department of Child  
2085 Protection Services.



2086 (c) A statement that the organization plans to continue  
2087 spending at least fifty percent (50%) of its budget on services to  
2088 residents of this state who receive temporary assistance for needy  
2089 families benefits, who are low-income residents of this state, who  
2090 are children who have a chronic illness or physical, intellectual,  
2091 developmental or emotional disability or who are children in a  
2092 foster care placement program established by the Department of  
2093 Child Protection Services, children placed under the Safe Families  
2094 for Children model or children at significant risk of entering a  
2095 foster care placement program established by the Department of  
2096 Child Protection Services. A charitable organization that is  
2097 exempt from federal income tax under Section 501(c)(3) of the  
2098 Internal Revenue Code and that meets all other requirements for a  
2099 qualifying charitable organization or qualifying foster care  
2100 charitable organization except that it does not spend at least  
2101 fifty percent (50%) of its overall budget in Mississippi shall  
2102 submit a statement that it spends at least fifty percent (50%) of  
2103 its Mississippi budget on services to qualified individuals in  
2104 Mississippi and that one hundred percent (100%) of the voluntary  
2105 cash contributions it receives from Mississippi taxpayers will be  
2106 spent on services to qualified individuals in Mississippi.

2107 (d) In the case of a foster care charitable  
2108 organization, a statement that each operating year it provides  
2109 services to at least one hundred (100) qualified individuals in  
2110 this state.



2111 (e) A statement that the organization does not provide,  
2112 pay for or provide coverage of abortions and does not financially  
2113 support any other entity that provides, pays for or provides  
2114 coverage of abortions.

2115 (f) Any other information that the department requires  
2116 to administer this section.

2117 (11) The department shall review each written certification  
2118 and determine whether the organization meets all the criteria to  
2119 be considered a qualifying charitable organization and notify the  
2120 organization of its determination. The department may also  
2121 periodically request recertification from the organization. The  
2122 department shall compile and make available to the public a list  
2123 of the qualifying charitable organizations.

2124 (12) The aggregate amount of tax credits that may be awarded  
2125 under this section in any calendar year shall not exceed Three  
2126 Million Dollars (\$3,000,000.00). However, for calendar year 2021,  
2127 and for each calendar year thereafter, the aggregate amount of tax  
2128 credits that may be awarded under this section in any calendar  
2129 year shall not exceed One Million Dollars (\$1,000,000.00). In  
2130 addition, any tax credits not awarded under this section before  
2131 June 1, 2020, may be allocated during calendar year 2020 under  
2132 Section 27-7-22.41 for contributions by taxpayers to eligible  
2133 charitable organizations described in Section



2134 27-7-22.41(1)(b)(ii) as provided under such section,  
2135 notwithstanding any limitation on the percentage of tax credits  
2136 that may be allocated for such contributions.

2137 (13) A taxpayer shall apply for credits with the department  
2138 on forms prescribed by the department. In the application the  
2139 taxpayer shall certify to the department the dollar amount of the  
2140 contributions made or to be made during the calendar year. Within  
2141 thirty (30) days after the receipt of an application, the  
2142 department shall allocate credits based on the dollar amount of  
2143 contributions as certified in the application. However, if the  
2144 department cannot allocate the full amount of credits certified in  
2145 the application due to the limit on the aggregate amount of  
2146 credits that may be awarded under this section in a calendar year,  
2147 the department shall so notify the applicant within thirty (30)  
2148 days with the amount of credits, if any, that may be allocated to  
2149 the applicant in the calendar year. Once the department has  
2150 allocated credits to a taxpayer, if the contribution for which a  
2151 credit is allocated has not been made as of the date of the  
2152 allocation, then the contribution must be made not later than  
2153 sixty (60) days from the date of the allocation. If the  
2154 contribution is not made within such time period, the allocation  
2155 shall be cancelled and returned to the department for  
2156 reallocation. Upon final documentation of the contributions, if  
2157 the actual dollar amount of the contributions is lower than the



2158 amount estimated, the department shall adjust the tax credit  
2159 allowed under this section.

2160 (14) This section shall be repealed from and after January  
2161 1, 2025.

2162 **SECTION 29.** Section 27-7-22.40, Mississippi Code of 1972, is  
2163 brought forward as follows:

2164 27-7-22.40. (1) The following words and phrases shall have  
2165 the meanings ascribed in this section unless the context clearly  
2166 indicates:

2167 (a) "Water transportation enterprise" means an  
2168 enterprise or establishment primarily engaged in providing inland  
2169 water transportation of cargo on lakes, rivers and/or intracoastal  
2170 waterways, except on the Great Lakes System.

2171 (b) "Mississippi full-time job" means a job created in  
2172 the State of Mississippi on or after January 1, 2019, and filled  
2173 by a Mississippi resident who works at least thirty-five (35)  
2174 hours per week.

2175 (2) Subject to the provisions of this section, any water  
2176 transportation enterprise is allowed a job tax credit for taxes  
2177 imposed by this chapter equal to Two Thousand Dollars (\$2,000.00)  
2178 annually for each Mississippi full-time job created for a period  
2179 of five (5) years from the date the credit commences. A water  
2180 transportation enterprise may not claim a tax credit for the  
2181 reemployment of a person whose employment with the enterprise is  
2182 terminated by the enterprise if the reemployment by the enterprise





2183 occurs within twelve (12) months from the date of the termination.  
2184 The credit shall commence on the date selected by the enterprise.  
2185 For the year in which the commencement date occurs, the credit  
2186 will be determined based on the monthly average number of  
2187 full-time employees employed by the water transportation  
2188 enterprise in Mississippi full-time jobs subject to the  
2189 Mississippi income tax withholding. For each year thereafter, the  
2190 number of Mississippi full-time jobs shall be determined by  
2191 comparing the monthly average number of full-time employees  
2192 employed at the water transportation enterprise in Mississippi  
2193 full-time jobs subject to the Mississippi income tax withholding  
2194 for the taxable year with the corresponding period of the prior  
2195 taxable year. The Department of Revenue shall adjust the credit  
2196 allowed each year for employment fluctuations.

2197 (3) The credit that may be used each year shall be limited  
2198 to an amount not greater than the total state income tax liability  
2199 of the water transportation enterprise. Any tax credit claimed  
2200 under this section but not used in any taxable year may be carried  
2201 forward for five (5) consecutive years from the close of the tax  
2202 year in which the credits were earned.

2203 (4) The sale, merger, acquisition, reorganization,  
2204 bankruptcy or relocation from one (1) county to another county  
2205 within the state of any water transportation enterprise may not  
2206 create new eligibility in any succeeding business entity, but any  
2207 unused job tax credit may be transferred and continued by any



2208 transferee of the water transportation enterprise. The Department  
2209 of Revenue shall determine whether or not qualifying net increases  
2210 or decreases have occurred or proper transfers of credit have been  
2211 made and may require reports, promulgate regulations, and hold  
2212 hearings as needed for substantiation and qualification.

2213 (5) The credits allowed under this section shall not be used  
2214 by any business enterprise or corporation other than the water  
2215 transportation enterprise actually qualifying for the credits.

2216 (6) The maximum aggregate amount of tax credits that may be  
2217 claimed by all taxpayers claiming a credit under this section in a  
2218 taxable year shall not exceed Two Million Dollars (\$2,000,000.00).

2219 (7) Any water transportation enterprise that is eligible for  
2220 the credit authorized in this section before January 1, 2026,  
2221 shall be eligible for the credit authorized in this section,  
2222 notwithstanding the repeal of this section, and shall be allowed  
2223 to carry forward the credit after January 1, 2026, as provided  
2224 for in subsection (3) of this section.

2225 (8) This section shall be repealed from and after January 1,  
2226 2026.

2227 **SECTION 30.** Section 27-7-22.42, Mississippi Code of 1972, is  
2228 brought forward as follows:

2229 27-7-22.42. (1) The following words and phrases shall have  
2230 the meanings as defined in this section unless the context clearly  
2231 indicates otherwise:



2232 (a) "Eligible taxpayer" means any railroad that is  
2233 classified by the United States Surface Transportation Board as a  
2234 Class II or Class III railroad.

2235 (b) "Eligible transferee" means any taxpayer having a  
2236 liability for taxes under this chapter.

2237 (c) "Qualified railroad reconstruction or replacement  
2238 expenditures" means gross expenditures for maintenance,  
2239 reconstruction or replacement of railroad infrastructure,  
2240 including track, roadbed, bridges, industrial leads and sidings,  
2241 and track-related structures owned or leased by a Class II or  
2242 Class III railroad in Mississippi as of January 1, 2022.

2243 (d) "Qualified new rail infrastructure expenditures"  
2244 means gross expenditures for new construction of industrial leads,  
2245 switches, spurs and sidings and extensions of existing sidings,  
2246 for serving new customer locations or expansions in Mississippi,  
2247 by a Class II or Class III railroad located in Mississippi.

2248 (2) Subject to the provisions of this section, an eligible  
2249 taxpayer making qualified railroad reconstruction or replacement  
2250 expenditures shall be allowed a credit against the taxes imposed  
2251 under this chapter. The credit shall be for an amount equal to  
2252 the lesser of fifty percent (50%) of an eligible taxpayer's  
2253 qualified railroad reconstruction or replacement expenditures for  
2254 the taxable year or the product of Five Thousand Dollars  
2255 (\$5,000.00) multiplied by the number of miles of railroad track  
2256 owned or leased within the State of Mississippi by the eligible



2257 taxpayer as of the close of the taxable year. For qualified new  
2258 rail infrastructure expenditures, the credit shall be for an  
2259 amount equal to the lesser of fifty percent (50%) of an eligible  
2260 taxpayer's qualified new rail infrastructure expenditures for the  
2261 taxable year, capped at One Million Dollars (\$1,000,000.00) per  
2262 new rail-served customer project. However, the tax credit shall  
2263 not exceed the amount of tax imposed upon the taxpayer for the  
2264 taxable year reduced by the sum of all other credits allowable to  
2265 the taxpayer under this chapter, except credit for tax payments  
2266 made by or on behalf of the taxpayer. Any tax credit claimed  
2267 under this section but not used in any taxable year may be carried  
2268 forward for five (5) consecutive years from the close of the  
2269 taxable year in which the credit was earned. The aggregate amount  
2270 of credits that may be claimed by all taxpayers claiming a credit  
2271 under this section during a calendar year shall not exceed Eight  
2272 Million Dollars (\$8,000,000.00). In addition, an eligible  
2273 taxpayer may transfer by written agreement any unused tax credit  
2274 to an eligible transferee at any time during the year in which the  
2275 credit is earned and the five (5) years following the taxable year  
2276 in which the qualified railroad reconstruction or replacement  
2277 expenditures or the qualified new rail infrastructure expenditures  
2278 are made. The eligible taxpayer and the eligible transferee must  
2279 jointly file a copy of the written transfer agreement with the  
2280 Department of Revenue within thirty (30) days of the transfer.  
2281 The written agreement must contain the: (a) name, address, and



2282 taxpayer identification number of the parties to the transfer; (b)  
2283 taxable year the eligible taxpayer incurred the qualified railroad  
2284 reconstruction or replacement expenditures or the qualified new  
2285 rail infrastructure expenditures; (c) amount of credit being  
2286 transferred; and (d) taxable year or years for which the credit  
2287 may be claimed by the eligible transferee.

2288 This section shall stand repealed on January 1, 2024.

2289 **SECTION 31.** Section 27-7-22.43, Mississippi Code of 1972, is  
2290 brought forward as follows:

2291 27-7-22.43. (1) This section shall be known and may be  
2292 cited as the "Pregnancy Resource Act."

2293 (2) For the purposes of this section, the following words  
2294 and phrases shall have the meanings ascribed in this section  
2295 unless the context clearly indicates otherwise:

2296 (a) "Department" means the Department of Revenue.

2297 (b) "Eligible charitable organization" means an  
2298 organization that is exempt from federal income taxation under  
2299 Section 501(c)(3) of the Internal Revenue Code and is a pregnancy  
2300 resource center or crisis pregnancy center. To be considered an  
2301 "eligible charitable organization" a pregnancy resource center or  
2302 crisis pregnancy center must meet the following criteria:

2303 (i) Certify that no more than twenty percent (20%)  
2304 of the contributions received under this section will be spent on  
2305 administrative purposes;



2306 (ii) File annually with the Secretary of State the  
2307 organization's publicly available Internal Revenue Service  
2308 filings.

2309 (3) (a) The tax credit authorized in this section shall be  
2310 available only to a taxpayer who is a business enterprise engaged  
2311 in commercial, industrial or professional activities and operating  
2312 as a corporation, limited liability company, partnership or sole  
2313 proprietorship. Except as otherwise provided in this section, a  
2314 credit is allowed against the taxes imposed by Sections 27-7-5,  
2315 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2316 contributions made by a taxpayer during the taxable year to an  
2317 eligible charitable organization. For calendar year 2022, for a  
2318 taxpayer that is not operating as a corporation, a credit is also  
2319 allowed against ad valorem taxes assessed and levied on real  
2320 property for voluntary cash contributions made by the taxpayer  
2321 during the taxable year to an eligible charitable organization.  
2322 From and after January 1, 2023, a credit is also allowed against  
2323 ad valorem taxes assessed and levied on real property for  
2324 voluntary cash contributions made by a taxpayer during the taxable  
2325 year to an eligible charitable organization. The amount of credit  
2326 that may be utilized by a taxpayer in a taxable year shall be  
2327 limited to (i) an amount not to exceed fifty percent (50%) of the  
2328 total tax liability of the taxpayer for the taxes imposed by such  
2329 sections of law and (ii) an amount not to exceed fifty percent  
2330 (50%) of the total tax liability of the taxpayer for ad valorem



2331 taxes assessed and levied on real property. Any tax credit  
2332 claimed under this section but not used in any taxable year may be  
2333 carried forward for five (5) consecutive years from the close of  
2334 the tax year in which the credits were earned.

2335 (b) A contribution for which a credit is claimed under  
2336 this section may not be used as a deduction by the taxpayer for  
2337 state income tax purposes.

2338 (4) Taxpayers taking a credit authorized by this section  
2339 shall provide the name of the eligible charitable organization and  
2340 the amount of the contribution to the department on forms provided  
2341 by the department.

2342 (5) An eligible charitable organization shall provide the  
2343 department with a written certification that it meets all criteria  
2344 to be considered an eligible charitable organization. The  
2345 organization shall also notify the department of any changes that  
2346 may affect eligibility under this section.

2347 (6) The eligible charitable organization's written  
2348 certification must be signed by an officer of the organization  
2349 under penalty of perjury. The written certification shall include  
2350 the following:

2351 (a) Verification of the organization's status under  
2352 Section 501(c)(3) of the Internal Revenue Code;

2353 (b) A statement that the organization does not provide,  
2354 pay for or provide coverage of abortions and does not financially



2355 support any other entity that provides, pays for or provides  
2356 coverage of abortions;

2357 (c) Any other information that the department requires  
2358 to administer this section.

2359 (7) The department shall review each written certification  
2360 and determine whether the organization meets all the criteria to  
2361 be considered an eligible charitable organization and notify the  
2362 organization of its determination. The department may also  
2363 periodically request recertification from the organization. The  
2364 department shall compile and make available to the public a list  
2365 of eligible charitable organizations.

2366 (8) Tax credits authorized by this section that are earned  
2367 by a partnership, limited liability company, S corporation or  
2368 other similar pass-through entity, shall be allocated among all  
2369 partners, members or shareholders, respectively, either in  
2370 proportion to their ownership interest in such entity or as the  
2371 partners, members or shareholders mutually agree as provided in an  
2372 executed document.

2373 (9) (a) A taxpayer shall apply for credits with the  
2374 department on forms prescribed by the department. In the  
2375 application the taxpayer shall certify to the department the  
2376 dollar amount of the contributions made or to be made during the  
2377 calendar year. Within thirty (30) days after the receipt of an  
2378 application, the department shall allocate credits based on the  
2379 dollar amount of contributions as certified in the application.





2380 However, if the department cannot allocate the full amount of  
2381 credits certified in the application due to the limit on the  
2382 aggregate amount of credits that may be awarded under this section  
2383 in a calendar year, the department shall so notify the applicant  
2384 within thirty (30) days with the amount of credits, if any, that  
2385 may be allocated to the applicant in the calendar year. Once the  
2386 department has allocated credits to a taxpayer, if the  
2387 contribution for which a credit is allocated has not been made as  
2388 of the date of the allocation, then the contribution must be made  
2389 not later than sixty (60) days from the date of the allocation.  
2390 If the contribution is not made within such time period, the  
2391 allocation shall be cancelled and returned to the department for  
2392 reallocation. Upon final documentation of the contributions, if  
2393 the actual dollar amount of the contributions is lower than the  
2394 amount estimated, the department shall adjust the tax credit  
2395 allowed under this section.

2396 (b) For the purposes of using a tax credit against ad  
2397 valorem taxes assessed and levied on real property, a taxpayer  
2398 shall present to the appropriate tax collector the tax credit  
2399 documentation provided to the taxpayer by the Department of  
2400 Revenue, and the tax collector shall apply the tax credit against  
2401 such ad valorem taxes. The tax collector shall forward the tax  
2402 credit documentation to the Department of Revenue along with the  
2403 amount of the tax credit applied against ad valorem taxes, and the  
2404 department shall disburse funds to the tax collector for the



2405 amount of the tax credit applied against ad valorem taxes. Such  
2406 payments by the Department of Revenue shall be made from current  
2407 tax collections.

2408 (10) The aggregate amount of tax credits that may be  
2409 allocated by the department under this section during a calendar  
2410 year shall not exceed Three Million Five Hundred Thousand Dollars  
2411 (\$3,500,000.00). However, for calendar year 2023, and for each  
2412 calendar year thereafter, the aggregate amount of tax credits that  
2413 may be allocated by the department under this section during a  
2414 calendar year shall not exceed Ten Million Dollars  
2415 (\$10,000,000.00). For credits allocated during a calendar year  
2416 for contributions to eligible charitable organizations, no more  
2417 than twenty-five percent (25%) of such credits may be allocated  
2418 for contributions to a single eligible charitable organization;  
2419 however, credits not allocated before June 1, may be allocated  
2420 without regard to such restriction for the same calendar year.

2421 **SECTION 32.** Section 27-7-22.44, Mississippi Code of 1972, is  
2422 brought forward as follows:

2423 27-7-22.44. (1) As used in this section, the following  
2424 words shall have the meanings ascribed herein unless the context  
2425 clearly requires otherwise:

2426 (a) "Blood donation" means the voluntary and  
2427 uncompensated donation of whole blood, or specific components of  
2428 blood, by an employee, drawn for use by a nonprofit blood bank  
2429 organization as part of a blood drive.



2430 (b) "Blood drive" means a function held at a specific  
2431 date and time which is organized by a nonprofit blood bank  
2432 organization in coordination with an employer or group of  
2433 employers and is closed to nonemployees.

2434 (c) "Employee" means an individual employed by an  
2435 employer authorized to claim a tax credit under this section.

2436 (d) "Employer" means a sole proprietor, general  
2437 partnership, limited partnership, limited liability company,  
2438 corporation or other legally recognized business entity.

2439 (e) "Verified donation" means a blood donation by an  
2440 employee, made during a blood drive, which can be documented by an  
2441 employer.

2442 (2) Subject to the provisions of this section, for calendar  
2443 year 2022 and for calendar year 2023, a taxpayer that is an  
2444 employer shall be allowed a credit against the taxes imposed under  
2445 this chapter for each verified blood donation made by an employee  
2446 as part of a blood drive. The credit shall be for an amount equal  
2447 to Twenty Dollars (\$20.00) for each verified donation. However,  
2448 the tax credit shall not exceed the amount of tax imposed upon the  
2449 taxpayer for the taxable year reduced by the sum of all other  
2450 credits allowable to the taxpayer under this chapter, except  
2451 credit for tax payments made by or on behalf of the taxpayer. The  
2452 maximum aggregate amount of tax credits that may be claimed by all  
2453 taxpayers claiming a credit under this section in a taxable year  
2454 shall not exceed One Hundred Thousand Dollars (\$100,000.00). The



2455 department shall annually calculate and publish a percentage by  
2456 which the tax credit authorized by this section shall be reduced  
2457 so the maximum aggregate amount of tax credits claimed by all  
2458 taxpayers claiming a credit in a taxable year does not exceed One  
2459 Hundred Thousand Dollars (\$100,000.00).

2460         **SECTION 33.** Section 27-7-22.45, Mississippi Code of 1972, is  
2461 brought forward as follows:

2462             27-7-22.45. (1) As used in this section,

2463                     (a) "Affiliated enterprise" or an "affiliate" shall  
2464 have the meaning ascribed to such term in Section 57-75-5(k)(ii);

2465                     (b) "Authority" shall have the meaning ascribed to such  
2466 term in Section 57-75-5(b);

2467                     (c) "Project" shall have the meaning ascribed to such  
2468 term in Section 57-75-5(f)(xxxi); and

2469                     (d) "Qualified business or industry" shall mean any  
2470 company that has been certified by the Major Economic Impact  
2471 Authority as a project as defined in Section 57-75-5(f)(xxxi), or  
2472 any other company which becomes subject to the tax levied by this  
2473 chapter because it is an affiliate of the company that has been  
2474 certified by the Major Economic Impact Authority as a project as  
2475 defined in Section 57-75-5(f)(xxxi).

2476             (2) Each qualified business or industry shall be allowed an  
2477 annual credit, for a period of fifteen (15) successive years,  
2478 against the tax imposed by this chapter upon such qualified  
2479 business or industry in each such year, in an annual amount equal



2480 to the amount of the qualified business's or industry's tax  
2481 imposed by this chapter for each such year during the fifteen (15)  
2482 year period on income derived thereby from any project, as defined  
2483 by Section 57-75-5(f) (xxxi).

2484 (3) The tax credit authorized by this section may be  
2485 utilized by any qualified business or industry and by any  
2486 affiliates thereof that file a combined tax return for the tax  
2487 imposed by this chapter. The credit shall not apply to offset tax  
2488 on income derived from activities subject to Mississippi income  
2489 tax prior to certification of the project.

2490 (4) A qualified business or industry may elect the date upon  
2491 which the fifteen (15) year period will begin; however, the date  
2492 may not be later than twenty-four (24) months after the date the  
2493 qualified business or industry begins commercial production of the  
2494 project or such earlier date prescribed by a definitive written  
2495 agreement between the authority and the qualified business or  
2496 industry and/or an affiliate thereof.

2497 (5) In the event that the annual number of full-time jobs  
2498 maintained or caused to be maintained by the qualified business or  
2499 industry and/or any affiliate thereof falls below the minimum  
2500 annual number of full-time jobs required by the authority pursuant  
2501 to a written agreement between the authority and the qualified  
2502 business or industry and/or any affiliate thereof for one or more  
2503 years, the annual tax credit granted by this section may be  
2504 reduced or suspended by the authority until the first tax year



2505 during which the annual number of full-time jobs maintained or  
2506 caused to be maintained by the qualified business or industry  
2507 and/or any affiliate thereof reaches the minimum annual number of  
2508 full-time jobs required by the authority pursuant to a written  
2509 agreement between the authority and the qualified business or  
2510 industry and/or any affiliate thereof.

2511 (6) A qualified business or industry that utilizes the  
2512 annual tax credits authorized by this section shall not be  
2513 eligible for the credits authorized in Sections 57-73-21 through  
2514 57-73-29.

2515 (7) A qualified business or industry shall be entitled to  
2516 utilize a single sales apportionment factor in the calculation of  
2517 its liability for income tax imposed by this chapter for any year  
2518 for which it files a Mississippi income tax return. The qualified  
2519 business or industry shall be entitled to continue to utilize such  
2520 single sales apportionment factor notwithstanding a suspension of  
2521 the income tax credit pursuant to subsection (5) of this section.  
2522 In no event shall a qualified business or industry be entitled to  
2523 utilize a single sales apportionment factor for purposes of  
2524 calculating its liability for income tax imposed by this chapter  
2525 on any income derived from any operations or activities thereof  
2526 subject to tax liability imposed by this chapter prior to January  
2527 1, 2023, except to the extent that the qualified business or  
2528 industry is entitled to utilize a single sales apportionment  
2529 factor in the calculation of its liability for income tax on



2530 income derived from any operations or activities thereof subject  
2531 to tax liability imposed by this chapter prior to January 1, 2023,  
2532 pursuant to any other section of law or regulation duly adopted by  
2533 the department.

2534 (8) The Mississippi Development Authority may promulgate  
2535 rules and regulations necessary to administer the provisions of  
2536 this section.

2537 **SECTION 34.** Section 27-7-22.46, Mississippi Code of 1972, is  
2538 brought forward as follows:

2539 27-7-22.46. (1) For the purposes of this section, the  
2540 following words and phrases shall have the meanings ascribed in  
2541 this section unless the context clearly indicates otherwise:

2542 (a) "Department" means the Department of Revenue.

2543 (b) "Eligible charitable organization" means an  
2544 organization that is exempt from federal income taxation under  
2545 Section 501(c)(3) of the Internal Revenue Code and is purchasing,  
2546 warehousing and delivering food directly to food pantries or soup  
2547 kitchens in more than five (5) Mississippi counties on a monthly  
2548 basis.

2549 (2) (a) The tax credit authorized in this section shall be  
2550 available only to a taxpayer that is a business enterprise engaged  
2551 in commercial, industrial or professional activities and operating  
2552 as a corporation, limited liability company, partnership or sole  
2553 proprietorship. Except as otherwise provided in this section, a  
2554 credit is allowed against the taxes imposed by Sections 27-7-5,



2555 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2556 contributions made by a taxpayer during the taxable year to an  
2557 eligible charitable organization. A credit is also allowed  
2558 against ad valorem taxes assessed and levied on real property for  
2559 voluntary cash contributions made by the taxpayer during the  
2560 taxable year to an eligible charitable organization. The amount  
2561 of credit that may be utilized by a taxpayer in a taxable year  
2562 shall be limited to (i) an amount not to exceed fifty percent  
2563 (50%) of the total tax liability of the taxpayer for the taxes  
2564 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123,  
2565 and (ii) an amount not to exceed fifty percent (50%) of the total  
2566 tax liability of the taxpayer for ad valorem taxes assessed and  
2567 levied on real property. Any credit claimed under this section  
2568 but not used in the tax year in which it was earned may be carried  
2569 forward for five (5) consecutive years from the close of the tax  
2570 year in which it was earned.

2571 (b) A contribution for which a credit is claimed under  
2572 this section may not be used as a deduction by the taxpayer for  
2573 state income tax purposes.

2574 (3) A taxpayer taking a credit authorized by this section  
2575 shall provide the name of the eligible charitable organization and  
2576 the amount of the contribution to the department on forms provided  
2577 by the department.

2578 (4) To be considered an eligible charitable organization  
2579 under this section, an organization shall provide the department





2580 with a written certification that it meets all criteria. The  
2581 organization shall also notify the department of any changes that  
2582 may affect eligibility under this section.

2583 (5) The eligible charitable organization's written  
2584 certification must be signed by an officer of the organization  
2585 under penalty of perjury. The written certification shall include  
2586 the following:

2587 (a) Verification of the organization's status under  
2588 Section 501(c) (3) of the Internal Revenue Code;

2589 (b) A statement that the organization will use the  
2590 contribution only for the purchasing of food and will deliver the  
2591 food to food pantries and soup kitchens in the state; and

2592 (c) Any other information that the department requires  
2593 in order to administer this section.

2594 (6) The department shall review each written certification  
2595 and determine whether the organization meets all the criteria to  
2596 be considered an eligible charitable organization and shall notify  
2597 the organization of its determination. The department may also  
2598 periodically request recertification from the organization. The  
2599 department shall compile and make available to the public a list  
2600 of eligible charitable organizations.

2601 (7) Tax credits authorized by this section that are earned  
2602 by a partnership, limited liability company, S corporation or  
2603 other similar pass-through entity, shall be allocated among all  
2604 partners, members or shareholders, respectively, either in



2605 proportion to their ownership interest in such entity or as the  
2606 partners, members or shareholders mutually agree as provided in an  
2607 executed document.

2608 (8) (a) A taxpayer shall apply for credits with the  
2609 department on forms prescribed by the department. In the  
2610 application, the taxpayer shall certify to the department the  
2611 dollar amount of the contributions made or to be made during the  
2612 calendar year. Within thirty (30) days after the receipt of an  
2613 application, the department shall allocate credits based on the  
2614 dollar amount of contributions as certified in the application.  
2615 However, if the department cannot allocate the full amount of  
2616 credits certified in the application due to the limit on the  
2617 aggregate amount of credits that may be awarded under this section  
2618 in a calendar year, the department shall so notify the applicant  
2619 within thirty (30) days with the amount of credits, if any, that  
2620 may be allocated to the applicant in the calendar year. Once the  
2621 department has allocated credits to a taxpayer, if the  
2622 contribution for which a credit is allocated has not been made as  
2623 of the date of the allocation, then the contribution must be made  
2624 not later than sixty (60) days from the date of the allocation.  
2625 If the contribution is not made within such time period, the  
2626 allocation shall be cancelled and returned to the department for  
2627 reallocation. Upon final documentation of the contribution, if  
2628 the actual dollar amount of the contribution is lower than the



2629 amount estimated, the department shall adjust the tax credit  
2630 allowed under this section.

2631 (b) For the purposes of using a tax credit against ad  
2632 valorem taxes assessed and levied on real property, a taxpayer  
2633 shall present to the appropriate tax collector the tax credit  
2634 documentation provided to the taxpayer by the department, and the  
2635 tax collector shall apply the tax credit against such ad valorem  
2636 taxes. The tax collector shall forward the tax credit  
2637 documentation to the department along with the amount of the tax  
2638 credit applied against ad valorem taxes, and the department shall  
2639 disburse funds to the tax collector for the amount of the tax  
2640 credit applied against ad valorem taxes. Such payments by the  
2641 department shall be made from current tax collections.

2642 (9) The aggregate amount of tax credits that may be  
2643 allocated by the department under this section during a calendar  
2644 year shall not exceed One Million Dollars (\$1,000,000.00).

2645 **SECTION 35.** Section 27-7-22.47, Mississippi Code of 1972, is  
2646 brought forward as follows:

2647 27-7-22.47. (1) For the purposes of this section, the  
2648 following words and phrases shall have the meanings ascribed in  
2649 this section unless the context clearly indicates otherwise:

2650 (a) "Department" means the Department of Revenue.

2651 (b) "Eligible transitional home organization" means an  
2652 organization that is exempt from federal income taxation under  
2653 Section 501(c)(3) of the Internal Revenue Code that provides



2654 transitional housing for homeless persons age twenty-five (25) and  
2655 under, homeless families and/or homeless and/or referred unwed  
2656 pregnant women.

2657 "Eligible transitional home organization" does not include  
2658 any entity that provides, pays for or provides coverage of  
2659 abortions or that financially supports any other entity that  
2660 provides, pays for or provides coverage of abortions.

2661 "Eligible transitional home organization" does not include  
2662 any entity that charges a fee for the services and/or benefits it  
2663 provides as an eligible transitional home organization. The  
2664 prohibition against charging a fee for services and/or benefits is  
2665 limited to services and benefits the entity provides as an  
2666 eligible transitional home organization and does not apply to any  
2667 other services and/or benefits the entity may provide to persons  
2668 not being served by the entity's transitional home services.

2669 (c) "Transitional housing" means temporary housing the  
2670 purpose of which is to provide homeless persons age twenty-five  
2671 (25) and under, homeless families and/or homeless and/or referred  
2672 unwed pregnant women with temporary shelter and facilitate their  
2673 movement to permanent housing within an amount of time that the  
2674 eligible transitional home organization determines to be  
2675 appropriate.

2676 "Transitional housing" includes a program designed by the  
2677 eligible transitional home organization that offers structure,  
2678 supervision, support, life skills, education and training as the



2679 eligible transitional home organization determines to be  
2680 appropriate for each individual and/or family to achieve and/or  
2681 maintain independence.

2682       (2)   (a)   (i)   The tax credit authorized in this subsection  
2683 shall be available only to a taxpayer who is a business enterprise  
2684 engaged in commercial, industrial or professional activities and  
2685 operating as a corporation, limited liability company, partnership  
2686 or sole proprietorship. Except as otherwise provided in this  
2687 subsection, a credit is allowed against the taxes imposed by  
2688 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary  
2689 cash contributions made by a taxpayer during the taxable year to  
2690 an eligible transitional home organization. A credit is also  
2691 allowed against ad valorem taxes assessed and levied on real  
2692 property for voluntary cash contributions made by the taxpayer  
2693 during the taxable year to an eligible transitional home  
2694 organization. The amount of credit that may be utilized by a  
2695 taxpayer in a taxable year shall be limited to an amount not to  
2696 exceed fifty percent (50%) of the total tax liability of the  
2697 taxpayer for the taxes imposed by such sections of law and an  
2698 amount not to exceed fifty percent (50%) of the total tax  
2699 liability of the taxpayer for ad valorem taxes assessed and levied  
2700 on real property. Any tax credit claimed under this subsection  
2701 but not used in any taxable year may be carried forward for five  
2702 (5) consecutive years from the close of the tax year in which the  
2703 credits were earned.



2704 (ii) A contribution to an eligible transitional  
2705 home organization for which a credit is claimed under this  
2706 subsection does not qualify for and shall not be included in any  
2707 credit that may be claimed under subsection (3) of this section.

2708 (iii) A contribution for which a credit is claimed  
2709 under this subsection may not be used as a deduction by the  
2710 taxpayer for state income tax purposes.

2711 (b) Taxpayers taking a credit authorized by this  
2712 subsection shall provide the name of the eligible transitional  
2713 home organization and the amount of the contribution to the  
2714 department on forms provided by the department.

2715 (c) An eligible transitional home organization shall  
2716 provide the department with a written certification that it meets  
2717 all criteria to be considered an eligible transitional home  
2718 organization. The organization shall also notify the department  
2719 of any changes that may affect eligibility under this section.

2720 (d) The eligible transitional home organization's  
2721 written certification must be signed by an officer of the  
2722 organization under penalty of perjury. The written certification  
2723 shall include the following:

2724 (i) Verification of the organization's status  
2725 under Section 501(c)(3) of the Internal Revenue Code;

2726 (ii) Information about the facilities that  
2727 demonstrate the applicant's ability to provide housing for



2728 homeless persons age twenty-five (25) and under, homeless  
2729 families, and/or homeless and/or referred unwed pregnant women;

2730 (iii) Sufficient materials to document the program  
2731 of the applicant that demonstrate that the applicant has and runs  
2732 a program that offers structure, supervision, support, life  
2733 skills, education and training as the eligible transitional home  
2734 organization determines to be appropriate for each individual  
2735 and/or family to achieve and/or maintain independence;

2736 (iv) A statement that the organization does not  
2737 charge a fee for services or benefits provided in whole or in part  
2738 by its transitional housing program; and

2739 (v) Any other information that the department  
2740 requires to administer this section.

2741 (e) The department shall review each written  
2742 certification and determine whether the organization meets all the  
2743 criteria to be considered an eligible transitional home  
2744 organization and notify the organization of its determination.

2745 The department may also periodically request recertification from  
2746 the organization. The department shall compile and make available  
2747 to the public a list of eligible transitional home organizations.

2748 (f) Tax credits authorized by this subsection that are  
2749 earned by a partnership, limited liability company, S corporation  
2750 or other similar pass-through entity, shall be allocated among all  
2751 partners, members or shareholders, respectively, either in  
2752 proportion to their ownership interest in such entity or as the



2753 partners, members or shareholders mutually agree as provided in an  
2754 executed document.

2755 (g) (i) A taxpayer shall apply for credits with the  
2756 department on forms prescribed by the department. In the  
2757 application the taxpayer shall certify to the department the  
2758 dollar amount of the contributions made or to be made during the  
2759 calendar year. Within thirty (30) days after the receipt of an  
2760 application, the department shall allocate credits based on the  
2761 dollar amount of contributions as certified in the application.  
2762 However, if the department cannot allocate the full amount of  
2763 credits certified in the application due to the limit on the  
2764 aggregate amount of credits that may be awarded under this  
2765 subsection in a calendar year, the department shall so notify the  
2766 applicant within thirty (30) days with the amount of credits, if  
2767 any, that may be allocated to the applicant in the calendar year.  
2768 Once the department has allocated credits to a taxpayer, if the  
2769 contribution for which a credit is allocated has not been made as  
2770 of the date of the allocation, then the contribution must be made  
2771 not later than sixty (60) days from the date of the allocation.  
2772 If the contribution is not made within such time period, the  
2773 allocation shall be cancelled and returned to the department for  
2774 reallocation. Upon final documentation of the contributions, if  
2775 the actual dollar amount of the contributions is lower than the  
2776 amount estimated, the department shall adjust the tax credit  
2777 allowed under this subsection.





2778                   (ii) For the purposes of using a tax credit  
2779 against ad valorem taxes assessed and levied on real property, a  
2780 taxpayer shall present to the appropriate tax collector the tax  
2781 credit documentation provided to the taxpayer by the Department of  
2782 Revenue, and the tax collector shall apply the tax credit against  
2783 such ad valorem taxes. The tax collector shall forward the tax  
2784 credit documentation to the Department of Revenue along with the  
2785 amount of the tax credit applied against ad valorem taxes, and the  
2786 department shall disburse funds to the tax collector for the  
2787 amount of the tax credit applied against ad valorem taxes. Such  
2788 payments by the Department of Revenue shall be made from current  
2789 tax collections.

2790                   (h) The aggregate amount of tax credits that may be  
2791 allocated by the department under this subsection during a  
2792 calendar year shall not exceed Ten Million Dollars  
2793 (\$10,000,000.00). For credits allocated during a calendar year  
2794 for contributions to eligible transitional home organizations, no  
2795 more than twenty-five percent (25%) of such credits may be  
2796 allocated for contributions to a single eligible transitional home  
2797 organization.

2798                   (3) (a) (i) Except as otherwise provided in this  
2799 subsection, a credit is allowed against the taxes imposed by this  
2800 chapter for voluntary cash contributions by an individual taxpayer  
2801 during the taxable year to an eligible transitional home  
2802 organization. A credit is also allowed against ad valorem taxes



2803 assessed and levied on real property for voluntary cash  
2804 contributions made by an individual taxpayer during the taxable  
2805 year to an eligible transitional home organization. The amount of  
2806 credit that may be utilized by a taxpayer in a taxable year shall  
2807 be limited to an amount not to exceed fifty percent (50%) of the  
2808 total tax liability of the taxpayer for the taxes imposed by this  
2809 chapter and an amount not to exceed fifty percent (50%) of the  
2810 total tax liability of the taxpayer for ad valorem taxes assessed  
2811 and levied on real property. Any tax credit claimed under this  
2812 subsection but not used in any taxable year may be carried forward  
2813 for five (5) consecutive years from the close of the tax year in  
2814 which the credits were earned.

2815 (ii) A husband and wife who file separate returns  
2816 for a taxable year in which they could have filed a joint return  
2817 may each claim only one-half (1/2) of the tax credit that would  
2818 have been allowed for a joint return.

2819 (iii) A contribution to an eligible transitional  
2820 home organization for which a credit is claimed under this  
2821 subsection does not qualify for and shall not be included in any  
2822 credit that may be claimed under subsection (2) of this section.

2823 (iv) A contribution for which a credit is claimed  
2824 under this subsection may not be used as a deduction by the  
2825 taxpayer for state income tax purposes.

2826 (b) Taxpayers taking a credit authorized by this  
2827 subsection shall provide the name of the eligible transitional



2828 home organization and the amount of the contribution to the  
2829 department on forms provided by the department.

2830 (c) An eligible transitional home organization shall  
2831 provide the department with a written certification that it meets  
2832 all criteria to be considered an eligible transitional home  
2833 organization. The organization shall also notify the department  
2834 of any changes that may affect eligibility under this section.

2835 (d) The eligible transitional housing organization's  
2836 written certification must be signed by an officer of the  
2837 organization under penalty of perjury. The written certification  
2838 shall include the following:

2839 (i) Verification of the organization's status  
2840 under Section 501(c)(3) of the Internal Revenue Code;

2841 (ii) Information about the facilities that  
2842 demonstrate the applicant's ability to provide housing for  
2843 homeless persons age twenty-five (25) and under, homeless  
2844 families, and/or homeless and/or referred unwed pregnant women;

2845 (iii) Sufficient materials to document the program  
2846 of the applicant that demonstrate that the applicant has and runs  
2847 a program that offers structure, supervision, support, life  
2848 skills, education and training as the eligible transitional home  
2849 organization determines to be appropriate for each individual  
2850 and/or family to achieve and/or maintain independence;



2851 (iv) A statement that the organization does not  
2852 charge a fee for services or benefits provided in whole or in part  
2853 by its transitional housing program; and

2854 (v) Any other information that the department  
2855 requires to administer this section.

2856 (e) The department shall review each written  
2857 certification and determine whether the organization meets all the  
2858 criteria to be considered an eligible transitional home  
2859 organization and notify the organization of its determination.  
2860 The department may also periodically request recertification from  
2861 the organization. The department shall compile and make available  
2862 to the public a list of eligible transitional home organizations.

2863 (f) (i) A taxpayer shall apply for credits with the  
2864 department on forms prescribed by the department. In the  
2865 application the taxpayer shall certify to the department the  
2866 dollar amount of the contributions made or to be made during the  
2867 calendar year. Within thirty (30) days after the receipt of an  
2868 application, the department shall allocate credits based on the  
2869 dollar amount of contributions as certified in the application.  
2870 However, if the department cannot allocate the full amount of  
2871 credits certified in the application due to the limit on the  
2872 aggregate amount of credits that may be awarded under this  
2873 subsection in a calendar year, the department shall so notify the  
2874 applicant within thirty (30) days with the amount of credits, if  
2875 any, that may be allocated to the applicant in the calendar year.



2876 Once the department has allocated credits to a taxpayer, if the  
2877 contribution for which a credit is allocated has not been made as  
2878 of the date of the allocation, then the contribution must be made  
2879 not later than sixty (60) days from the date of the allocation.  
2880 If the contribution is not made within such time period, the  
2881 allocation shall be cancelled and returned to the department for  
2882 reallocation. Upon final documentation of the contributions, if  
2883 the actual dollar amount of the contributions is lower than the  
2884 amount estimated, the department shall adjust the tax credit  
2885 allowed under this subsection.

2886                   (ii) For the purposes of using a tax credit  
2887 against ad valorem taxes assessed and levied on real property, a  
2888 taxpayer shall present to the appropriate tax collector the tax  
2889 credit documentation provided to the taxpayer by the Department of  
2890 Revenue, and the tax collector shall apply the tax credit against  
2891 such ad valorem taxes. The tax collector shall forward the tax  
2892 credit documentation to the Department of Revenue along with the  
2893 amount of the tax credit applied against ad valorem taxes, and the  
2894 department shall disburse funds to the tax collector for the  
2895 amount of the tax credit applied against ad valorem taxes. Such  
2896 payments by the Department of Revenue shall be made from current  
2897 tax collections.

2898                   (g) The aggregate amount of tax credits that may be  
2899 allocated by the department under this subsection during a



2900 calendar year shall not exceed One Million Dollars  
2901 (\$1,000,000.00).

2902         **SECTION 36.** Section 27-7-22.48, Mississippi Code of 1972, is  
2903 brought forward as follows:

2904         27-7-22.48. (1) (a) For the purposes of this section, the  
2905 following words and phrases shall have the meanings ascribed in  
2906 this section unless the context clearly indicates otherwise:

2907                 (i) "Department" means the Department of Revenue.

2908                 (ii) "Eligible charitable organization" means an  
2909 organization that is exempt from federal income taxation under  
2910 Section 501(c)(3) of the Internal Revenue Code and spends at least  
2911 fifty percent (50%) of its budget on contracting or making other  
2912 agreements or arrangements with physicians and/or nurse  
2913 practitioners to provide health care services to low-income  
2914 residents of this state including those who are mothers and to  
2915 their households.

2916         "Eligible charitable organization" does not include any  
2917 entity that provides, pays for or provides coverage of abortions  
2918 or that financially supports any other entity that provides, pays  
2919 for or provides coverage of abortions.

2920                 (iii) "Low-income residents" means persons whose  
2921 household income does not exceed one hundred eighty-five percent  
2922 (185%) of the federal poverty level converted to a modified  
2923 adjusted gross income equivalent standard.



2924 (iv) "Nurse practitioner" means a nurse  
2925 practitioner certified under Section 73-15-20, Mississippi Code of  
2926 1972.

2927 (v) "Physician" means an individual licensed to  
2928 practice medicine or osteopathic medicine under Section 73-25-1 et  
2929 seq., Mississippi Code of 1972.

2930 (2) (a) (i) The tax credit authorized in this subsection  
2931 shall be available only to a taxpayer who is a business enterprise  
2932 engaged in commercial, industrial or professional activities and  
2933 operating as a corporation, limited liability company, partnership  
2934 or sole proprietorship. Except as otherwise provided in this  
2935 subsection, a credit is allowed against the taxes imposed by  
2936 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary  
2937 cash contributions made by a taxpayer during the taxable year to  
2938 an eligible charitable organization. A credit is also allowed  
2939 against ad valorem taxes assessed and levied on real property for  
2940 voluntary cash contributions made by the taxpayer during the  
2941 taxable year to an eligible charitable organization. The amount  
2942 of credit that may be utilized by a taxpayer in a taxable year  
2943 shall be limited to an amount not to exceed fifty percent (50%) of  
2944 the total tax liability of the taxpayer for the taxes imposed by  
2945 such sections of law and an amount not to exceed fifty percent  
2946 (50%) of the total tax liability of the taxpayer for ad valorem  
2947 taxes assessed and levied on real property. Any tax credit  
2948 claimed under this subsection but not used in any taxable year may



2949 be carried forward for five (5) consecutive years from the close  
2950 of the tax year in which the credits were earned.

2951 (ii) A contribution to an eligible charitable  
2952 organization for which a credit is claimed under this subsection  
2953 does not qualify for and shall not be included in any credit that  
2954 may be claimed under subsection (3) of this section.

2955 (iii) A contribution for which a credit is claimed  
2956 under this subsection may not be used as a deduction by the  
2957 taxpayer for state income tax purposes.

2958 (b) Taxpayers taking a credit authorized by this  
2959 subsection shall provide the name of the eligible charitable  
2960 organization and the amount of the contribution to the department  
2961 on forms provided by the department.

2962 (c) An eligible charitable organization shall provide  
2963 the department with a written certification that it meets all  
2964 criteria to be considered an eligible charitable organization.  
2965 The organization shall also notify the department of any changes  
2966 that may affect eligibility under this subsection.

2967 (d) The eligible charitable organization's written  
2968 certification must be signed by an officer of the organization  
2969 under penalty of perjury. The written certification shall include  
2970 the following:

2971 (i) Verification of the organization's status  
2972 under Section 501(c)(3) of the Internal Revenue Code;





2973                   (ii) A statement that the organization does not  
2974 provide, pay for or provide coverage of abortions and does not  
2975 financially support any other entity that provides, pays for or  
2976 provides coverage of abortions;

2977                   (iii) Any other information that the department  
2978 requires to administer this subsection.

2979                   (e) The department shall review each written  
2980 certification and determine whether the organization meets all the  
2981 criteria to be considered an eligible charitable organization and  
2982 notify the organization of its determination. The department may  
2983 also periodically request recertification from the organization.  
2984 The department shall compile and make available to the public a  
2985 list of eligible charitable organizations.

2986                   (f) Tax credits authorized by this subsection that are  
2987 earned by a partnership, limited liability company, S corporation  
2988 or other similar pass-through entity, shall be allocated among all  
2989 partners, members or shareholders, respectively, either in  
2990 proportion to their ownership interest in such entity or as the  
2991 partners, members or shareholders mutually agree as provided in an  
2992 executed document.

2993                   (g) (i) A taxpayer shall apply for credits with the  
2994 department on forms prescribed by the department. In the  
2995 application the taxpayer shall certify to the department the  
2996 dollar amount of the contributions made or to be made during the  
2997 calendar year. Within thirty (30) days after the receipt of an



2998 application, the department shall allocate credits based on the  
2999 dollar amount of contributions as certified in the application.  
3000 However, if the department cannot allocate the full amount of  
3001 credits certified in the application due to the limit on the  
3002 aggregate amount of credits that may be awarded under this  
3003 subsection in a calendar year, the department shall so notify the  
3004 applicant within thirty (30) days with the amount of credits, if  
3005 any, that may be allocated to the applicant in the calendar year.  
3006 Once the department has allocated credits to a taxpayer, if the  
3007 contribution for which a credit is allocated has not been made as  
3008 of the date of the allocation, then the contribution must be made  
3009 not later than sixty (60) days from the date of the allocation.  
3010 If the contribution is not made within such time period, the  
3011 allocation shall be cancelled and returned to the department for  
3012 reallocation. Upon final documentation of the contributions, if  
3013 the actual dollar amount of the contributions is lower than the  
3014 amount estimated, the department shall adjust the tax credit  
3015 allowed under this subsection.

3016 (ii) For the purposes of using a tax credit  
3017 against ad valorem taxes assessed and levied on real property, a  
3018 taxpayer shall present to the appropriate tax collector the tax  
3019 credit documentation provided to the taxpayer by the Department of  
3020 Revenue, and the tax collector shall apply the tax credit against  
3021 such ad valorem taxes. The tax collector shall forward the tax  
3022 credit documentation to the Department of Revenue along with the



3023 amount of the tax credit applied against ad valorem taxes, and the  
3024 department shall disburse funds to the tax collector for the  
3025 amount of the tax credit applied against ad valorem taxes. Such  
3026 payments by the Department of Revenue shall be made from current  
3027 tax collections.

3028 (h) The aggregate amount of tax credits that may be  
3029 allocated by the department under this subsection during a  
3030 calendar year shall not exceed Three Million Dollars  
3031 (\$3,000,000.00).

3032 (3) (a) (i) Except as otherwise provided in this  
3033 subsection, a credit is allowed against the taxes imposed by this  
3034 chapter for voluntary cash contributions by an individual taxpayer  
3035 during the taxable year to an eligible charitable organization. A  
3036 credit is also allowed against ad valorem taxes assessed and  
3037 levied on real property for voluntary cash contributions made by  
3038 the taxpayer during the taxable year to an eligible charitable  
3039 organization. The amount of credit that may be utilized by a  
3040 taxpayer in a taxable year shall be limited to an amount not to  
3041 exceed fifty percent (50%) of the total tax liability of the  
3042 taxpayer for the taxes imposed by this chapter and an amount not  
3043 to exceed fifty percent (50%) of the total tax liability of the  
3044 taxpayer for ad valorem taxes assessed and levied on real  
3045 property. Any tax credit claimed under this subsection but not  
3046 used in any taxable year may be carried forward for five (5)



3047 consecutive years from the close of the tax year in which the  
3048 credits were earned.

3049 (ii) A husband and wife who file separate returns  
3050 for a taxable year in which they could have filed a joint return  
3051 may each claim only one-half (1/2) of the tax credit that would  
3052 have been allowed for a joint return.

3053 (iii) A contribution to an eligible charitable  
3054 organization for which a credit is claimed under this subsection  
3055 does not qualify for and shall not be included in any credit that  
3056 may be claimed under subsection (2) of this section.

3057 (iv) A contribution for which a credit is claimed  
3058 under this subsection may not be used as a deduction by the  
3059 taxpayer for state income tax purposes.

3060 (b) Taxpayers taking a credit authorized by this  
3061 subsection shall provide the name of the eligible charitable  
3062 organization and the amount of the contribution to the department  
3063 on forms provided by the department.

3064 (c) An eligible charitable organization shall provide  
3065 the department with a written certification that it meets all  
3066 criteria to be considered an eligible charitable organization.  
3067 The organization shall also notify the department of any changes  
3068 that may affect eligibility under this subsection.

3069 (d) The eligible charitable organization's written  
3070 certification must be signed by an officer of the organization



3071 under penalty of perjury. The written certification shall include  
3072 the following:

3073 (i) Verification of the organization's status  
3074 under Section 501(c)(3) of the Internal Revenue Code;

3075 (ii) A statement that the organization does not  
3076 provide, pay for or provide coverage of abortions and does not  
3077 financially support any other entity that provides, pays for or  
3078 provides coverage of abortions;

3079 (iii) Any other information that the department  
3080 requires to administer this subsection.

3081 (e) The department shall review each written  
3082 certification and determine whether the organization meets all the  
3083 criteria to be considered an eligible charitable organization and  
3084 notify the organization of its determination. The department may  
3085 also periodically request recertification from the organization.  
3086 The department shall compile and make available to the public a  
3087 list of eligible charitable organizations.

3088 (f) (i) A taxpayer shall apply for credits with the  
3089 department on forms prescribed by the department. In the  
3090 application the taxpayer shall certify to the department the  
3091 dollar amount of the contributions made or to be made during the  
3092 calendar year. Within thirty (30) days after the receipt of an  
3093 application, the department shall allocate credits based on the  
3094 dollar amount of contributions as certified in the application.  
3095 However, if the department cannot allocate the full amount of



3096 credits certified in the application due to the limit on the  
3097 aggregate amount of credits that may be awarded under this  
3098 subsection in a calendar year, the department shall so notify the  
3099 applicant within thirty (30) days with the amount of credits, if  
3100 any, that may be allocated to the applicant in the calendar year.  
3101 Once the department has allocated credits to a taxpayer, if the  
3102 contribution for which a credit is allocated has not been made as  
3103 of the date of the allocation, then the contribution must be made  
3104 not later than sixty (60) days from the date of the allocation.  
3105 If the contribution is not made within such time period, the  
3106 allocation shall be cancelled and returned to the department for  
3107 reallocation. Upon final documentation of the contributions, if  
3108 the actual dollar amount of the contributions is lower than the  
3109 amount estimated, the department shall adjust the tax credit  
3110 allowed under this subsection.

3111 (ii) For the purposes of using a tax credit  
3112 against ad valorem taxes assessed and levied on real property, a  
3113 taxpayer shall present to the appropriate tax collector the tax  
3114 credit documentation provided to the taxpayer by the Department of  
3115 Revenue, and the tax collector shall apply the tax credit against  
3116 such ad valorem taxes. The tax collector shall forward the tax  
3117 credit documentation to the Department of Revenue along with the  
3118 amount of the tax credit applied against ad valorem taxes, and the  
3119 department shall disburse funds to the tax collector for the  
3120 amount of the tax credit applied against ad valorem taxes. Such



3121 payments by the Department of Revenue shall be made from current  
3122 tax collections.

3123 (g) The aggregate amount of tax credits that may be  
3124 allocated by the department under this subsection during a  
3125 calendar year shall not exceed One Million Dollars  
3126 (\$1,000,000.00).

3127 **SECTION 37.** Section 27-7-22.49, Mississippi Code of 1972, is  
3128 brought forward as follows:

3129 27-7-22.49. (1) As used in this section, the following  
3130 words and phrases shall have the meanings ascribed in this section  
3131 unless the context clearly indicates otherwise:

3132 (a) "Employment-related expenses" means and has the  
3133 same definition as such term has in 26 USCS Section 21.

3134 (b) "Qualifying individual" means and has the same  
3135 definition as such term has in 26 USCS Section 21(b)(1)(A).

3136 (2) Subject to the provisions of this section, any taxpayer  
3137 allowed to claim a federal income tax credit under 26 USCS Section  
3138 21 for employment-related expenses incurred related to one (1) or  
3139 more qualifying individuals shall be allowed a credit against the  
3140 taxes imposed under this chapter in the manner prescribed in this  
3141 section. The amount of the credit shall be equal to twenty-five  
3142 percent (25%) of the amount of the federal income tax credit  
3143 lawfully claimed by the taxpayer for such employment-related  
3144 expenses on the taxpayer's federal income tax return. However,  
3145 the amount of credit that may be utilized by a taxpayer in a



3146 taxable year shall be limited to an amount not to exceed the total  
3147 tax liability of the taxpayer for the taxes imposed under this  
3148 chapter. In order to claim the credit provided for in this  
3149 section, a taxpayer must claim the federal income tax credit on  
3150 the taxpayer's federal income tax return and have an adjusted  
3151 gross income for such return of not more than Fifty Thousand  
3152 Dollars (\$50,000.00). A taxpayer must provide a copy of such  
3153 return and any other information required by the department.

3154 **SECTION 38.** Section 27-7-205, Mississippi Code of 1972, is  
3155 brought forward as follows:

3156 27-7-205. As used in this article:

3157 (a) "Qualified community foundation" means an entity  
3158 that is exempt from federal income taxation under Section  
3159 501(c)(3) of the Internal Revenue Code that is recognized by the  
3160 Mississippi Association of Grantmakers as meeting the following  
3161 requirements:

3162 (i) It is organized by articles of incorporation  
3163 in the State of Mississippi to serve the State of Mississippi, or  
3164 one or more Mississippi counties or municipalities, or a  
3165 combination thereof;

3166 (ii) It is comprised of permanent, component funds  
3167 established by multiple separate donors;

3168 (iii) It supports broad-based charitable interests  
3169 that benefit the residents of a defined geographic area, no larger  
3170 than the State of Mississippi;





3171 (iv) It is directed by a board of directors that  
3172 is comprised of community representatives and is independent in  
3173 that it is not subject to the control of another entity;

3174 (v) It actively engages in charitable activities,  
3175 including, but not limited to, supporting two (2) or more  
3176 unaffiliated tax-exempt organizations through grants or other  
3177 professionally accepted means of charitable support, and serving  
3178 in leadership roles on important community issues;

3179 (vi) It complies with the guidelines of the  
3180 Mississippi Association of Grantmakers, or its successor entity,  
3181 for membership by a community foundation; and

3182 (vii) It is in good standing with having complied  
3183 with Endow Mississippi certification, reporting, and data privacy  
3184 requirements.

3185 (b) "Endowment gift" means an irrevocable contribution  
3186 to an endowed fund held by a qualified community foundation.

3187 (c) "Qualified contribution" means an endowment gift of  
3188 at least One Thousand Dollars (\$1,000.00) made to a qualified  
3189 community foundation for an endowed fund established to  
3190 substantially benefit charitable causes in this state, and that is  
3191 a charitable gift as defined in Section 170(c) of the Internal  
3192 Revenue Code. A qualified contribution may take any form, subject  
3193 to the giving policies of the qualified community foundation  
3194 receiving it.



3195 (d) "Endowed fund" means a fund held in a qualified  
3196 community foundation that provides benefit to charitable causes in  
3197 Mississippi that is intended to exist in perpetuity. An endowed  
3198 fund may include, but is not limited to, donor-advised funds,  
3199 community foundation affiliate funds, field-of-interest funds,  
3200 agency funds and designated organizational funds.

3201 **SECTION 39.** Section 27-7-207, Mississippi Code of 1972, is  
3202 brought forward as follows:

3203 27-7-207. (1) Subject to the limitations provided for in  
3204 this section, through calendar year 2028, a taxpayer shall be  
3205 allowed a credit against the tax imposed by Chapter 7, Title 27,  
3206 in an amount equal to twenty-five percent (25%) of a qualified  
3207 contribution to an endowed fund at a qualified community  
3208 foundation, subject to the following:

3209 (a) The minimum amount of a qualified contribution  
3210 shall be One Thousand Dollars (\$1,000.00).

3211 (b) The maximum amount of a qualified contribution  
3212 shall be Five Hundred Thousand Dollars (\$500,000.00).

3213 (c) The total qualified contributions from any  
3214 qualified taxpayer eligible for the tax credit authorized under  
3215 this section shall be Five Hundred Thousand Dollars (\$500,000.00)  
3216 per year.

3217 (2) Except as otherwise provided in this subsection, the  
3218 aggregate amount of tax credits authorized under this article  
3219 shall not exceed One Million Dollars (\$1,000,000.00) in any one



3220 (1) calendar year. The credits shall be awarded on a first-come,  
3221 first-served basis. If the tax credits authorized for any  
3222 calendar year are not utilized, the amount not utilized may be  
3223 awarded or carried forward in up to five (5) subsequent calendar  
3224 years from the year in which such credits are made available.

3225 (3) If the amount allowable as a credit exceeds the tax  
3226 imposed by Chapter 7, Title 27, the amount of such excess may be  
3227 carried forward for not more than five (5) subsequent taxable  
3228 years.

3229 (4) From and after January 1, 2029, no additional credits  
3230 shall be authorized under this section; however, any tax credits  
3231 authorized prior to January 1, 2029, and not used, may be carried  
3232 forward for not more than five (5) taxable years subsequent to  
3233 calendar year 2028.

3234 **SECTION 40.** Section 27-7-209, Mississippi Code of 1972, is  
3235 brought forward as follows:

3236 27-7-209. For each calendar year, a total of ten percent  
3237 (10%) of the authorized tax credits shall be reserved for  
3238 qualified contributions to each of the qualified community  
3239 foundations in Mississippi for a period of nine (9) months. Any  
3240 credits that are not utilized within the nine-month period shall  
3241 be utilized for qualified contributions to any qualified community  
3242 foundation on a first-come, first-served basis. Any credits not  
3243 specifically reserved under this section shall also be available  
3244 to any qualified community foundation on a first-come,



3245 first-served basis. The Mississippi Association of Grantmakers,  
3246 or its successor entity, shall, in cooperation with qualified  
3247 community foundations, develop, establish and maintain records  
3248 that determine the priority for the awarding of tax credits under  
3249 this article.

3250 **SECTION 41.** Section 57-73-21, Mississippi Code of 1972, is  
3251 brought forward as follows:

3252 **[In cases involving business enterprises that received or**  
3253 **applied for the job tax credit authorized by this section prior to**  
3254 **January 1, 2005, this section shall read as follows:]**

3255 57-73-21. (1) Annually by December 31, using the most  
3256 current data available from the University Research Center,  
3257 Mississippi Department of Employment Security and the United  
3258 States Department of Commerce, the State Tax Commission shall rank  
3259 and designate the state's counties as provided in this section.  
3260 The twenty-eight (28) counties in this state having a combination  
3261 of the highest unemployment rate and lowest per capita income for  
3262 the most recent thirty-six-month period, with equal weight being  
3263 given to each category, are designated Tier Three areas. The  
3264 twenty-seven (27) counties in the state with a combination of the  
3265 next highest unemployment rate and next lowest per capita income  
3266 for the most recent thirty-six-month period, with equal weight  
3267 being given to each category, are designated Tier Two areas. The  
3268 twenty-seven (27) counties in the state with a combination of the  
3269 lowest unemployment rate and the highest per capita income for the



3270 most recent thirty-six-month period, with equal weight being given  
3271 to each category, are designated Tier One areas. Counties  
3272 designated by the Tax Commission qualify for the appropriate tax  
3273 credit for jobs as provided in subsections (2), (3) and (4) of  
3274 this section. The designation by the Tax Commission is effective  
3275 for the tax years of permanent business enterprises which begin  
3276 after the date of designation. For companies which plan an  
3277 expansion in their labor forces, the Tax Commission shall  
3278 prescribe certification procedures to ensure that the companies  
3279 can claim credits in future years without regard to whether or not  
3280 a particular county is removed from the list of Tier Three or Tier  
3281 Two areas.

3282 (2) Permanent business enterprises primarily engaged in  
3283 manufacturing, processing, warehousing, distribution, wholesaling  
3284 and research and development, or permanent business enterprises  
3285 designated by rule and regulation of the Mississippi Development  
3286 Authority as air transportation and maintenance facilities, final  
3287 destination or resort hotels having a minimum of one hundred fifty  
3288 (150) guest rooms, recreational facilities that impact tourism,  
3289 movie industry studios, telecommunications enterprises, data or  
3290 information processing enterprises or computer software  
3291 development enterprises or any technology intensive facility or  
3292 enterprise, in counties designated by the Tax Commission as Tier  
3293 Three areas are allowed a job tax credit for taxes imposed by  
3294 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually



3295 for each net new full-time employee job for five (5) years  
3296 beginning with years two (2) through six (6) after the creation of  
3297 the job; however, if the permanent business enterprise is located  
3298 in an area that has been declared by the Governor to be a disaster  
3299 area and as a direct result of the disaster the permanent business  
3300 enterprise is unable to maintain the required number of jobs, the  
3301 Chairman of the State Tax Commission may extend this time period  
3302 for not more two (2) years. The number of new full-time jobs must  
3303 be determined by comparing the monthly average number of full-time  
3304 employees subject to the Mississippi income tax withholding for  
3305 the taxable year with the corresponding period of the prior  
3306 taxable year. Only those permanent businesses that increase  
3307 employment by ten (10) or more in a Tier Three area are eligible  
3308 for the credit. Credit is not allowed during any of the five (5)  
3309 years if the net employment increase falls below ten (10). The  
3310 Tax Commission shall adjust the credit allowed each year for the  
3311 net new employment fluctuations above the minimum level of ten  
3312 (10).

3313 (3) Permanent business enterprises primarily engaged in  
3314 manufacturing, processing, warehousing, distribution, wholesaling  
3315 and research and development, or permanent business enterprises  
3316 designated by rule and regulation of the Mississippi Development  
3317 Authority as air transportation and maintenance facilities, final  
3318 destination or resort hotels having a minimum of one hundred fifty  
3319 (150) guest rooms, recreational facilities that impact tourism,



3320 movie industry studios, telecommunications enterprises, data or  
3321 information processing enterprises or computer software  
3322 development enterprises or any technology intensive facility or  
3323 enterprise, in counties that have been designated by the Tax  
3324 Commission as Tier Two areas are allowed a job tax credit for  
3325 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
3326 (\$1,000.00) annually for each net new full-time employee job for  
3327 five (5) years beginning with years two (2) through six (6) after  
3328 the creation of the job; however, if the permanent business  
3329 enterprise is located in an area that has been declared by the  
3330 Governor to be a disaster area and as a direct result of the  
3331 disaster the permanent business enterprise is unable to maintain  
3332 the required number of jobs, the Chairman of the State Tax  
3333 Commission may extend this time period for not more two (2) years.  
3334 The number of new full-time jobs must be determined by comparing  
3335 the monthly average number of full-time employees subject to  
3336 Mississippi income tax withholding for the taxable year with the  
3337 corresponding period of the prior taxable year. Only those  
3338 permanent businesses that increase employment by fifteen (15) or  
3339 more in Tier Two areas are eligible for the credit. The credit is  
3340 not allowed during any of the five (5) years if the net employment  
3341 increase falls below fifteen (15). The Tax Commission shall  
3342 adjust the credit allowed each year for the net new employment  
3343 fluctuations above the minimum level of fifteen (15).



3344 (4) Permanent business enterprises primarily engaged in  
3345 manufacturing, processing, warehousing, distribution, wholesaling  
3346 and research and development, or permanent business enterprises  
3347 designated by rule and regulation of the Mississippi Development  
3348 Authority as air transportation and maintenance facilities, final  
3349 destination or resort hotels having a minimum of one hundred fifty  
3350 (150) guest rooms, recreational facilities that impact tourism,  
3351 movie industry studios, telecommunications enterprises, data or  
3352 information processing enterprises or computer software  
3353 development enterprises or any technology intensive facility or  
3354 enterprise, in counties designated by the Tax Commission as Tier  
3355 One areas are allowed a job tax credit for taxes imposed by  
3356 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually  
3357 for each net new full-time employee job for five (5) years  
3358 beginning with years two (2) through six (6) after the creation of  
3359 the job; however, if the permanent business enterprise is located  
3360 in an area that has been declared by the Governor to be a disaster  
3361 area and as a direct result of the disaster the permanent business  
3362 enterprise is unable to maintain the required number of jobs, the  
3363 Chairman of the State Tax Commission may extend this time period  
3364 for not more than two (2) years. The number of new full-time jobs  
3365 must be determined by comparing the monthly average number of  
3366 full-time employees subject to Mississippi income tax withholding  
3367 for the taxable year with the corresponding period of the prior  
3368 taxable year. Only those permanent businesses that increase





3369 employment by twenty (20) or more in Tier One areas are eligible  
3370 for the credit. The credit is not allowed during any of the five  
3371 (5) years if the net employment increase falls below twenty (20).  
3372 The Tax Commission shall adjust the credit allowed each year for  
3373 the net new employment fluctuations above the minimum level of  
3374 twenty (20).

3375 (5) In addition to the credits authorized in subsections  
3376 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)  
3377 credit for each net new full-time employee or an additional One  
3378 Thousand Dollars (\$1,000.00) credit for each net new full-time  
3379 employee who is paid a salary, excluding benefits which are not  
3380 subject to Mississippi income taxation, of at least one hundred  
3381 twenty-five percent (125%) of the average annual wage of the state  
3382 or an additional Two Thousand Dollars (\$2,000.00) credit for each  
3383 net new full-time employee who is paid a salary, excluding  
3384 benefits which are not subject to Mississippi income taxation, of  
3385 at least two hundred percent (200%) of the average annual wage of  
3386 the state, shall be allowed for any company establishing or  
3387 transferring its national or regional headquarters from within or  
3388 outside the State of Mississippi. A minimum of thirty-five (35)  
3389 jobs must be created to qualify for the additional credit. The  
3390 State Tax Commission shall establish criteria and prescribe  
3391 procedures to determine if a company qualifies as a national or  
3392 regional headquarters for purposes of receiving the credit awarded  
3393 in this subsection. As used in this subsection, the average



3394 annual wage of the state is the most recently published average  
3395 annual wage as determined by the Mississippi Department of  
3396 Employment Security.

3397 (6) In addition to the credits authorized in subsections  
3398 (2), (3), (4) and (5), any job requiring research and development  
3399 skills (chemist, engineer, etc.) shall qualify for an additional  
3400 One Thousand Dollars (\$1,000.00) credit for each net new full-time  
3401 employee.

3402 (7) In lieu of the tax credits provided in subsections (2)  
3403 through (6), any commercial or industrial property owner which  
3404 remediates contaminated property in accordance with Sections  
3405 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
3406 imposed by Section 27-7-5 equal to the amounts provided in  
3407 subsection (2), (3) or (4) for each net new full-time employee job  
3408 for five (5) years beginning with years two (2) through six (6)  
3409 after the creation of the job. The number of new full-time jobs  
3410 must be determined by comparing the monthly average number of  
3411 full-time employees subject to Mississippi income tax withholding  
3412 for the taxable year with the corresponding period of the prior  
3413 taxable year. This subsection shall be administered in the same  
3414 manner as subsections (2), (3) and (4), except the landowner shall  
3415 not be required to increase employment by the levels provided in  
3416 subsections (2), (3) and (4) to be eligible for the tax credit.

3417 (8) Tax credits for five (5) years for the taxes imposed by  
3418 Section 27-7-5 shall be awarded for additional net new full-time



3419 jobs created by business enterprises qualified under subsections  
3420 (2), (3), (4), (5), (6) and (7) of this section. Except as  
3421 otherwise provided, the Tax Commission shall adjust the credit  
3422 allowed in the event of employment fluctuations during the  
3423 additional five (5) years of credit.

3424 (9) (a) The sale, merger, acquisition, reorganization,  
3425 bankruptcy or relocation from one (1) county to another county  
3426 within the state of any business enterprise may not create new  
3427 eligibility in any succeeding business entity, but any unused job  
3428 tax credit may be transferred and continued by any transferee of  
3429 the business enterprise. The Tax Commission shall determine  
3430 whether or not qualifying net increases or decreases have occurred  
3431 or proper transfers of credit have been made and may require  
3432 reports, promulgate regulations, and hold hearings as needed for  
3433 substantiation and qualification.

3434 (b) This subsection shall not apply in cases in which a  
3435 business enterprise has ceased operation, laid off all its  
3436 employees and is subsequently acquired by another unrelated  
3437 business entity that continues operation of the enterprise in the  
3438 same or a similar type of business. In such a case the succeeding  
3439 business entity shall be eligible for the credit authorized by  
3440 this section unless the cessation of operation of the business  
3441 enterprise was for the purpose of obtaining new eligibility for  
3442 the credit.



3443           (10) Any tax credit claimed under this section but not used  
3444 in any taxable year may be carried forward for five (5) years from  
3445 the close of the tax year in which the qualified jobs were  
3446 established but the credit established by this section taken in  
3447 any one (1) tax year must be limited to an amount not greater than  
3448 fifty percent (50%) of the taxpayer's state income tax liability  
3449 which is attributable to income derived from operations in the  
3450 state for that year. If the permanent business enterprise is  
3451 located in an area that has been declared by the Governor to be a  
3452 disaster area and as a direct result of the disaster the business  
3453 enterprise is unable to use the existing carryforward, the  
3454 Chairman of the State Tax Commission may extend the period that  
3455 the credit may be carried forward for a period of time not to  
3456 exceed two (2) years.

3457           (11) No business enterprise for the transportation,  
3458 handling, storage, processing or disposal of hazardous waste is  
3459 eligible to receive the tax credits provided in this section.

3460           (12) The credits allowed under this section shall not be  
3461 used by any business enterprise or corporation other than the  
3462 business enterprise actually qualifying for the credits.

3463           (13) The tax credits provided for in this section shall be  
3464 in addition to any tax credits described in Sections 57-51-13(b),  
3465 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
3466 action by the Mississippi Development Authority prior to July 1,  
3467 1989, to any business enterprise determined prior to July 1, 1989,



3468 by the Mississippi Development Authority to be a qualified  
3469 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
3470 a qualified company as described in Section 57-53-1, as the case  
3471 may be; however, from and after July 1, 1989, tax credits shall be  
3472 allowed only under either this section or Sections 57-51-13(b),  
3473 57-53-1(1) (a) and Section 57-54-9(b) for each net new full-time  
3474 employee.

3475 (14) As used in this section, the term "telecommunications  
3476 enterprises" means entities engaged in the creation, display,  
3477 management, storage, processing, transmission or distribution for  
3478 compensation of images, text, voice, video or data by wire or by  
3479 wireless means, or entities engaged in the construction, design,  
3480 development, manufacture, maintenance or distribution for  
3481 compensation of devices, products, software or structures used in  
3482 the above activities. Companies organized to do business as  
3483 commercial broadcast radio stations, television stations or news  
3484 organizations primarily serving in-state markets shall not be  
3485 included within the definition of the term "telecommunications  
3486 enterprises."

3487 **[In cases involving business enterprises that apply for the**  
3488 **job tax credit authorized by this section from and after January**  
3489 **1, 2005, this section shall read as follows:]**

3490 57-73-21. (1) Annually by December 31, using the most  
3491 current data available from the University Research Center,  
3492 Mississippi Department of Employment Security and the United



3493 States Department of Commerce, the Department of Revenue shall  
3494 rank and designate the state's counties as provided in this  
3495 section. The twenty-eight (28) counties in this state having a  
3496 combination of the highest unemployment rate and lowest per capita  
3497 income for the most recent thirty-six-month period, with equal  
3498 weight being given to each category, are designated Tier Three  
3499 areas. The twenty-seven (27) counties in the state with a  
3500 combination of the next highest unemployment rate and next lowest  
3501 per capita income for the most recent thirty-six-month period,  
3502 with equal weight being given to each category, are designated  
3503 Tier Two areas. The twenty-seven (27) counties in the state with  
3504 a combination of the lowest unemployment rate and the highest per  
3505 capita income for the most recent thirty-six-month period, with  
3506 equal weight being given to each category, are designated Tier One  
3507 areas. Counties designated by the Department of Revenue qualify  
3508 for the appropriate tax credit for jobs as provided in this  
3509 section. The designation by the Department of Revenue is  
3510 effective for the tax years of permanent business enterprises  
3511 which begin after the date of designation. For companies which  
3512 plan an expansion in their labor forces, the Department of Revenue  
3513 shall prescribe certification procedures to ensure that the  
3514 companies can claim credits in future years without regard to  
3515 whether or not a particular county is removed from the list of  
3516 Tier Three or Tier Two areas.



3517 (2) Permanent business enterprises in counties designated by  
3518 the Department of Revenue as Tier Three areas are allowed a job  
3519 tax credit for taxes imposed by Section 27-7-5 equal to ten  
3520 percent (10%) of the payroll of the enterprise for net new  
3521 full-time employee jobs for five (5) years beginning with years  
3522 two (2) through six (6) after the creation of the minimum number  
3523 of jobs required by this subsection; however, if the permanent  
3524 business enterprise is located in an area that has been declared  
3525 by the Governor to be a disaster area and as a direct result of  
3526 the disaster the permanent business enterprise is unable to  
3527 maintain the required number of jobs, the Commissioner of Revenue  
3528 may extend this time period for not more than two (2) years. The  
3529 number of new full-time jobs must be determined by comparing the  
3530 monthly average number of full-time employees subject to the  
3531 Mississippi income tax withholding for the taxable year with the  
3532 corresponding period of the prior taxable year. Only those  
3533 permanent business enterprises that increase employment by ten  
3534 (10) or more in a Tier Three area are eligible for the credit.  
3535 Credit is not allowed during any of the five (5) years if the net  
3536 employment increase falls below ten (10). The Department of  
3537 Revenue shall adjust the credit allowed each year for the net new  
3538 employment fluctuations above the minimum level of ten (10).  
3539 Medical cannabis establishments as defined in the Mississippi  
3540 Medical Cannabis Act shall not be eligible for the tax credit  
3541 authorized in this subsection (2).



3542 (3) Permanent business enterprises in counties that have  
3543 been designated by the Department of Revenue as Tier Two areas are  
3544 allowed a job tax credit for taxes imposed by Section 27-7-5 equal  
3545 to five percent (5%) of the payroll of the enterprise for net new  
3546 full-time employee jobs for five (5) years beginning with years  
3547 two (2) through six (6) after the creation of the minimum number  
3548 of jobs required by this subsection; however, if the permanent  
3549 business enterprise is located in an area that has been declared  
3550 by the Governor to be a disaster area and as a direct result of  
3551 the disaster the permanent business enterprise is unable to  
3552 maintain the required number of jobs, the Commissioner of Revenue  
3553 may extend this time period for not more than two (2) years. The  
3554 number of new full-time jobs must be determined by comparing the  
3555 monthly average number of full-time employees subject to  
3556 Mississippi income tax withholding for the taxable year with the  
3557 corresponding period of the prior taxable year. Only those  
3558 permanent business enterprises that increase employment by fifteen  
3559 (15) or more in Tier Two areas are eligible for the credit. The  
3560 credit is not allowed during any of the five (5) years if the net  
3561 employment increase falls below fifteen (15). The Department of  
3562 Revenue shall adjust the credit allowed each year for the net new  
3563 employment fluctuations above the minimum level of fifteen (15).  
3564 Medical cannabis establishments as defined in the Mississippi  
3565 Medical Cannabis Act shall not be eligible for the tax credit  
3566 authorized in this subsection (3).





3567 (4) Permanent business enterprises in counties designated by  
3568 the Department of Revenue as Tier One areas are allowed a job tax  
3569 credit for taxes imposed by Section 27-7-5 equal to two and  
3570 one-half percent (2.5%) of the payroll of the enterprise for net  
3571 new full-time employee jobs for five (5) years beginning with  
3572 years two (2) through six (6) after the creation of the minimum  
3573 number of jobs required by this subsection; however, if the  
3574 permanent business enterprise is located in an area that has been  
3575 declared by the Governor to be a disaster area and as a direct  
3576 result of the disaster the permanent business enterprise is unable  
3577 to maintain the required number of jobs, the Commissioner of  
3578 Revenue may extend this time period for not more than two (2)  
3579 years. The number of new full-time jobs must be determined by  
3580 comparing the monthly average number of full-time employees  
3581 subject to Mississippi income tax withholding for the taxable year  
3582 with the corresponding period of the prior taxable year. Only  
3583 those permanent business enterprises that increase employment by  
3584 twenty (20) or more in Tier One areas are eligible for the credit.  
3585 The credit is not allowed during any of the five (5) years if the  
3586 net employment increase falls below twenty (20). The Department  
3587 of Revenue shall adjust the credit allowed each year for the net  
3588 new employment fluctuations above the minimum level of twenty  
3589 (20). Medical cannabis establishments as defined in the  
3590 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3591 credit authorized in this subsection (4).



3592           (5)   (a)   In addition to the other credits authorized in this  
3593 section, an additional Five Hundred Dollars (\$500.00) credit for  
3594 each net new full-time employee or an additional One Thousand  
3595 Dollars (\$1,000.00) credit for each net new full-time employee who  
3596 is paid a salary, excluding benefits which are not subject to  
3597 Mississippi income taxation, of at least one hundred twenty-five  
3598 percent (125%) of the average annual wage of the state or an  
3599 additional Two Thousand Dollars (\$2,000.00) credit for each net  
3600 new full-time employee who is paid a salary, excluding benefits  
3601 which are not subject to Mississippi income taxation, of at least  
3602 two hundred percent (200%) of the average annual wage of the  
3603 state, shall be allowed for any company establishing or  
3604 transferring its national or regional headquarters from within or  
3605 outside the State of Mississippi. A minimum of twenty (20) jobs  
3606 must be created to qualify for the additional credit. The  
3607 Department of Revenue shall establish criteria and prescribe  
3608 procedures to determine if a company qualifies as a national or  
3609 regional headquarters for purposes of receiving the credit awarded  
3610 in this paragraph (a). As used in this paragraph (a), the average  
3611 annual wage of the state is the most recently published average  
3612 annual wage as determined by the Mississippi Department of  
3613 Employment Security. Medical cannabis establishments as defined  
3614 in the Mississippi Medical Cannabis Act shall not be eligible for  
3615 the tax credit authorized in this paragraph (a).



3616 (b) In addition to the other credits authorized in this  
3617 section, an additional Five Hundred Dollars (\$500.00) credit for  
3618 each net new full-time employee or an additional One Thousand  
3619 Dollars (\$1,000.00) credit for each net new full-time employee who  
3620 is paid a salary, excluding benefits which are not subject to  
3621 Mississippi income taxation, of at least one hundred twenty-five  
3622 percent (125%) of the average annual wage of the state or an  
3623 additional Two Thousand Dollars (\$2,000.00) credit for each net  
3624 new full-time employee who is paid a salary, excluding benefits  
3625 which are not subject to Mississippi income taxation, of at least  
3626 two hundred percent (200%) of the average annual wage of the  
3627 state, shall be allowed for any company expanding or making  
3628 additions after January 1, 2013, to its national or regional  
3629 headquarters within the State of Mississippi. A minimum of twenty  
3630 (20) new jobs must be created to qualify for the additional  
3631 credit. The Department of Revenue shall establish criteria and  
3632 prescribe procedures to determine if a company qualifies as a  
3633 national or regional headquarters for purposes of receiving the  
3634 credit awarded in this paragraph (b). As used in this paragraph  
3635 (b), the average annual wage of the state is the most recently  
3636 published average annual wage as determined by the Mississippi  
3637 Department of Employment Security. Medical cannabis  
3638 establishments as defined in the Mississippi Medical Cannabis Act  
3639 shall not be eligible for the tax credit authorized in this  
3640 paragraph (b).



3641 (6) In addition to the other credits authorized in this  
3642 section, any job requiring research and development skills  
3643 (chemist, engineer, etc.) shall qualify for an additional One  
3644 Thousand Dollars (\$1,000.00) credit for each net new full-time  
3645 employee. Medical cannabis establishments as defined in the  
3646 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3647 credit authorized in this subsection (6).

3648 (7) (a) In addition to the other credits authorized in this  
3649 section, any company that transfers or relocates its national or  
3650 regional headquarters to the State of Mississippi from outside the  
3651 State of Mississippi may receive a tax credit in an amount equal  
3652 to the actual relocation costs paid by the company. A minimum of  
3653 twenty (20) jobs must be created in order to qualify for the  
3654 additional credit authorized under this subsection. Relocation  
3655 costs for which a credit may be awarded shall be determined by the  
3656 Department of Revenue and shall include those nondepreciable  
3657 expenses that are necessary to relocate headquarters employees to  
3658 the national or regional headquarters, including, but not limited  
3659 to, costs such as travel expenses for employees and members of  
3660 their households to and from Mississippi in search of homes and  
3661 moving expenses to relocate furnishings, household goods and  
3662 personal property of the employees and members of their  
3663 households. Medical cannabis establishments as defined in the  
3664 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3665 credit authorized in this subsection (7).



3666           (b) The tax credit authorized under this subsection  
3667 shall be applied for the taxable year in which the relocation  
3668 costs are paid. The maximum cumulative amount of tax credits that  
3669 may be claimed by all taxpayers claiming a credit under this  
3670 subsection in any one (1) state fiscal year shall not exceed One  
3671 Million Dollars (\$1,000,000.00), exclusive of credits that might  
3672 be carried forward from previous taxable years. A company may not  
3673 receive a credit for the relocation of an employee more than one  
3674 (1) time in a twelve-month period for that employee.

3675           (c) The Department of Revenue shall establish criteria  
3676 and prescribe procedures to determine if a company creates the  
3677 required number of jobs and qualifies as a national or regional  
3678 headquarters for purposes of receiving the credit awarded in this  
3679 subsection. A company desiring to claim a credit under this  
3680 subsection must submit an application for such credit with the  
3681 Department of Revenue in a manner prescribed by the department.

3682           (d) In order to participate in the provisions of this  
3683 section, a company must certify to the Mississippi Department of  
3684 Revenue that it complies with the equal pay provisions of the  
3685 federal Equal Pay Act of 1963, the Americans with Disabilities Act  
3686 of 1990 and the fair pay provisions of the Civil Rights Act of  
3687 1964.

3688           (e) This subsection shall stand repealed on July 1,  
3689 2025.



3690           (8) In lieu of the other tax credits provided in this  
3691 section, any commercial or industrial property owner which  
3692 remediates contaminated property in accordance with Sections  
3693 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
3694 imposed by Section 27-7-5 equal to the percentage of payroll  
3695 provided in subsection (2), (3) or (4) of this section for net new  
3696 full-time employee jobs for five (5) years beginning with years  
3697 two (2) through six (6) after the creation of the jobs. The  
3698 number of new full-time jobs must be determined by comparing the  
3699 monthly average number of full-time employees subject to  
3700 Mississippi income tax withholding for the taxable year with the  
3701 corresponding period of the prior taxable year. This subsection  
3702 shall be administered in the same manner as subsections (2), (3)  
3703 and (4), except the landowner shall not be required to increase  
3704 employment by the levels provided in subsections (2), (3) and (4)  
3705 to be eligible for the tax credit.

3706           (9) (a) Tax credits for five (5) years for the taxes  
3707 imposed by Section 27-7-5 shall be awarded for increases in the  
3708 annual payroll for net new full-time jobs created by business  
3709 enterprises qualified under this section. The Department of  
3710 Revenue shall adjust the credit allowed in the event of payroll  
3711 fluctuations during the additional five (5) years of credit.

3712           (b) Tax credits for five (5) years for the taxes  
3713 imposed by Section 27-7-5 shall be awarded for additional net new  
3714 full-time jobs created by business enterprises qualified under



3715 subsections (5) and (6) of this section and for additional  
3716 relocation costs paid by companies qualified under subsection (7)  
3717 of this section. The Department of Revenue shall adjust the  
3718 credit allowed in the event of employment fluctuations during the  
3719 additional five (5) years of credit.

3720 (10) (a) The sale, merger, acquisition, reorganization,  
3721 bankruptcy or relocation from one (1) county to another county  
3722 within the state of any business enterprise may not create new  
3723 eligibility in any succeeding business entity, but any unused job  
3724 tax credit may be transferred and continued by any transferee of  
3725 the business enterprise. The Department of Revenue shall  
3726 determine whether or not qualifying net increases or decreases  
3727 have occurred or proper transfers of credit have been made and may  
3728 require reports, promulgate regulations, and hold hearings as  
3729 needed for substantiation and qualification.

3730 (b) This subsection shall not apply in cases in which a  
3731 business enterprise has ceased operation, laid off all its  
3732 employees and is subsequently acquired by another unrelated  
3733 business entity that continues operation of the enterprise in the  
3734 same or a similar type of business. In such a case the succeeding  
3735 business entity shall be eligible for the credit authorized by  
3736 this section unless the cessation of operation of the business  
3737 enterprise was for the purpose of obtaining new eligibility for  
3738 the credit.



3739           (11) Any tax credit claimed under this section but not used  
3740 in any taxable year may be carried forward for five (5) years from  
3741 the close of the tax year in which the qualified jobs were  
3742 established and/or headquarters relocation costs paid, as  
3743 applicable, but the credit established by this section taken in  
3744 any one (1) tax year must be limited to an amount not greater than  
3745 fifty percent (50%) of the taxpayer's state income tax liability  
3746 which is attributable to income derived from operations in the  
3747 state for that year. If the permanent business enterprise is  
3748 located in an area that has been declared by the Governor to be a  
3749 disaster area and as a direct result of the disaster the business  
3750 enterprise is unable to use the existing carryforward, the  
3751 Commissioner of Revenue may extend the period that the credit may  
3752 be carried forward for a period of time not to exceed two (2)  
3753 years.

3754           (12) No business enterprise for the transportation,  
3755 handling, storage, processing or disposal of hazardous waste is  
3756 eligible to receive the tax credits provided in this section.

3757           (13) The credits allowed under this section shall not be  
3758 used by any business enterprise or corporation other than the  
3759 business enterprise actually qualifying for the credits.

3760           (14) As used in this section:

3761                   (a) "Business enterprises" means entities primarily  
3762 engaged in:





3763 (i) Manufacturing, processing, warehousing,  
3764 warehousing activities, distribution, wholesaling and research and  
3765 development, or

3766 (ii) Permanent business enterprises designated by  
3767 rule and regulation of the Mississippi Development Authority as  
3768 air transportation and maintenance facilities, final destination  
3769 or resort hotels having a minimum of one hundred fifty (150) guest  
3770 rooms, recreational facilities that impact tourism, movie industry  
3771 studios, telecommunications enterprises, data or information  
3772 processing enterprises or computer software development  
3773 enterprises or any technology intensive facility or enterprise.

3774 (b) "Telecommunications enterprises" means entities  
3775 engaged in the creation, display, management, storage, processing,  
3776 transmission or distribution for compensation of images, text,  
3777 voice, video or data by wire or by wireless means, or entities  
3778 engaged in the construction, design, development, manufacture,  
3779 maintenance or distribution for compensation of devices, products,  
3780 software or structures used in the above activities. Companies  
3781 organized to do business as commercial broadcast radio stations,  
3782 television stations or news organizations primarily serving  
3783 in-state markets shall not be included within the definition of  
3784 the term "telecommunications enterprises."

3785 (c) "Warehousing activities" means entities that  
3786 establish or expand facilities that service and support multiple  
3787 retail or wholesale locations within and outside the state.



3788 Warehousing activities may be performed solely to support the  
3789 primary activities of the entity, and credits generated shall  
3790 offset the income of the entity based on an apportioned ratio of  
3791 payroll for warehouse employees of the entity to total Mississippi  
3792 payroll of the entity that includes the payroll of retail  
3793 employees of the entity.

3794 (15) The tax credits provided for in this section shall be  
3795 in addition to any tax credits described in Sections 57-51-13(b),  
3796 57-53-1(1) (a) and 57-54-9(b) and granted pursuant to official  
3797 action by the Mississippi Development Authority prior to July 1,  
3798 1989, to any business enterprise determined prior to July 1, 1989,  
3799 by the Mississippi Development Authority to be a qualified  
3800 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
3801 a qualified company as described in Section 57-53-1, as the case  
3802 may be; however, from and after July 1, 1989, tax credits shall be  
3803 allowed only under either this section or Sections 57-51-13(b),  
3804 57-53-1(1) (a) and Section 57-54-9(b) for each net new full-time  
3805 employee.

3806 (16) A business enterprise that chooses to receive job  
3807 training assistance pursuant to Section 57-1-451 shall not be  
3808 eligible for the tax credits provided for in this section.

3809 **SECTION 42.** Section 57-73-23, Mississippi Code of 1972, is  
3810 brought forward as follows:

3811 57-73-23. (1) A fifty percent (50%) income tax credit shall  
3812 be granted to any employer providing dependent care for employees



3813 during the employee's work hours, and to any employer who provides  
3814 a child care stipend of at least Six Thousand Dollars (\$6,000.00)  
3815 to a licensed or registered entity providing dependent child care  
3816 in the State of Mississippi for an employee's children during the  
3817 employee's work hours.

3818 (2) In order for an employer who provides a child care  
3819 stipend under this section to be eligible for the tax credit, the  
3820 employer shall certify to the Department of Revenue:

3821 (a) The names of the employees on whose behalf the  
3822 stipend is paid; and

3823 (b) The amount of the stipend paid on behalf of each of  
3824 those employees;

3825 (c) The licensed or registered entity receiving the  
3826 child care stipend from the employer on behalf of the employee,  
3827 including the entity's federal identification number and license  
3828 and registration number; and

3829 (d) Such other information as may be required by the  
3830 Department of Revenue to ensure that credits under this section  
3831 are granted only to employers who provide stipends to a licensed  
3832 or registered entity providing dependent care in the State of  
3833 Mississippi for an employee's children during the employee's work  
3834 hours.

3835 (3) For an employer contracting with a licensed or  
3836 registered entity to provide dependent care for its employees  
3837 during the employee's work hours, the credit is applied to the net



3838 cost of any contract executed by the employer for another entity  
3839 to provide dependent care; or, if the employer elects to provide  
3840 dependent care itself, the credit is applied to expenses of  
3841 dependent care staff, learning and recreational materials and  
3842 equipment, and the construction and maintenance of a facility; or,  
3843 if the employer elects to provide a child care stipend to a  
3844 licensed or registered entity providing dependent care in the  
3845 State of Mississippi for the employee's children during the  
3846 employee's work hours, the credit is applied to the amount of the  
3847 stipend provided. Additional eligible expenses include net costs  
3848 assumed by the employer which increase the quality, availability  
3849 and affordability of dependent care in the community used by  
3850 employees during the employee's work hours. This cost is net of  
3851 any reimbursement. A deduction shall not be allowed for any  
3852 expenses which serve as the basis for an income tax credit. The  
3853 credits allowed under this section shall not be used by any  
3854 business enterprise or corporation other than the business  
3855 enterprise actually qualifying for the credits.

3856       Credit may be carried forward for the five (5) successive  
3857 years if the amount allowable as credit exceeds income tax  
3858 liability in a tax year; however, thereafter, if the amount  
3859 allowable as a credit exceeds the tax liability, the amount of  
3860 excess shall not be refundable or carried forward to any other  
3861 taxable year.



3862           The facility must have an average daily enrollment for the  
3863 taxable year of no less than six (6) children who are twelve (12)  
3864 years of age or less and be licensed according to the regulations  
3865 governing licensure of child care facilities in Mississippi; or  
3866 must serve five (5) or fewer children and/or elderly adults in a  
3867 family child care/elder care home approved by the Department of  
3868 Health for participation in the United States Department of  
3869 Agriculture child and adult nutrition program; or must serve  
3870 children over twelve (12) years of age but less than eighteen (18)  
3871 years of age in either a community-based facility or a facility at  
3872 the employment site; or must serve adult relatives of employees in  
3873 either a community-based elder care facility or a facility at the  
3874 employment site; or must serve children or adult dependents having  
3875 physical, emotional or mental disabilities in either a  
3876 community-based facility or a facility at the employment site.

3877           Employers will be certified as eligible for the tax credit by  
3878 the State Department of Health for programs serving children  
3879 twelve (12) years of age or younger and for programs serving  
3880 elderly adults and by the Department of Revenue for programs  
3881 serving other dependents older than twelve (12) years of age.

3882           **SECTION 43.** Section 57-87-5, Mississippi Code of 1972, is  
3883 brought forward as follows:

3884           57-87-5. (1) For purposes of this section:

3885                   (a) "Telecommunications enterprises" shall have the  
3886 meaning ascribed to such term in Section 57-73-21(14);



3887 (b) "Tier One areas" mean counties designated as Tier  
3888 One areas pursuant to Section 57-73-21(1);

3889 (c) "Tier Two areas" mean counties designated as Tier  
3890 Two areas pursuant to Section 57-73-21(1);

3891 (d) "Tier Three areas" mean counties designated as Tier  
3892 Three areas pursuant to Section 57-73-21(1); and

3893 (e) "Equipment used in the deployment of broadband  
3894 technologies" means any equipment capable of being used for or in  
3895 connection with the transmission of information at a rate, prior  
3896 to taking into account the effects of any signal degradation, that  
3897 is not less than three hundred eighty-four (384) kilobits per  
3898 second in at least one (1) direction, including, but not limited  
3899 to, asynchronous transfer mode switches, digital subscriber line  
3900 access multiplexers, routers, servers, multiplexers, fiber optics  
3901 and related equipment.

3902 (2) With respect to the investment in each year by a  
3903 telecommunications enterprise after June 30, 2003, and before July  
3904 1, 2025, there shall be allowed annually as a credit against the  
3905 aggregate tax imposed by Chapters 7 and 13 of Title 27,  
3906 Mississippi Code of 1972, an amount equal to:

3907 (a) Five percent (5%) of the cost of equipment used in  
3908 the deployment of broadband technologies in Tier One areas;

3909 (b) Ten percent (10%) of the cost of equipment used in  
3910 the deployment of broadband technologies in Tier Two areas; and



3911 (c) Fifteen percent (15%) of the cost of equipment used  
3912 in the deployment of broadband technologies in Tier Three areas.

3913 (3) Such annual credits shall be allowed commencing with the  
3914 taxable year in which such property is placed in service and  
3915 continue for nine (9) consecutive years thereafter. The aggregate  
3916 credit established by this section taken in any one (1)  
3917 tax year shall be limited to an amount not greater than fifty  
3918 percent (50%) of the taxpayer's tax liabilities under Chapters 7  
3919 and 13 of Title 27, Mississippi Code of 1972; however, any tax  
3920 credit claimed under this section, but not used in any taxable  
3921 year, may be carried forward for ten (10) consecutive years from  
3922 the close of the tax year in which the credits were earned.

3923 (4) The maximum aggregate amount of credits that may be  
3924 claimed under this section shall not exceed the original  
3925 investment made by a telecommunications enterprise in the  
3926 qualifying equipment used in the deployment of broadband  
3927 technologies.

3928 (5) For purposes of this section, the tier in which  
3929 broadband technology is deployed shall be determined in the year  
3930 in which such technology is deployed in a county and such tier  
3931 shall not change if the county is later designated in another  
3932 tier.

3933 (6) There will be no credit allowed under this section if  
3934 the equipment used in the deployment of broadband technologies was  
3935 paid for, or its cost was reimbursed by, funds made available



3936 under the Coronavirus Aid, Relief, and Economic Security (CARES)  
3937 Act.

3938 **SECTION 44.** Section 57-87-7, Mississippi Code of 1972, is  
3939 brought forward as follows:

3940 57-87-7. Equipment used in the deployment of broadband  
3941 technologies by a telecommunications enterprise (as defined in  
3942 Section 57-73-21(14)), that is placed in service after June 30,  
3943 2003, and before July 1, 2025, shall be exempt from ad valorem  
3944 taxation for a period of ten (10) years after the date such  
3945 equipment is placed in service. For purposes of this section,  
3946 "equipment used in the deployment of broadband technologies" means  
3947 any equipment capable of being used for or in connection with the  
3948 transmission of information at a rate, prior to taking into  
3949 account the effects of any signal degradation, that is not less  
3950 than three hundred eighty-four (384) kilobits per second in at  
3951 least one direction, including, but not limited to, asynchronous  
3952 transfer mode switches, digital subscriber line access  
3953 multiplexers, routers, servers, multiplexers, fiber optics and  
3954 related equipment.

3955 **SECTION 45.** Section 57-105-1, Mississippi Code of 1972, is  
3956 brought forward as follows:

3957 57-105-1. (1) As used in this section:

3958 (a) "Adjusted purchase price" means the investment in  
3959 the qualified community development entity for the qualified  
3960 equity investment, substantially all of the proceeds of which are





3961 used to make qualified low-income community investments in  
3962 Mississippi.

3963         For the purposes of calculating the amount of qualified  
3964 low-income community investments held by a qualified community  
3965 development entity, an investment will be considered held by a  
3966 qualified community development entity even if the investment has  
3967 been sold or repaid; provided that the qualified community  
3968 development entity reinvests an amount equal to the capital  
3969 returned to or recovered by the qualified community development  
3970 entity from the original investment, exclusive of any profits  
3971 realized, in another qualified low-income community investment in  
3972 Mississippi, including any federal Indian reservation located  
3973 within the geographical boundary of Mississippi within twelve (12)  
3974 months of the receipt of such capital. A qualified community  
3975 development entity will not be required to reinvest capital  
3976 returned from the qualified low-income community investments after  
3977 the sixth anniversary of the issuance of the qualified equity  
3978 investment, the proceeds of which were used to make the qualified  
3979 low-income community investment, and the qualified low-income  
3980 community investment will be considered held by the qualified  
3981 community development entity through the seventh anniversary of  
3982 the qualified equity investment's issuance.

3983                 (b) "Applicable percentage" means:

3984                         (i) For any equity investment issued prior to July  
3985 1, 2008, four percent (4%) for each of the second through seventh



3986 credit allowance dates for purposes of the taxes imposed by  
3987 Section 27-7-5 and one and one-third percent (1-1/3%) for each of  
3988 the second through seventh credit allowance dates for purposes of  
3989 the taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123.

3990 (ii) For any equity investment issued from and  
3991 after July 1, 2008, eight percent (8%) for each of the first  
3992 through third credit allowance dates for purposes of the taxes  
3993 imposed by Section 27-7-5 or the taxes imposed by Sections  
3994 27-15-103, 27-15-109 and 27-15-123.

3995 (c) "Credit allowance date" means, with respect to any  
3996 qualified equity investment:

3997 (i) The later of:

3998 1. The date upon which the qualified equity  
3999 investment is initially made; or

4000 2. The date upon which the Mississippi  
4001 Development Authority issues a certificate under subsection (4) of  
4002 this section; and

4003 (ii) 1. For equity investments issued prior to  
4004 July 1, 2008, each of the subsequent six (6) anniversary dates of  
4005 the date upon which the investment is initially made; or

4006 2. For equity investments issued from and  
4007 after July 1, 2008, each of the subsequent two (2) anniversary  
4008 dates of the date determined as provided for in subparagraph (i)  
4009 of this paragraph.



4010           (d) "Qualified community development entity" shall have  
4011 the meaning ascribed to such term in Section 45D of the Internal  
4012 Revenue Code of 1986, as amended, if the entity has entered into  
4013 an Allocation Agreement with the Community Development Financial  
4014 Institutions Fund of the United States Department of the Treasury  
4015 with respect to credits authorized by Section 45D of the Internal  
4016 Revenue Code of 1986, as amended.

4017           (e) "Qualified active low-income community business"  
4018 shall have the meaning ascribed to such term in Section 45D of the  
4019 Internal Revenue Code of 1986, as amended.

4020           (f) "Qualified equity investment" shall have the  
4021 meaning ascribed to such term in Section 45D of the Internal  
4022 Revenue Code of 1986, as amended. The investment does not have to  
4023 be designated as a qualified equity investment by the Community  
4024 Development Financial Institutions Fund of the United States  
4025 Treasury to be considered a qualified equity investment under this  
4026 section but otherwise must meet the definition under the Internal  
4027 Revenue Code. In addition to meeting the definition in Section  
4028 45D of the Internal Revenue Code such investment must also:

4029                   (i) Have been acquired after January 1, 2007, at  
4030 its original issuance solely in exchange for cash; and

4031                   (ii) Have been allocated by the Mississippi  
4032 Development Authority.

4033           For the purposes of this section, such investment shall be  
4034 deemed a qualified equity investment on the later of the date such



4035 qualified equity investment is made or the date on which the  
4036 Mississippi Development Authority issues a certificate under  
4037 subsection (4) of this section allocating credits based on such  
4038 investment.

4039 (g) "Qualified low-income community investment" shall  
4040 have the meaning ascribed to such term in Section 45D of the  
4041 Internal Revenue Code of 1986, as amended; provided, however, that  
4042 the maximum amount of qualified low-income community investments  
4043 issued for a single qualified active low-income community  
4044 business, on an aggregate basis with all of its affiliates, that  
4045 may be included for purposes of allocating any credits under this  
4046 section shall not exceed Ten Million Dollars (\$10,000,000.00), in  
4047 the aggregate, whether issued by one (1) or several qualified  
4048 community development entities.

4049 (2) A taxpayer that holds a qualified equity investment on  
4050 the credit allowance date shall be entitled to a credit applicable  
4051 against the taxes imposed by Sections 27-7-5, 27-15-103, 27-15-109  
4052 and 27-15-123 during the taxable year that includes the credit  
4053 allowance date. The amount of the credit shall be equal to the  
4054 applicable percentage of the adjusted purchase price paid to the  
4055 qualified community development entity for the qualified equity  
4056 investment. The amount of the credit that may be utilized in any  
4057 one (1) tax year shall be limited to an amount not greater than  
4058 the total tax liability of the taxpayer for the taxes imposed by  
4059 the above-referenced sections. The credit shall not be refundable



4060 or transferable. Any unused portion of the credit may be carried  
4061 forward for seven (7) taxable years beyond the credit allowance  
4062 date on which the credit was earned. The maximum aggregate amount  
4063 of qualified equity investments that may be allocated by the  
4064 Mississippi Development Authority may not exceed an amount that  
4065 would result in taxpayers claiming in any one (1) state fiscal  
4066 year credits in excess of Fifteen Million Dollars  
4067 (\$15,000,000.00), exclusive of credits that might be carried  
4068 forward from previous taxable years; however, a maximum of  
4069 one-third (1/3) of this amount may be allocated as credits for  
4070 taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123. Any  
4071 taxpayer claiming a credit under this section against the taxes  
4072 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123  
4073 shall not be required to pay any additional tax under Section  
4074 27-15-123 as a result of claiming such credit. The Mississippi  
4075 Development Authority shall allocate credits within this limit as  
4076 provided for in subsection (4) of this section.

4077 (3) Tax credits authorized by this section that are earned  
4078 by a partnership, limited liability company, S corporation or  
4079 other similar pass-through entity, shall be allocated among all  
4080 partners, members or shareholders, respectively, either in  
4081 proportion to their ownership interest in such entity or as the  
4082 partners, members or shareholders mutually agree as provided in an  
4083 executed document. Such allocation shall be made each taxable



4084 year of such pass-through entity which contains a credit allowance  
4085 date.

4086 (4) The qualified community development entity shall apply  
4087 for credits with the Mississippi Development Authority on forms  
4088 prescribed by the Mississippi Development Authority. The  
4089 qualified community development entity must pay an application fee  
4090 of One Thousand Dollars (\$1,000.00) to the Mississippi Development  
4091 Authority at the time the application is submitted. In the  
4092 application the qualified community development entity shall  
4093 certify to the Mississippi Development Authority the dollar amount  
4094 of the qualified equity investments made or to be made in this  
4095 state, including in any federal Indian reservation located within  
4096 the state's geographical boundary, during the first twelve-month  
4097 period following the initial credit allowance date. The  
4098 Mississippi Development Authority shall allocate credits based on  
4099 the dollar amount of qualified equity investments as certified in  
4100 the application. Once the Mississippi Development Authority has  
4101 allocated credits to a qualified community development entity, if  
4102 the corresponding qualified equity investment has not been issued  
4103 as of the date of such allocation, then the corresponding  
4104 qualified equity investment must be issued not later than one  
4105 hundred twenty (120) days from the date of such allocation. If  
4106 the qualified equity investment is not issued within such time  
4107 period, the allocation shall be cancelled and returned to the  
4108 Mississippi Development Authority for reallocation. Upon final



4109 documentation of the qualified low-income community investments,  
4110 if the actual dollar amount of the investments is lower than the  
4111 amount estimated, the Mississippi Development Authority shall  
4112 adjust the tax credit allowed under this section. The Department  
4113 of Revenue may recapture all of the credit allowed under this  
4114 section if:

4115           (a) Any amount of federal tax credits available with  
4116 respect to a qualified equity investment that is eligible for a  
4117 tax credit under this section is recaptured under Section 45D of  
4118 the Internal Revenue Code of 1986, as amended; or

4119           (b) The qualified community development entity redeems  
4120 or makes any principal repayment with respect to a qualified  
4121 equity investment prior to the seventh anniversary of the issuance  
4122 of the qualified equity investment; or

4123           (c) The qualified community development entity fails to  
4124 maintain at least eighty-five percent (85%) of the proceeds of the  
4125 qualified equity investment in qualified low-income community  
4126 investments in Mississippi at any time prior to the seventh  
4127 anniversary of the issuance of the qualified equity investment.

4128           Any credits that are subject to recapture under this  
4129 subsection shall be recaptured from the taxpayer that actually  
4130 claimed the credit.

4131           The Mississippi Development Authority shall not allocate any  
4132 credits under this section after July 1, 2024.



4133           (5) Each qualified community development entity that  
4134 receives qualified equity investments to make qualified low-income  
4135 community investments in Mississippi must annually report to the  
4136 Mississippi Development Authority the North American Industry  
4137 Classification System Code, the county, the dollars invested, the  
4138 number of jobs assisted and the number of jobs assisted with wages  
4139 over one hundred percent (100%) of the federal poverty level for a  
4140 family of four (4) of each qualified low-income community  
4141 investment.

4142           (6) The Mississippi Development Authority shall file an  
4143 annual report on all qualified low-income community investments  
4144 with the Governor, the Clerk of the House of Representatives, the  
4145 Secretary of the Senate and the Secretary of State describing the  
4146 North American Industry Classification System Code, the county,  
4147 the dollars invested, the number of jobs assisted and the number  
4148 of jobs assisted with wages over one hundred percent (100%) of the  
4149 federal poverty level for a family of four (4) of each qualified  
4150 low-income community investment. The annual report will be posted  
4151 on the Mississippi Development Authority's Internet website.

4152           (7) (a) The purpose of this subsection is to authorize the  
4153 creation and establishment of public benefit corporations for  
4154 financing arrangements regarding public property and facilities.

4155           (b) As used in this subsection:





4156 (i) "New Markets Tax Credit transaction" means any  
4157 financing transaction which utilizes either this section or  
4158 Section 45D of the Internal Revenue Code of 1986, as amended.

4159 (ii) "Public benefit corporation" means a  
4160 nonprofit corporation formed or designated by a public entity to  
4161 carry out the purposes of this subsection.

4162 (iii) "Public entity or public entities" includes  
4163 utility districts, regional solid waste authorities, regional  
4164 utility authorities, community hospitals, regional airport  
4165 authorities, municipal airport authorities, community and junior  
4166 colleges, educational building corporations established by or on  
4167 behalf of the state institutions of higher learning, school  
4168 districts, planning and development districts, county economic  
4169 development districts, urban renewal agencies, any other regional  
4170 or local economic development authority, agency or governmental  
4171 entity, and any other regional or local industrial development  
4172 authority, agency or governmental entity.

4173 (iv) "Public property or facilities" means any  
4174 property or facilities owned or leased by a public entity or  
4175 public benefit corporation.

4176 (c) Notwithstanding any other provision of law to the  
4177 contrary, public entities are authorized pursuant to this  
4178 subsection to create one or more public benefit corporations or  
4179 designate an existing corporation as a public benefit corporation  
4180 for the purpose of entering into financing agreements and engaging



4181 in New Markets Tax Credit transactions, which shall include,  
4182 without limitation, arrangements to plan, acquire, renovate,  
4183 construct, lease, sublease, manage, operate and/or improve new or  
4184 existing public property or facilities located within the  
4185 boundaries or service area of the public entity. Any financing  
4186 arrangement authorized under this subsection shall further any  
4187 purpose of the public entity and may include a term of up to fifty  
4188 (50) years.

4189 (d) Notwithstanding any other provision of law to the  
4190 contrary and in order to facilitate the acquisition, renovation,  
4191 construction, leasing, subleasing, management, operating and/or  
4192 improvement of new or existing public property or facilities to  
4193 further any purpose of a public entity, public entities are  
4194 authorized to enter into financing arrangements in order to  
4195 transfer public property or facilities to and/or from public  
4196 benefit corporations, including, without limitation, sales,  
4197 sale-leasebacks, leases and lease-leasebacks, provided such  
4198 transfer is related to any New Markets Tax Credit transaction  
4199 furthering any purpose of the public entity. Any such transfer  
4200 under this paragraph (d) and the public property or facilities  
4201 transferred in connection therewith shall be exempted from any  
4202 limitation or requirements with respect to leasing, acquiring,  
4203 and/or constructing public property or facilities.

4204 (e) With respect to a New Markets Tax Credit  
4205 transaction, public entities and public benefit corporations are



4206 authorized to enter into financing arrangements with any  
4207 governmental, nonprofit or for-profit entity in order to leverage  
4208 funds not otherwise available to public entities for the  
4209 acquisition, construction and/or renovation of properties  
4210 transferred to such public benefit corporations. The use of any  
4211 funds loaned by or contributed by a public benefit corporation or  
4212 borrowed by or otherwise made available to a public benefit  
4213 corporation in such financing arrangement shall be dedicated  
4214 solely to (i) the development of new properties or facilities  
4215 and/or the renovation of existing properties or facilities or  
4216 operation of properties or facilities, and/or (ii) the payment of  
4217 costs and expenditures related to any such financing arrangements,  
4218 including, but not limited to, funding any reserves required in  
4219 connection therewith, the repayment of any indebtedness incurred  
4220 in connection therewith, and the payment of fees and expenses  
4221 incurred in connection with the closing, administration,  
4222 accounting and/or compliance with respect to the New Markets Tax  
4223 Credit transaction.

4224 (f) A public benefit corporation created pursuant to  
4225 this subsection shall not be a political subdivision of the state  
4226 but shall be a nonprofit corporation organized and governed under  
4227 the provisions of the laws of this state and shall be a special  
4228 purpose corporation established to facilitate New Markets Tax  
4229 Credit transactions consistent with the requirements of this  
4230 section.



4231 (g) Neither this subsection nor anything herein  
4232 contained is or shall be construed as a restriction or limitation  
4233 upon any powers which the public entity or public benefit  
4234 corporation might otherwise have under any laws of this state, and  
4235 this subsection is cumulative to any such powers. This subsection  
4236 does and shall be construed to provide a complete additional and  
4237 alternative method for the doing of the things authorized thereby  
4238 and shall be regarded as supplemental and additional to powers  
4239 conferred by other laws.

4240 (8) The Mississippi Development Authority shall promulgate  
4241 rules and regulations to implement the provisions of this section.

4242 **SECTION 46.** Section 57-10-409, Mississippi Code of 1972, is  
4243 brought forward as follows:

4244 **[In cases involving an economic development project for which**  
4245 **the Mississippi Business Finance Corporation has issued bonds for**  
4246 **the purpose of financing the approved costs of such project prior**  
4247 **to July 1, 1994, this section shall read as follows:]**

4248 57-10-409. The corporation may enter into, with any approved  
4249 company, a financing agreement with respect to its economic  
4250 development project. The terms and provisions of each financing  
4251 agreement shall be determined by negotiations between the  
4252 corporation and the approved company, except that each financing  
4253 agreement shall include the following provisions:

4254 (a) If the corporation issues any bonds in connection  
4255 with an economic development project, the term of the financing



4256 agreement shall not be less than the last maturity of the bonds  
4257 issued with respect to the economic development project, except  
4258 that the financing agreement may terminate upon the earlier  
4259 redemption of all of the bonds issued with respect to the economic  
4260 development project and may grant to the approved company an  
4261 option to purchase the economic development project from the  
4262 corporation upon the termination of the financing agreement for  
4263 such consideration and under such terms and conditions the  
4264 corporation may approve. Nothing in this paragraph shall limit  
4265 the extension of the term of a financing agreement if there is a  
4266 refunding of the correlative bonds or otherwise.

4267           (b) If the corporation issues any bonds in connection  
4268 with an economic development project, the financing agreement  
4269 shall specify that the annual obligations of the approved company  
4270 under Sections 57-10-401 through 57-10-445 shall equal in each  
4271 year at least the annual debt service for that year on the bonds  
4272 issued with respect to the economic development project; and the  
4273 approved company shall pay such obligation of the financing  
4274 agreement to the trustee for bonds issued for the benefit of the  
4275 approved company, at such time and in such amounts sufficient to  
4276 amortize such bonds.

4277           (c) If the corporation loans funds to an approved  
4278 company that is a private company under the Mississippi Small  
4279 Enterprise Development Finance Act, the financing agreement shall



4280 include the terms and conditions of the loan required by Section  
4281 57-71-1 et seq.

4282 (d) (i) In consideration for financing agreement  
4283 payment, the approved company may be permitted the following  
4284 during the period of time in which the financing agreement is in  
4285 effect, not to exceed twenty-five (25) years:

4286 1. A tax credit on the amount provided for in  
4287 Section 27-7-22.3(2), Mississippi Code of 1972; plus

4288 2. The aggregate assessment withheld by the  
4289 approved company in each year.

4290 (ii) The income tax credited to the approved  
4291 company referred to herein shall be credited in the fiscal year of  
4292 the financing agreement in which the tax return of the approved  
4293 company is filed. The approved company shall not be required to  
4294 pay estimated tax payments under Section 27-7-319, Mississippi  
4295 Code of 1972.

4296 (e) (i) The financing agreement shall provide that the  
4297 assessments, when added to the credit for the state corporate  
4298 income tax herein granted, shall not exceed the total financing  
4299 agreement annual payment by the approved company in any year;  
4300 however, to the extent that financing agreement annual payments  
4301 exceed credits received and assessments collected in any year, the  
4302 excess payment may be recouped from excess credits or assessment  
4303 collections in succeeding years.



4304                   (ii) If during any fiscal year of the financing  
4305 agreement the total of the income tax credit granted to the  
4306 approved company plus the assessment collected from the wages of  
4307 the employees equals the annual payment pursuant to the financing  
4308 agreement, and if all excess payments pursuant to the financing  
4309 agreement accumulated in prior years have been recouped, the  
4310 assessment collected from the wages of the employees shall cease  
4311 for the remainder of the fiscal year of the financing agreement.

4312                   (f) The financing agreement shall provide that:

4313                   (i) It may be assigned by the approved company  
4314 only upon the prior written consent of the corporation following  
4315 the adoption of a resolution by the corporation to such effect;  
4316 and

4317                   (ii) Upon the default by the approved company in  
4318 the obligation to render its annual payment, the corporation shall  
4319 have the right, at its option, to declare the financing agreement  
4320 in default and to accelerate the total of all annual payments that  
4321 are to be made or to terminate the financing agreement and cause  
4322 to be sold the economic development project at public or private  
4323 sale, or to pursue any other remedies available under the Uniform  
4324 Commercial Code, as from time to time amended, or otherwise  
4325 available in law or equity.

4326                   **[In cases involving an economic development project for which**  
4327 **the Mississippi Business Finance Corporation has not issued bonds**  
4328 **for the purpose of financing the approved costs of such project**



4329 **prior to July 1, 1994, but has issued bonds for such project prior**  
4330 **to July 1, 1997, or in cases involving an economic development**  
4331 **project which has been induced by a resolution of the Board of**  
4332 **Directors of the Mississippi Business Finance Corporation that has**  
4333 **been filed with the State Tax Commission prior to July 1, 1997,**  
4334 **this section shall read as follows:]**

4335         57-10-409. The corporation may enter into, with any approved  
4336 company, a financing agreement with respect to its economic  
4337 development project. The terms and provisions of each financing  
4338 agreement shall be determined by negotiations between the  
4339 corporation and the approved company, except that each financing  
4340 agreement shall include the following provisions:

4341             (a) If the corporation issues any bonds in connection  
4342 with an economic development project, the term of the financing  
4343 agreement shall not be less than the last maturity of the bonds  
4344 issued with respect to the economic development project, except  
4345 that the financing agreement may terminate upon the earlier  
4346 redemption of all of the bonds issued with respect to the economic  
4347 development project and may grant to the approved company an  
4348 option to purchase the economic development project from the  
4349 corporation upon the termination of the financing agreement for  
4350 such consideration and under such terms and conditions the  
4351 corporation may approve. Nothing in this paragraph shall limit  
4352 the extension of the term of a financing agreement if there is a  
4353 refunding of the correlative bonds or otherwise.





4354 (b) If the corporation issues any bonds in connection  
4355 with an economic development project, the financing agreement  
4356 shall specify that the annual obligations of the approved company  
4357 under Sections 57-10-401 through 57-10-445 shall equal in each  
4358 year at least the annual debt service for that year on the bonds  
4359 issued with respect to the economic development project; and the  
4360 approved company shall pay such obligation of the financing  
4361 agreement to the trustee for bonds issued for the benefit of the  
4362 approved company, at such time and in such amounts sufficient to  
4363 amortize such bonds.

4364 (c) If the corporation loans funds to an approved  
4365 company that is a private company under the Mississippi Small  
4366 Enterprise Development Finance Act, the financing agreement shall  
4367 include the terms and conditions of the loan required by Section  
4368 57-71-1 et seq.

4369 (d) (i) In consideration for financing agreement  
4370 payment, the approved company may be permitted the following  
4371 during the period of time in which the financing agreement is in  
4372 effect, not to exceed twenty-five (25) years:

4373 1. A tax credit on the amount provided for in  
4374 Section 27-7-22.3(2), Mississippi Code of 1972; plus

4375 2. The aggregate assessment withheld by the  
4376 approved company in each year.

4377 (ii) The income tax credited to the approved  
4378 company referred to herein shall be credited in the fiscal year of



4379 the financing agreement in which the tax return of the approved  
4380 company is filed. The approved company shall not be required to  
4381 pay estimated tax payments under Section 27-7-319, Mississippi  
4382 Code of 1972.

4383 (e) (i) The financing agreement shall provide that the  
4384 assessments, when added to the credit for the state corporate  
4385 income tax herein granted, shall not exceed the total financing  
4386 agreement annual payment by the approved company in any year;  
4387 however, to the extent that financing agreement annual payments  
4388 exceed credits received and assessments collected in any year, the  
4389 excess payment may be recouped from excess credits or assessment  
4390 collections in succeeding years not to exceed three (3) years  
4391 following the termination of the period of time during which the  
4392 financing agreement is in effect.

4393 (ii) If during any fiscal year of the financing  
4394 agreement the total of the income tax credit granted to the  
4395 approved company plus the assessment collected from the wages of  
4396 the employees equals the annual payment pursuant to the financing  
4397 agreement, and if all excess payments pursuant to the financing  
4398 agreement accumulated in prior years have been recouped, the  
4399 assessment collected from the wages of the employees shall cease  
4400 for the remainder of the fiscal year of the financing agreement.

4401 (f) The financing agreement shall provide that:

4402 (i) It may be assigned by the approved company  
4403 only upon the prior written consent of the corporation following



4404 the adoption of a resolution by the corporation to such effect;  
4405 and

4406 (ii) Upon the default by the approved company in  
4407 the obligation to render its annual payment, the corporation shall  
4408 have the right, at its option, to declare the financing agreement  
4409 in default and to accelerate the total of all annual payments that  
4410 are to be made or to terminate the financing agreement and cause  
4411 to be sold the economic development project at public or private  
4412 sale, or to pursue any other remedies available under the Uniform  
4413 Commercial Code, as from time to time amended, or otherwise  
4414 available in law or equity.

4415 **[In cases involving an economic development project for which**  
4416 **the Mississippi Business Finance Corporation has not issued bonds**  
4417 **for the purpose of financing the approved costs of such project**  
4418 **prior to July 1, 1997, or in cases involving an economic**  
4419 **development project which has not been induced by a resolution of**  
4420 **the Board of Directors of the Mississippi Business Finance**  
4421 **Corporation that has been filed with the State Tax Commission**  
4422 **prior to July 1, 1997, this section shall read as follows:]**

4423 57-10-409. The corporation may enter into, with any approved  
4424 company, a financing agreement with respect to its economic  
4425 development project. The terms and provisions of each financing  
4426 agreement shall be determined by negotiations between the  
4427 corporation and the approved company, except that each financing  
4428 agreement shall include the following provisions:



4429           (a) If the corporation issues any bonds in connection  
4430 with an economic development project, the term of the financing  
4431 agreement shall not be less than the last maturity of the bonds  
4432 issued with respect to the economic development project, except  
4433 that the financing agreement may terminate upon the earlier  
4434 redemption of all of the bonds issued with respect to the economic  
4435 development project and may grant to the approved company an  
4436 option to purchase the economic development project from the  
4437 corporation upon the termination of the financing agreement for  
4438 such consideration and under such terms and conditions the  
4439 corporation may approve. Nothing in this paragraph shall limit  
4440 the extension of the term of a financing agreement if there is a  
4441 refunding of the correlative bonds or otherwise.

4442           (b) If the corporation issues any bonds in connection  
4443 with an economic development project, the financing agreement  
4444 shall specify that the annual obligations of the approved company  
4445 under Sections 57-10-401 through 57-10-445 shall equal in each  
4446 year at least the annual debt service for that year on the bonds  
4447 issued with respect to the economic development project; and the  
4448 approved company shall pay such obligation of the financing  
4449 agreement to the trustee for bonds issued for the benefit of the  
4450 approved company, at such time and in such amounts sufficient to  
4451 amortize such bonds.

4452           (c) If the corporation loans funds to an approved  
4453 company that is a private company under the Mississippi Small



4454 Enterprise Development Finance Act, the financing agreement shall  
4455 include the terms and conditions of the loan required by Section  
4456 57-71-1 et seq.

4457 (d) (i) In consideration for financing agreement  
4458 payment, the approved company may be permitted a tax credit on the  
4459 amount provided for in Section 27-7-22.3(2), Mississippi Code of  
4460 1972, during the period of time in which the financing agreement  
4461 is in effect, not to exceed twenty-five (25) years.

4462 (ii) The income tax credited to the approved  
4463 company referred to herein shall be credited in the fiscal year of  
4464 the financing agreement in which the tax return of the approved  
4465 company is filed. The approved company shall not be required to  
4466 pay estimated tax payments under Section 27-7-319, Mississippi  
4467 Code of 1972.

4468 (e) The financing agreement shall provide that:

4469 (i) It may be assigned by the approved company  
4470 only upon the prior written consent of the corporation following  
4471 the adoption of a resolution by the corporation to such effect;  
4472 and

4473 (ii) Upon the default by the approved company in  
4474 the obligation to render its annual payment, the corporation shall  
4475 have the right, at its option, to declare the financing agreement  
4476 in default and to accelerate the total of all annual payments that  
4477 are to be made or to terminate the financing agreement and cause  
4478 to be sold the economic development project at public or private



4479 sale, or to pursue any other remedies available under the Uniform  
4480 Commercial Code, as from time to time amended, or otherwise  
4481 available in law or equity.

4482           **SECTION 47.** Section 57-114-3, Mississippi Code of 1972, is  
4483 brought forward as follows:

4484           57-114-3. For purposes of this chapter, the following words  
4485 shall have the meanings ascribed herein unless the context  
4486 otherwise requires:

4487           (a) "Affiliate" means, with respect to a specified  
4488 entity, (i) another person or entity that directly or indirectly,  
4489 through one or more intermediaries, controls or is controlled by  
4490 or is under common control with the specified person or entity,  
4491 where the term "control" means the ownership or possession,  
4492 directly or indirectly, of the power to direct more than fifty  
4493 percent (50%) of the voting equity securities or a similar  
4494 ownership interest in the specified controlled entity, or (ii) any  
4495 member of an affiliated group of corporations, of which the  
4496 specified entity is also a member, which are each subject to  
4497 income taxation in Mississippi and may elect to file a combined  
4498 Mississippi income tax return in accordance with state law.

4499           (b) "Authority" means the Mississippi Development  
4500 Authority.

4501           (c) "Annual report" means the report described in  
4502 Section 57-114-13.



4503           (d) "Applicable accounting rules" shall mean the  
4504 accounting principles generally recognized as applicable to a  
4505 qualified business or industry and pursuant to which such  
4506 qualified business or industry regularly prepares and maintains  
4507 its financial and accounting books and records, and which  
4508 specifically incorporate Generally Accepted Accounting Principles  
4509 or International Financial Reporting Standards, as appropriate.

4510           (e) "Applicant" means any corporation, limited  
4511 liability company, partnership, person or sole proprietorship,  
4512 business trust or other legal entity and subunit or affiliate  
4513 thereof that applies to the authority, in the manner prescribed by  
4514 this chapter, seeking (i) certification by the authority that such  
4515 applicant is a qualified business or industry and that its  
4516 proposed new project or expansion of an existing business or  
4517 industrial operation is a qualified economic development project,  
4518 and (ii) an award in connection therewith of an mFlex tax  
4519 incentive.

4520           (f) "Average state or county wage" shall mean, as of  
4521 the project certification date, the lesser of the most recently  
4522 published average annual wage per person as determined and  
4523 published by the Mississippi Department of Employment Security for  
4524 the state or the county in which the qualified project is or will  
4525 be located; provided that, if a qualified project is or will be  
4526 located in two (2) or more counties, the average state or county  
4527 wage, as used in this chapter, shall mean, as of the project



4528 certification date, only the most recently published average  
4529 annual wage per person as determined and published by the  
4530 Mississippi Department of Employment Security for the state.

4531 (g) "Average employer wage" means the qualified annual  
4532 payroll for all new full-time jobs created in the State of  
4533 Mississippi by a qualified business or industry divided by the  
4534 number of new full-time jobs thereof for which such qualified  
4535 annual payroll was paid or is otherwise payable.

4536 (h) "Base full-time job" means a job (i) for which an  
4537 employee was already hired by the qualified business or industry  
4538 before, and is employed as of, the project certification date;  
4539 (ii) that offers a minimum of one thousand eight hundred twenty  
4540 (1,820) hours of an employee's time per year (i.e., thirty-five  
4541 (35) hours per week on average) for a normal four (4) consecutive  
4542 quarter period of the qualified business or industry's operations  
4543 or a job for which the employee was hired before, and is employed  
4544 as of, the project certification date and is compensated based on  
4545 one thousand eight hundred twenty (1,820) hours for such annual  
4546 period (including in each case an employee who, after hiring,  
4547 elects to take unpaid time off or is on short-term or long-term  
4548 disability); and (iii) the employee holding such job receives  
4549 salary or wages subject to state income tax withholdings. The  
4550 term "base full-time job" also means a base-leased employee.  
4551 Part-time jobs may not be combined to add up to a base full-time  
4552 job.





4553                   (i) "Base-leased employee" means a nontemporary  
4554 employee:  
4555                   (i) Who was leased by the qualified business or  
4556 industry before the project certification date from another  
4557 business or enterprise that is 1. in the business of leasing  
4558 employees, and 2. is registered with the Office of the Secretary  
4559 of State and qualified to do business in the state;  
4560                   (ii) Who is leased as of the project certification  
4561 date;  
4562                   (iii) Who is not otherwise an employee of such  
4563 qualified business or industry;  
4564                   (iv) Who, as of the project certification date,  
4565 was already performing services for, and under the supervision of,  
4566 the qualified business or industry pursuant to a leasing agreement  
4567 between the qualified business or industry and such other employee  
4568 leasing firm;  
4569                   (v) Whose job-performing services for the  
4570 qualified business or industry offers a minimum of one thousand  
4571 eight hundred twenty (1,820) hours of an employee's time per year  
4572 (i.e., thirty-five (35) hours per week on average) for an entire  
4573 normal work year of the qualified business or industry's  
4574 operations or a job for which the employee is leased before the  
4575 project certification date and is compensated based on one  
4576 thousand eight hundred twenty (1,820) hours for such annual period  
4577 (including in each case an employee who, after being leased,



4578 elects to take unpaid time off or is on short-term or long-term  
4579 disability); and

4580                   (vi) Whose job receives salary or wages subject to  
4581 state income tax withholdings. Individuals employed by an  
4582 independent contractor performing one or more services for the  
4583 qualified business or industry pursuant to a services or  
4584 management agreement (e.g., security services, landscaping  
4585 services, and cafeteria management and food services) shall not be  
4586 considered as base-leased employees.

4587                   (j) "Contractor tax" shall mean the tax levied by  
4588 Section 27-65-21, except for the tax upon the sale of  
4589 manufacturing or processing machinery for a manufacturer or custom  
4590 processor.

4591                   (k) "Construction contract" shall mean any contract or  
4592 portion of any contract for any one or more of the activities  
4593 described in Section 27-65-21 for which the contractor tax applies  
4594 and is payable by the contractor that is party thereto.

4595                   (l) "Manufacturing machinery," as used in this chapter,  
4596 shall have the same meaning ascribed to such term in Section  
4597 27-65-11, as interpreted by any regulations promulgated by the  
4598 Department of Revenue with respect to such section.

4599                   (m) "mFlex agreement" means the written agreement  
4600 entered into between a qualified business or industry and the  
4601 authority in accordance with Section 57-114-7(4)(c).



4602           (n) "mFlex tax incentive" means the tax incentive  
4603 authorized by this chapter to be calculated and awarded by the  
4604 authority, and thereafter applied as a credit to offset state  
4605 taxes, in accordance with, and subject to, this chapter.

4606           (o) "Minimum job creation requirement" means the  
4607 creation by the qualified business or industry, following the  
4608 project certification date, of at least ten (10) new full-time  
4609 jobs in the state.

4610           (p) "Minimum qualified investment" means a qualified  
4611 investment of not less than Two Million Five Hundred Thousand  
4612 Dollars (\$2,500,000.00).

4613           (q) "New full-time job" means a job:

4614               (i) For which an employee is hired by the  
4615 qualified business or industry after the project certification  
4616 date;

4617               (ii) That offers a minimum of one thousand eight  
4618 hundred twenty (1,820) hours of an employee's time per year (i.e.,  
4619 thirty-five (35) hours per week on average) for a normal four (4)  
4620 consecutive quarter period of the qualified business or industry's  
4621 operations or a job for which the employee is hired after the  
4622 project certification date and is compensated based on one  
4623 thousand eight hundred twenty (1,820) hours for such annual period  
4624 (including in each case an employee who, after hiring, elects to  
4625 take unpaid time off or is on short-term or long-term disability);  
4626 and



4627 (iii) The employee holding such job receives  
4628 salary or wages subject to state income tax withholdings. The  
4629 term "new full-time job" also means new-leased employee.  
4630 Part-time jobs may not be combined to add up to a new full-time  
4631 job.

4632 (r) "New-leased employee" means a nontemporary  
4633 employee:

4634 (i) Who is leased by the qualified business or  
4635 industry after the project certification date from another  
4636 business or enterprise that is 1. in the business of leasing  
4637 employees, and 2. is registered with the Office of the Secretary  
4638 of State and qualified to do business in the state;

4639 (ii) Who is not otherwise an employee of such  
4640 qualified business or industry;

4641 (iii) Who performs services for the qualified  
4642 business or industry pursuant to a leasing agreement between the  
4643 qualified business or industry and such other employee-leasing  
4644 firm;

4645 (iv) Whose job-performing services for the  
4646 qualified business or industry offers a minimum of one thousand  
4647 eight hundred twenty (1,820) hours of an employee's time per year  
4648 (i.e., thirty-five (35) hours per week on average) for an entire  
4649 normal work year of the qualified business or industry's  
4650 operations or a job for which the employee is leased after the  
4651 project certification date and is compensated based on one



4652 thousand eight hundred twenty (1,820) hours for such annual period  
4653 (including in each case an employee who, after being leased,  
4654 elects to take unpaid time off or is on short-term or long-term  
4655 disability); and

4656 (v) Whose job receives salary or wages subject to  
4657 state income tax withholdings. Individuals employed by an  
4658 independent contractor performing one or more services for the  
4659 qualified business or industry pursuant to a services or  
4660 management agreement (e.g., security services, landscaping  
4661 services, and cafeteria management and food services) shall not be  
4662 considered as a new-leased employees.

4663 (s) "Nonmanufacturing equipment" means all tangible  
4664 personal property that is not manufacturing machinery, including,  
4665 but not limited to, office furniture, fixtures, office computers  
4666 and communications equipment, and warehouse equipment such as  
4667 racking and shelving.

4668 (t) "Part-time job" means a job (i) for which an  
4669 employee is hired by the qualified business or industry that  
4670 requires fewer than one thousand eight hundred twenty (1,820)  
4671 hours of an employee's time per year (i.e., requires fewer than  
4672 thirty-five (35) hours per week on average) for an entire normal  
4673 work year of the qualified business or industry's operations or a  
4674 job for which the employee is hired and is compensated based on  
4675 fewer than one thousand eight hundred twenty (1,820) hours for  
4676 such annual period; and (iii) for which the employee holding such



4677 job receives salary or wages subject to state income tax  
4678 withholdings.

4679 (u) "Project certification date" means the actual date  
4680 of the authority's certification, or the effective date of  
4681 certification determined and prescribed by the authority, of the  
4682 qualified business or industry and its qualified economic  
4683 development project as eligible for the state tax credits  
4684 determined and awarded by the authority, as authorized by, and in  
4685 accordance with, this chapter.

4686 (v) "Qualified annual payroll" means the sum of the  
4687 annual salary and wages for new full-time jobs of the qualified  
4688 business or industry, excluding the amount or value of any  
4689 benefits that are not subject to state income taxes.

4690 (w) "Qualified business or industry" means any  
4691 corporation, limited liability company, partnership, person or  
4692 sole proprietorship, business trust or other legal entity and  
4693 subunit or affiliate thereof, which makes a qualified minimum  
4694 investment in a qualified economic development project.

4695 (x) "Qualified economic development project" or  
4696 "qualified project" means the location in the state of one or more  
4697 of the following enumerated enterprises for which a corporation,  
4698 limited liability company, partnership, sole proprietorship,  
4699 business trust or other legal entity, or subunit or affiliate  
4700 thereof, makes or causes to be made from the minimum qualified



4701 investment and/or satisfies or causes to be satisfied the minimum  
4702 job creation requirement:

4703                   (i) A new warehouse and/or distribution enterprise  
4704 or an expansion of an existing warehouse and/or distribution  
4705 enterprise; provided that, in any such instance, such warehouse  
4706 and/or distribution enterprise or expansion thereof is certified  
4707 by the authority to qualify as such;

4708                   (ii) A new manufacturing, remanufacturing,  
4709 assembly, processing and/or refinery enterprise or an expansion of  
4710 an existing manufacturing, remanufacturing, assembly, processing  
4711 and/or refinery enterprise; provided that, in any such instance,  
4712 such manufacturing, remanufacturing, assembly, processing and/or  
4713 refinery enterprise or expansion thereof is certified by the  
4714 authority to qualify as such;

4715                   (iii) A new research or research and development  
4716 enterprise or an expansion of an existing research or research and  
4717 development enterprise; provided that, in any such instance, such  
4718 research and development enterprise or an expansion thereof is  
4719 certified by the authority to qualify as such;

4720                   (iv) A new regional or national headquarters of  
4721 the qualified business or industry or an expansion of an existing  
4722 regional or national headquarters of the qualified business or  
4723 industry; provided that, in any such instance, such regional or  
4724 national headquarters or expansion thereof is certified by the  
4725 authority to qualify as such;



4726 (v) An air transportation, repair and/or  
4727 maintenance enterprise or an expansion of an existing air  
4728 transportation, repair and/or maintenance enterprise; provided  
4729 that, in either instance, such air transportation, repair and/or  
4730 maintenance enterprise or expansion thereof is certified by the  
4731 authority to qualify as such;

4732 (vi) A ship or other maritime vessel or barge  
4733 transportation, repair and/or maintenance enterprise or an  
4734 expansion of an existing ship or other maritime vessel or barge  
4735 transportation, repair and/or maintenance enterprise; provided  
4736 that, in either instance, the ship or other maritime vessel or  
4737 barge transportation, repair and/or maintenance enterprise or  
4738 expansion thereof is certified by the authority to qualify as  
4739 such;

4740 (vii) A new data/information processing enterprise  
4741 or an expansion of an existing new data/information processing  
4742 enterprise; provided that, in any such instance such  
4743 data/information processing enterprise or expansion thereof is  
4744 certified by the authority to qualify as such;

4745 (viii) A new technology intensive enterprise or an  
4746 expansion of an existing technology intensive enterprise; provided  
4747 that, in either instance, the technology intensive enterprise or  
4748 expansion thereof is certified by the authority to qualify as  
4749 such; provided further, that a business or enterprise primarily  
4750 engaged in creating computer programming codes to develop





4751 applications, websites and/or software shall qualify as a  
4752 technology intensive enterprise;

4753                   (ix) A new telecommunications enterprise  
4754 principally engaged in the creation, display, management, storage,  
4755 processing, transmission and/or distribution, for compensation, of  
4756 images, text, voice, video or data by wire or by wireless means,  
4757 or engaged in the construction, design, development, manufacture,  
4758 maintenance or distribution for compensation of devices, products,  
4759 software or structures used in the above activities, or an  
4760 expansion of an existing telecommunications enterprise as herein  
4761 described; provided that, in any such instance, any such  
4762 telecommunications enterprise or expansion thereof is certified by  
4763 the authority to qualify as such; provided further, that  
4764 commercial broadcast radio stations, television stations or news  
4765 organizations primarily serving in-state markets shall not be  
4766 included within the definition of the term "telecommunications  
4767 enterprise";

4768                   (x) A new data center enterprise principally  
4769 engaged in the utilization of hardware, software, technology,  
4770 infrastructure and/or workforce, to store, manage or manipulate  
4771 digital data, or an expansion of an existing data center  
4772 enterprise as herein described; provided that, in such instance,  
4773 any such data center enterprise or expansion thereof is certified  
4774 by the authority to qualify as such.



4775           (y) "Qualified investment" means any expenditures made  
4776 or caused to be made by the qualified business or industry  
4777 following the project certification date for construction,  
4778 installation, equipping and operation of a qualified economic  
4779 development project from any source or combination of sources,  
4780 excluding any funds contributed by the state or any agency or  
4781 other political subdivision thereof, or by any local government or  
4782 any agency or other political subdivision thereof, to the extent  
4783 such expenditures can be capitalized under applicable accounting  
4784 rules or otherwise by the Internal Revenue Code, whether or not  
4785 the qualified business or industry elects to capitalize the same,  
4786 as reflected in its financial statements, including, but not  
4787 limited to, all costs associated with the acquisition,  
4788 installation and/or construction of, or capital leasehold interest  
4789 in, any buildings and other real property improvements, fixtures,  
4790 equipment, machinery, landscaping, fire protection, depreciable  
4791 fixed assets, engineering and design costs.

4792           (z) "Reporting year" means the twelve-month period  
4793 ending on the last day of the month during which the annual  
4794 anniversary of a project certification date occurs, and for which  
4795 an annual report must be filed with the authority by a qualified  
4796 business or industry in accordance with Section 57-114-13.

4797           (aa) "State" means the State of Mississippi.

4798           (bb) "State tax" means:



4799 (i) Any sales and use tax imposed on, and payable  
4800 directly to the Department of Revenue by, the qualified business  
4801 or industry in accordance with state law, except for contractor's  
4802 tax and the taxes levied by Section 27-65-24(1) (b);

4803 (ii) All income tax imposed pursuant to law on  
4804 income earned by the qualified business or industry pursuant to  
4805 state law;

4806 (iii) Franchise tax imposed pursuant to state law  
4807 on the value of capital used, invested or employed by the business  
4808 enterprise certified by the Mississippi Development Authority; and

4809 (iv) Withholding tax required to be deducted and  
4810 withheld from employee wages pursuant to Section 27-7-301 et seq.

4811 **SECTION 48.** Section 57-114-7, Mississippi Code of 1972, is  
4812 brought forward as follows:

4813 57-114-7. (1) The authority shall evaluate an application  
4814 to determine whether the applicant's proposed project is a  
4815 qualified economic development project and whether it is therefore  
4816 eligible for an award by the authority of an mFlex tax incentive,  
4817 as calculated in accordance with Section 57-114-9.

4818 (2) Upon approval of an applicant's application, the  
4819 authority shall issue a certification (a) designating the  
4820 applicant's project as a "qualified economic development project"  
4821 and eligible for the mFlex tax incentive authorized by this  
4822 chapter; (b) awarding the initial mFlex tax incentive calculated  
4823 pursuant to Section 57-114-9; and (c) imposing those mandatory



4824 conditions pursuant to subsection (4) of this section and any  
4825 discretionary conditions otherwise imposed by the authority.

4826 (3) Upon the issuance of the certification and execution of  
4827 the mFlex agreement by a qualified business or industry and the  
4828 authority, the qualified business or industry may apply the amount  
4829 of its mFlex tax incentive as a credit to offset (a) any state  
4830 taxes (except for withholding tax required to be deducted and  
4831 withheld from employee wages pursuant to Section 27-7-301 et  
4832 seq.), as incurred thereby, up to the full amount of the mFlex tax  
4833 incentive awarded by the authority for the associated qualified  
4834 economic development project, and (b) only up to twenty percent  
4835 (20%) of the mFlex tax incentive amount may be applied as a credit  
4836 during the course of any reporting year to offset withholding tax  
4837 deducted and withheld from employee wages pursuant to Section  
4838 27-7-301 et seq.; provided that the amount of the mFlex tax  
4839 incentive available to be applied as a credit to offset such state  
4840 taxes shall be subject to any subsequent adjustments made by the  
4841 authority to such award pursuant to Section 57-114-13, and any  
4842 performance requirements set out in the mFlex agreement. The  
4843 amount of the mFlex tax incentive available to be applied as a  
4844 credit to offset any state taxes described in Section  
4845 57-114-3(bb) (i) shall be limited to those such taxes payable  
4846 directly by the qualified business or industry to the Department  
4847 of Revenue pursuant to a direct pay permit issued by the  
4848 Department of Revenue under Section 27-65-93. The amount of the



4849 mFlex tax incentive available to be applied as a credit to offset  
4850 any state taxes may not be applied as a credit to offset any state  
4851 taxes incurred prior to the issuance of the certification by the  
4852 authority and execution of the mFlex agreement by the qualified  
4853 business or industry and the authority.

4854 (4) The following conditions shall apply to each such  
4855 certification made, and each mFlex tax incentive awarded, by the  
4856 authority in accordance with this chapter:

4857 (a) Any certification and mFlex tax incentive award  
4858 issued by the authority under this chapter is nontransferable and  
4859 cannot be applied, used or assigned to any other person or  
4860 business or tax account without prior approval by the authority,  
4861 except for one or more affiliates of the qualified business or  
4862 industry disclosed thereby on its application or in a subsequent  
4863 annual report submitted to the authority in accordance with this  
4864 chapter;

4865 (b) No qualified business or industry may claim or use  
4866 the mFlex tax incentive awarded thereto under this chapter unless  
4867 the qualified business or industry is in full compliance with all  
4868 state and local tax laws, and related ordinances, permits and  
4869 other applicable governmental approvals; and

4870 (c) Each qualified business or industry must enter into  
4871 an mFlex agreement with the authority which sets out, at a  
4872 minimum, (i) the obligation of the business or industry to provide  
4873 an annual report to the authority pursuant to Section 57-114-13



4874 that demonstrates the actual amount of its qualified investment,  
4875 including actual expenditures on manufacturing machinery,  
4876 nonmanufacturing equipment and component building materials, the  
4877 number of new full-time jobs created and maintained as a result of  
4878 the project, and any other relevant information as may be required  
4879 by the authority; and (ii) terms for readjustment or recapture of  
4880 all or a portion of the mFlex tax incentive awarded thereto  
4881 pursuant to Section 57-114-13 if the applicant 1. fails to satisfy  
4882 the minimum job creation requirement if certification of the  
4883 project is predicated on satisfaction of the minimum job creation  
4884 requirement and not the minimum qualified investment, or 2. fails  
4885 to satisfy the minimum qualified investment if certification of  
4886 the project is predicated on satisfaction of the minimum job  
4887 creation requirement and not the minimum qualified investment,  
4888 and/or 3. fails to otherwise satisfy any other additional  
4889 performance requirements of the qualified business or industry or  
4890 its qualified economic development project that are imposed by the  
4891 authority.

4892 (5) In addition to those mandatory conditions prescribed by  
4893 this chapter that apply to each certification and award of an  
4894 mFlex tax incentive made by the authority in accordance herewith,  
4895 the authority is authorized to impose any other conditions upon  
4896 any certification and award of an mFlex tax incentive made by the  
4897 authority as it shall find best promotes economic development in  
4898 the state.



4899           (6) Upon certifying a qualified business or industry as  
4900 eligible for, and awarding, an mFlex tax incentive under this  
4901 chapter, the authority shall forward the certification along with  
4902 any other necessary information to the Department of Revenue so  
4903 that the mFlex tax incentive awarded to the qualified business or  
4904 industry can be recorded by the Department of Revenue and used to  
4905 verify each state tax credit subsequently applied by the qualified  
4906 business or industry.

4907           (7) Within thirty (30) days following the end of each  
4908 calendar quarter, the authority shall provide to the Governor,  
4909 Lieutenant Governor and the Speaker of the House of  
4910 Representatives a copy of each certification made, together with a  
4911 copy of each mFlex agreement approved and executed, during the  
4912 immediately preceding calendar quarter.

4913           **SECTION 49.** Section 57-114-9, Mississippi Code of 1972, is  
4914 brought forward as follows:

4915           57-114-9. **Calculation and application of an mFlex tax**  
4916 **incentive award.** The total amount of the initial mFlex tax  
4917 incentive determined and awarded by the authority to the certified  
4918 applicant shall be calculated by the authority as follows:

4919           (a) Subject to paragraph (f) below, one and one-half  
4920 percent (1.5%) of the total purchase or sales price, or value,  
4921 including any installation costs thereof, as applicable, of all  
4922 manufacturing or processing machinery acquired, leased or  
4923 otherwise moved into the state following the project certification



4924 date to establish and equip the qualified economic development  
4925 project; plus

4926 (b) Subject to paragraph (f) below, seven percent (7%)  
4927 of the total purchase or sales price, or value, including any  
4928 installation costs thereof, as applicable, of all nonmanufacturing  
4929 equipment, other than tagged over-the-road vehicles, acquired,  
4930 leased or otherwise moved into the state following the project  
4931 certification date to establish and equip the qualified economic  
4932 development project; plus

4933 (c) Subject to paragraph (f) below, two percent (2%) of  
4934 the total contract price or compensation paid to any contractor  
4935 pursuant to any construction contract entered into following the  
4936 project certification date by the qualified business or industry  
4937 or any affiliate thereof, to construct, build, erect, repair or  
4938 add to any building, facility, structure or other improvement to  
4939 real property described in Section 27-65-21(1)(a)(i) to establish  
4940 and construct the qualified economic development project; plus, if  
4941 applicable;

4942 (d) To the extent that the average employer wage is  
4943 equal to or more than seventy-five percent (75%) of the average  
4944 state or county wage, then an additional fifteen percent (15%) of  
4945 the product derived by multiplying the average employer wage by  
4946 the number of new full-time jobs; plus, if applicable;

4947 (e) (i) To the extent that 1. the qualified economic  
4948 development project is an enterprise enumerated in Section





4949 57-114-3(x) (i) or (x) (ii); 2. the number of new full-time jobs  
4950 totals fifty (50) or more; 3. the qualified investment totals Ten  
4951 Million Dollars (\$10,000,000) or more; 4. the average employer  
4952 wage is equal to or more than one hundred ten percent (110%) of  
4953 the average state or county wage; and 5. all full-time employees  
4954 are eligible for and offered health insurance coverage funded in  
4955 whole or at least fifty percent (50%) by the qualified business or  
4956 industry (or by a leasing company with respect to leased  
4957 employees), then an additional thirty percent (30%) of the product  
4958 derived by multiplying the average employer wage by the number of  
4959 new full-time jobs; or

4960 (ii) To the extent that subparagraph (i) of this  
4961 paragraph (e) does not apply, but 1. the number of new full-time  
4962 jobs totals twenty-five (25) or more; 2. the average employer wage  
4963 is equal to or more than one hundred twenty-five percent (125%) of  
4964 the average state or county wage; and 3. all full-time employees  
4965 are eligible for and offered health insurance coverage funded in  
4966 whole or at least fifty percent (50%) by the qualified business or  
4967 industry (or by a leasing company with respect to leased  
4968 employees), then an additional thirty percent (30%) of the product  
4969 derived by multiplying the average employer wage by the number of  
4970 new full-time jobs; provided, however, that the initial mFlex tax  
4971 incentive award amount determined by the authority and awarded on  
4972 the project certification date shall be based upon estimates  
4973 provided by the qualified business or industry to the authority



4974 with respect to paragraphs (a) through (d) of this section, which  
4975 estimates shall be memorialized as project performance measures  
4976 agreed to by the qualified business or industry in the mFlex  
4977 agreement; provided, further, that such initial award amount shall  
4978 be subject to any subsequent adjustments made by the authority  
4979 pursuant to Section 57-114-13;

4980 (f) To the extent that all or any portion of the  
4981 purchases to establish a qualified economic development project  
4982 which are financed by proceeds from bonds issued pursuant to  
4983 Section 57-10-201 et seq. or Section 57-10-401 et seq., the mFlex  
4984 tax incentive determined in accordance with this section shall  
4985 exclude the amount calculated in accordance with paragraphs (a),  
4986 (b) and (c) above; provided that, this paragraph (f) shall not  
4987 apply in determining the mFlex tax incentive for a qualified  
4988 economic development project to the extent that (i) the qualified  
4989 economic development project is an expansion of an existing  
4990 project, (ii) all or any portion of the purchases to establish the  
4991 existing project were financed by proceeds from bonds issued  
4992 pursuant to Section 57-10-201 et seq. or Section 57-10-401 et  
4993 seq., and (iii) no purchases to establish the expansion  
4994 constituting a qualified economic development project are financed  
4995 by proceeds from bonds issued pursuant to Section 57-10-201 et  
4996 seq. or Section 57-10-401 et seq.

4997 **SECTION 50.** Section 57-115-3, Mississippi Code of 1972, is  
4998 brought forward as follows:



4999           57-115-3. As used in this chapter, the following terms and  
5000 phrases shall have the meanings ascribed in this section unless  
5001 the context clearly indicates otherwise:

5002           (a) "Affiliate" means:

5003                   (i) Any person who, directly or indirectly,  
5004 beneficially owns, controls, or holds power to vote fifteen  
5005 percent (15%) or more of the outstanding voting securities or  
5006 other voting ownership interest of a Mississippi small business  
5007 investment company or insurance company; and

5008                   (ii) Any person, fifteen percent (15%) or more of  
5009 whose outstanding voting securities or other voting ownership  
5010 interests are directly or indirectly beneficially owned,  
5011 controlled, or held, with power to vote by a Mississippi small  
5012 business investment company or insurance company. Notwithstanding  
5013 this paragraph (a), an investment by a participating investor in a  
5014 Mississippi small business investment company pursuant to an  
5015 allocation of tax credits under this chapter does not cause that  
5016 Mississippi small business investment company to become an  
5017 affiliate of that participating investor.

5018           (b) "Allocation date" means the date on which credits  
5019 are allocated to the participating investors of a Mississippi  
5020 small business investment company under this chapter.

5021           (c) "MDA" means the Mississippi Development Authority.

5022           (d) "Department" means the Mississippi Department of  
5023 Banking and Consumer Finance.



5024 (e) "Designated capital" means an amount of money that:

5025 (i) Is invested by a participating investor in a  
5026 Mississippi small business investment company; and

5027 (ii) Fully funds the purchase price of a  
5028 participating investor's equity interest in a Mississippi small  
5029 business investment company or a qualified debt instrument issued  
5030 by a Mississippi small business investment company, or both.

5031 (f) "Mississippi small business investment company"  
5032 means a partnership, corporation, trust, or limited liability  
5033 company, organized on a for-profit basis, that:

5034 (i) Has its principal office located in  
5035 Mississippi or is headquartered in Mississippi;

5036 (ii) Has as its primary business activity the  
5037 investment of cash in qualified businesses; and

5038 (iii) Is certified by the MDA as meeting the  
5039 criteria described in this section to qualify as either a primary  
5040 or secondary Mississippi small business investment company.

5041 (g) "Participating investor" means any insurer that  
5042 contributes designated capital pursuant to this chapter.

5043 (h) "Person" means any natural person or entity,  
5044 including, but not limited to, a corporation, general or limited  
5045 partnership, trust, or limited liability company.

5046 (i) "Qualified business" means a business that is  
5047 independently owned and operated and meets all of the following  
5048 requirements:



5049 (i) It is headquartered in Mississippi, its  
5050 principal business operations are located in Mississippi and at  
5051 least eighty percent (80%) of its employees are located in  
5052 Mississippi;

5053 (ii) It has not more than one hundred (100)  
5054 employees at the time of the first qualified investment in the  
5055 business;

5056 (iii) It is not more than ten percent (10%)  
5057 engaged in:

5058 1. Professional services provided by  
5059 accountants, doctors, or lawyers;

5060 2. Banking or lending;

5061 3. Real estate development;

5062 4. Retail;

5063 5. Insurance; or

5064 6. Making loans to or investments in a  
5065 Mississippi small business investment company or an affiliate; and

5066 (iv) It is not a franchise of and has no financial  
5067 relationship with a Mississippi small business investment company  
5068 or any affiliate of a Mississippi small business investment  
5069 company prior to a Mississippi small business investment company's  
5070 first qualified investment in the business.

5071 A business classified as a qualified business at the time of  
5072 the first qualified investment in the business will remain  
5073 classified as a qualified business and may receive continuing



5074 qualified investments from any Mississippi small business  
5075 investment company. Continuing investments will constitute  
5076 qualified investments even though the business may not meet the  
5077 definition of a qualified business at the time of such continuing  
5078 investments; however, the business cannot fail to satisfy  
5079 subparagraph (iii) and (iv) of this paragraph (i).

5080 (j) "Qualified debt instrument" means a debt instrument  
5081 issued by a Mississippi small business investment company that  
5082 meets all of the following criteria:

5083 (i) It is issued at par value or a premium;

5084 (ii) It has an original maturity date of at least  
5085 four (4) years from the date of issuance and a repayment schedule  
5086 that is not faster than a level principal amortization over four  
5087 (4) years; and

5088 (iii) Has no interest or payment features that  
5089 allow for the prepayment of interest or are tied to the  
5090 profitability of the Mississippi small business investment company  
5091 or the success of its investments.

5092 (k) "Qualified distribution" means any distribution or  
5093 payment by a Mississippi small business investment company in  
5094 connection with the following:

5095 (i) Reasonable costs and expenses of forming,  
5096 syndicating and organizing the Mississippi small business  
5097 investment company, including fees paid for professional services  
5098 and the costs of financing and insuring the obligations of a



5099 Mississippi small business investment company, provided no such  
5100 payment is made to more than one (1) participating investor or an  
5101 affiliate or related party of a participating investor;

5102 (ii) An annual management fee not to exceed two  
5103 percent (2%) of designated capital on an annual basis to offset  
5104 the costs and expenses of managing and operating a Mississippi  
5105 small business investment company;

5106 (iii) Any projected increase in federal or state  
5107 taxes, including penalties and interest related to state and  
5108 federal income taxes, or to the equity owners of the company  
5109 resulting from the earnings or other tax liability of the company  
5110 to the extent that the increase is related to the ownership,  
5111 management, or operation of the company;

5112 (iv) Reasonable and necessary fees in accordance  
5113 with industry custom for ongoing professional services, including,  
5114 but not limited to, legal and accounting services related to the  
5115 operation of a Mississippi small business investment company, not  
5116 including lobbying or governmental relations; and

5117 (v) Payments of principal and interest to holders  
5118 of qualified debt instruments issued by a Mississippi small  
5119 business investment company which may be made without restriction.

5120 (1) "Qualified investment" means the investment of  
5121 money by a Mississippi small business investment company in a  
5122 qualified business for the purchase of any debt, debt  
5123 participation, equity, or hybrid security of any nature and



5124 description, including a debt instrument or security that has the  
5125 characteristics of debt but which provides for conversion into  
5126 equity or equity participation instruments such as options or  
5127 warrants; provided that any debt, debt participation or other debt  
5128 instrument or security shall have a maturity of at least three (3)  
5129 years. Any repayment of a qualified investment prior to one (1)  
5130 year from the date of issuance shall result in the amount of the  
5131 qualified investment being reduced by fifty percent (50%) for  
5132 purposes of the cumulative investment requirement set forth in  
5133 Section 57-115-9(1)(c).

5134 (m) "State premium tax liability" means any liability  
5135 incurred by an insurance company under the provisions of Section  
5136 27-15-103, 27-15-109 or 27-15-123 or in the case of a repeal or a  
5137 reduction by the state of the liability imposed by Section  
5138 27-15-103, 27-15-109 or 27-15-123.

5139 **SECTION 51.** Section 57-115-5, Mississippi Code of 1972, is  
5140 brought forward as follows:

5141 57-115-5. (1) (a) The MDA must provide a standardized  
5142 format for applying for the Mississippi small business investment  
5143 credit authorized under this chapter, and for certification as a  
5144 Mississippi small business investment company.

5145 (b) An applicant for certification as a primary  
5146 Mississippi small business investment company must:

5147 (i) File an application with the MDA which shall  
5148 include a business plan detailing:





5149                   1. The approximate percentage of designated  
5150 capital the applicant will invest in qualified businesses by the  
5151 second, fourth and sixth anniversaries of its allocation date;

5152                   2. The industry segments listed by the North  
5153 American Industrial Classification System code and percentage of  
5154 designated capital in which the applicant will invest; and

5155                   3. The number of jobs that will be created or  
5156 retained as a result of the applicant's investments once all  
5157 designated capital has been invested. A job shall be considered  
5158 created or retained if the job pays one hundred twenty-five  
5159 percent (125%) of the state average annual wage and is maintained  
5160 for at least three (3) years. The application shall project, at a  
5161 minimum, that one (1) job shall be created or maintained for each  
5162 One Hundred Fifty Thousand Dollars (\$150,000.00) in credits  
5163 awarded to the participating investors of the Mississippi small  
5164 business investment company;

5165                   (ii) Pay a nonrefundable application fee of Seven  
5166 Thousand Five Hundred Dollars (\$7,500.00) at the time of filing  
5167 the application;

5168                   (iii) Submit as part of its application an audited  
5169 balance sheet that contains an unqualified opinion of an  
5170 independent certified public accountant issued not more than  
5171 thirty-five (35) days before the application date that states that  
5172 the applicant has an equity capitalization of Five Hundred



5173 Thousand Dollars (\$500,000.00) or more in the form of unencumbered  
5174 cash, marketable securities or other liquid assets; and

5175 (iv) Have at least two (2) principals or persons,  
5176 at least one (1) of which is primarily located in Mississippi,  
5177 employed or engaged to manage the funds who each have a minimum of  
5178 five (5) years of money management experience in the venture  
5179 capital or private equity or lending industry.

5180 (c) An applicant for certification as a secondary  
5181 Mississippi small business investment company must:

5182 (i) File an application with the MDA which shall  
5183 include a business plan detailing:

5184 1. The approximate percentage of designated  
5185 capital the applicant will invest in qualified businesses by the  
5186 second, fourth and sixth anniversaries of its allocation date;

5187 2. The industry segments listed by the North  
5188 American Industrial Classification System code and percentage of  
5189 designated capital in which the applicant will invest; and

5190 3. The number of jobs that will be created or  
5191 retained as a result of the applicant's investments once all  
5192 designated capital has been invested. A job shall be considered  
5193 created or retained if the job pays one hundred twenty-five  
5194 percent (125%) of the state average annual wage and is maintained  
5195 for at least three (3) years. The application shall project, at a  
5196 minimum, that one (1) job shall be created or maintained for each  
5197 One Hundred Fifty Thousand Dollars (\$150,000.00) in credits



5198 awarded to the participating investors of the Mississippi small  
5199 business investment company;

5200 (ii) Pay a nonrefundable application fee of Three  
5201 Thousand Seven Hundred Fifty Dollars (\$3,750.00) at the time of  
5202 filing the application;

5203 (iii) Submit as part of its application an audited  
5204 balance sheet that contains an unqualified opinion of an  
5205 independent certified public accountant issued not more than  
5206 thirty-five (35) days before the application date that states that  
5207 the applicant has an equity capitalization of One Hundred Fifty  
5208 Thousand Dollars (\$150,000.00) or more in the form of unencumbered  
5209 cash, marketable securities or other liquid assets;

5210 (iv) Demonstrate that fifty percent (50%) of all  
5211 secondary investment company investments have been in Mississippi,  
5212 and all of the applicant's employees have lived in Mississippi for  
5213 at least two (2) years prior to the application being filed, and  
5214 that those who are employed or engaged to manage the funds have a  
5215 minimum of three (3) years of money management experience in the  
5216 venture capital or private equity or lending industry; and

5217 (v) Submit as part of its application a signed and  
5218 notarized partnership agreement letter with a certified primary  
5219 Mississippi small business investment company.

5220 (d) (i) Any participating partner or individual in a  
5221 certified secondary small business investment company that  
5222 successfully participated in the initial authorization and



5223 allocation of credits in 2012, and which is a partner in a  
5224 submitted application for credits allocated in subsection (4) (b)  
5225 of this section, while partnered with the same primary small  
5226 business investment company from the previous 2012 allocation,  
5227 shall have the requirements in paragraph (c) (iii) and (iv) of this  
5228 subsection waived as having been completed through the previous  
5229 allocation.

5230                   (ii) Any participating partner or individual in a  
5231 certified secondary small business investment company that  
5232 successfully participated in the authorization and allocation of  
5233 credits in 2018, and which is a partner in a submitted application  
5234 for credits allocated in subsection (4) (c) of this section, while  
5235 partnered with the same primary small business investment company  
5236 from the previous 2018 allocation, shall have the requirements in  
5237 paragraph (c) (iii) and (iv) of this subsection waived as having  
5238 been completed through the previous allocation.

5239                   (e) The MDA may certify partnerships, corporations,  
5240 trusts, or limited liability companies, organized on a for-profit  
5241 basis, which submit an application to be designated as a  
5242 Mississippi small business investment company if the applicant is  
5243 located, headquartered, and licensed or registered to conduct  
5244 business in Mississippi, has as its primary business activity the  
5245 investment of cash in qualified businesses, and meets all of the  
5246 criteria of this section.

5247                   (f) The MDA must:



5248 (i) Review the organizational documents of each  
5249 applicant for certification and the business history of each  
5250 applicant;

5251 (ii) Determine whether the applicant has satisfied  
5252 all of the requirements of this section; and

5253 (iii) Determine whether the officers and the board  
5254 of directors, general partners, trustees, managers or members are  
5255 trustworthy and are thoroughly acquainted with the requirements of  
5256 this chapter.

5257 (g) Within forty-five (45) days after the receipt of an  
5258 application, the MDA may issue the certification or refuse the  
5259 certification and may communicate in detail to the applicant the  
5260 grounds for refusal, including suggestions for the removal of the  
5261 grounds.

5262 (h) The MDA must begin accepting applications to become  
5263 a Mississippi small business investment company not later than  
5264 August 1, 2012, for credits allocated in subsection (4)(a) of this  
5265 section, not later than August 1, 2018, for credits allocated in  
5266 subsection (4)(b) of this section, and not later than August 1,  
5267 2023, for credits allocated in subsection (4)(c) of this section.

5268 (i) Certification by the MDA and operation of a primary  
5269 Mississippi small business investment company is not subject to  
5270 completion of any relationship or agreement with a secondary  
5271 Mississippi small business investment company, and it is not the  
5272 intent of this chapter to compel any such agreement.



5273           (2)   (a)   An insurance company or affiliate of an insurance  
5274 company must not, directly or indirectly:

5275                   (i)   Beneficially own, whether through rights,  
5276 options, convertible interest, or otherwise, fifteen percent (15%)  
5277 or more of the voting securities or other voting ownership  
5278 interest of a Mississippi small business investment company;

5279                   (ii)   Manage a Mississippi small business  
5280 investment company; or

5281                   (iii)   Control the direction of investments for a  
5282 Mississippi small business investment company.

5283           (b)   A Mississippi small business investment company may  
5284 obtain one or more guaranties, indemnities, bonds, insurance  
5285 policies, or other payment undertakings for the benefit of its  
5286 participating investors from any entity, except that in no case  
5287 can more than one (1) participating investor of a Mississippi  
5288 small business investment company on an aggregate basis with all  
5289 affiliates of the participating investor, be entitled to provide  
5290 guaranties, indemnities, bonds, insurance policies, or other  
5291 payment undertakings in favor of the participating investors of a  
5292 Mississippi small business investment company and its affiliates  
5293 in this state.

5294           (c)   This subsection (2) does not preclude a  
5295 participating investor, insurance company or other party from  
5296 exercising its legal rights and remedies, including, without  
5297 limitation, interim management of a Mississippi small business



5298 investment company, in the event that a Mississippi small business  
5299 investment company is in default of its statutory obligations or  
5300 its contractual obligations to a participating investor, insurance  
5301 company, or other party, or from monitoring a Mississippi small  
5302 business investment company to ensure its compliance with this  
5303 chapter or disallowing any investments that have not been approved  
5304 by the MDA.

5305 (d) The MDA may contract with an independent third  
5306 party to review, investigate, and certify that the applications  
5307 comply with the provisions of this chapter.

5308 (3) (a) At the time of its investment of designated capital  
5309 a participating investor shall earn a vested credit against the  
5310 participating investor's state premium tax liability in an amount  
5311 equal to one hundred percent (100%) of the participating  
5312 investor's investment of designated capital in a Mississippi small  
5313 business investment company, subject to the limits imposed by this  
5314 section.

5315 (b) From and after January 1, 2015, a participating  
5316 investor may claim the credit allocated in subsection (4)(a) of  
5317 this section as follows: For each taxable year from 2015 through  
5318 2019, an amount equal to twenty percent (20%) of the participating  
5319 investor's investment of designated capital.

5320 (c) From and after January 1, 2021, a participating  
5321 investor may claim the credit allocated in subsection (4)(b) of  
5322 this section as follows:



5323 (i) For each taxable year from 2021 through 2025,  
5324 an amount equal to sixteen and sixty-six one-hundredths percent  
5325 (16.66%) of the participating investor's investment of designated  
5326 capital; and

5327 (ii) For the 2026 taxable year, an amount equal to  
5328 sixteen and seven-tenths percent (16.7%) of the participating  
5329 investor's investment of designated capital.

5330 (d) From and after January 1, 2027, a participating  
5331 investor may claim the credit allocated in subsection (4)(c) of  
5332 this section as follows:

5333 (i) For each taxable year from 2027 through 2031,  
5334 an amount equal to sixteen and sixty-six one-hundredths percent  
5335 (16.66%) of the participating investor's investment of designated  
5336 capital; and

5337 (ii) For the 2032 taxable year, an amount equal to  
5338 sixteen and seven-tenths percent (16.7%) of the participating  
5339 investor's investment of designated capital.

5340 (e) The credit for any taxable year cannot exceed the  
5341 state premium tax liability of the participating investor for the  
5342 taxable year. If the amount of the credit exceeds the state  
5343 premium tax liability of the participating investor for the  
5344 taxable year, the excess is an investment tax credit carryover for  
5345 five (5) years from the date the credit is first able to be  
5346 utilized in accordance with paragraph (a) of this subsection (3).





5347           (f) Notwithstanding any provision of this chapter to  
5348 the contrary, the granting of any credits against the insurance  
5349 premium tax shall not affect the insurance premium tax receipts  
5350 distributed pursuant to Sections 83-1-37, 83-1-39, 83-34-39,  
5351 45-11-5 and 21-29-233, which shall take priority over all other  
5352 distributions of premium tax receipts and shall be calculated  
5353 based upon gross insurance premium tax liability before the  
5354 application of the tax credits.

5355           (g) A participating investor claiming a credit under  
5356 this chapter is not required to pay any additional retaliatory tax  
5357 under Section 27-15-123 levied as a result of claiming the credit.

5358           (h) A participating investor is not required to reduce  
5359 the amount of tax pursuant to the state premium tax liability  
5360 included by the participating investor in connection with  
5361 ratemaking for any insurance contract written in this state  
5362 because of a reduction in the participating investor's tax  
5363 liability based on the tax credit allowed under this chapter.

5364           (i) If the taxes paid by a participating investor with  
5365 respect to its state premium tax liability constitute a credit  
5366 against any other tax that is imposed by this state, the  
5367 participating investor's credit against the other tax shall not be  
5368 reduced by virtue of the reduction in the participating investor's  
5369 tax liability based on the tax credit allowed under this chapter.

5370           (j) Final decertification of a Mississippi small  
5371 business investment company under this chapter prior to such



5372 Mississippi small business investment company meeting the  
5373 requirements of Section 57-115-7(1)(a)(ii), shall result in the  
5374 disallowance and the recapture of all of the credits allocated to  
5375 its participating investors under this chapter. Once a  
5376 Mississippi small business investment company has satisfied the  
5377 requirements of Section 57-115-7(1)(a)(ii), any subsequent  
5378 decertification shall not cause the disallowance or recapture of  
5379 any credits allocated to its participating investors under this  
5380 chapter.

5381           (k) The credits allowed under this chapter are not  
5382 transferable; however, a participating investor may transfer  
5383 credits to an affiliated insurance company provided it gives prior  
5384 written notice of such transfer to the MDA and the Department of  
5385 Revenue.

5386           (4) (a) (i) Through January 1, 2018, the aggregate amount  
5387 of investment tax credits that may be allocated to all  
5388 participating investors of Mississippi small business investment  
5389 companies under this section shall not exceed Fifty Million  
5390 Dollars (\$50,000,000.00), and no Mississippi small business  
5391 investment company, on an aggregate basis with its affiliates, may  
5392 file credit allocation claims that exceed Fifty Million Dollars  
5393 (\$50,000,000.00).

5394           (ii) The Fifty Million Dollars (\$50,000,000.00)  
5395 aggregate amount of investment tax credits allocated in this  
5396 paragraph (a) shall be divided into a primary tax credit pool



5397 which may be applied for by certified primary Mississippi small  
5398 business investment companies and a secondary tax credit pool  
5399 which may be applied for by certified secondary Mississippi small  
5400 business investment companies. The secondary tax credit pool  
5401 shall be Three Million Five Hundred Thousand Dollars  
5402 (\$3,500,000.00) of the total Fifty Million Dollars  
5403 (\$50,000,000.00) aggregate amount of investment tax credits.  
5404 Secondary Mississippi small business investment companies may not  
5405 apply for more than One Million Seven Hundred Fifty Thousand  
5406 Dollars (\$1,750,000.00) worth of credits on a single application.  
5407 A certified secondary Mississippi small business investment  
5408 company may apply for additional tax credit allocation from the  
5409 secondary tax credit pool, if the credits are available, after  
5410 fifty percent (50%) of its previously allocated credits are used  
5411 in qualified investments.

5412 (iii) If there are any tax credits remaining  
5413 available for allocation in the secondary tax credit pool on  
5414 August 1, 2013, those available tax credits shall revert to the  
5415 primary tax credit pool and be made available to primary  
5416 Mississippi small business investment companies according to rules  
5417 and regulations promulgated by the MDA. Prior to August 1, 2013,  
5418 primary Mississippi small business investment companies, including  
5419 any wholly owned subsidiary company, shall be prohibited from  
5420 making application to the MDA to be additionally certified as a  
5421 secondary Mississippi small business investment company for



5422 purposes of the tax credits allocated in this paragraph (a) and  
5423 prohibited from applying for any tax credit allocation from the  
5424 secondary tax credit pool. A certified primary Mississippi small  
5425 business investment company may have ownership equity in a  
5426 certified secondary Mississippi small business investment company,  
5427 but the equity interest owned by the certified primary Mississippi  
5428 small business investment company shall not exceed forty percent  
5429 (40%).

5430 (b) (i) From and after July 1, 2018, through January  
5431 1, 2023, an additional aggregate amount of investment tax credits  
5432 may be allocated to all participating investors of Mississippi  
5433 small business investment companies under this section. The  
5434 amount so allocated shall not exceed Forty-five Million Dollars  
5435 (\$45,000,000.00), and no Mississippi small business investment  
5436 company, on an aggregate basis with its affiliates, may file  
5437 credit allocation claims on the additional aggregate amount of tax  
5438 credits that exceed Forty-five Million Dollars (\$45,000,000.00).

5439 (ii) The Forty-five Million Dollars  
5440 (\$45,000,000.00) aggregate amount of investment tax credits  
5441 allocated in this paragraph (b) shall be divided into a primary  
5442 tax credit pool which may be applied for by certified primary  
5443 Mississippi small business investment companies and a secondary  
5444 tax credit pool which may be applied for by certified secondary  
5445 Mississippi small business investment companies. The secondary  
5446 tax credit pool shall be Three Million Five Hundred Thousand



5447 Dollars (\$3,500,000.00) of the total Forty-five Million Dollars  
5448 (\$45,000,000.00) aggregate amount of investment tax credits.  
5449 Secondary Mississippi small business investment companies may not  
5450 apply for more than One Million Seven Hundred Fifty Thousand  
5451 Dollars (\$1,750,000.00) worth of credits on a single application.  
5452 A certified secondary Mississippi small business investment  
5453 company may apply for additional tax credit allocation from the  
5454 secondary tax credit pool, if the credits are available, after  
5455 fifty percent (50%) of its previously allocated credits are used  
5456 in qualified investments.

5457 (iii) If there are any tax credits remaining  
5458 available for allocation in the secondary tax credit pool on  
5459 August 1, 2019, those available tax credits shall revert to the  
5460 primary tax credit pool and be made available to primary  
5461 Mississippi small business investment companies according to rules  
5462 and regulations promulgated by the MDA. Prior to August 1, 2022,  
5463 primary Mississippi small business investment companies, including  
5464 any wholly owned subsidiary company, shall be prohibited from  
5465 making application to the MDA to be additionally certified as a  
5466 secondary Mississippi small business investment company for  
5467 purposes of the tax credits allocated in this paragraph (b) and  
5468 prohibited from applying for any tax credit allocation from the  
5469 secondary tax credit pool. A certified primary Mississippi small  
5470 business investment company may have ownership equity in a  
5471 certified secondary Mississippi small business investment company,



5472 but the equity interest owned by the certified primary Mississippi  
5473 small business investment company shall not exceed forty percent  
5474 (40%).

5475 (c) (i) From and after July 1, 2023, an additional  
5476 aggregate amount of investment tax credits may be allocated to all  
5477 participating investors of Mississippi small business investment  
5478 companies under this section. The amount so allocated shall not  
5479 exceed Forty-five Million Dollars (\$45,000,000.00), and no  
5480 Mississippi small business investment company, on an aggregate  
5481 basis with its affiliates, may file credit allocation claims on  
5482 the additional aggregate amount of tax credits that exceed  
5483 Forty-five Million Dollars (\$45,000,000.00).

5484 (ii) The Forty-five Million Dollars  
5485 (\$45,000,000.00) aggregate amount of investment tax credits  
5486 allocated in this paragraph (c) shall be divided into a primary  
5487 tax credit pool which may be applied for by certified primary  
5488 Mississippi small business investment companies and a secondary  
5489 tax credit pool which may be applied for by certified secondary  
5490 Mississippi small business investment companies. The secondary  
5491 tax credit pool shall be Three Million Five Hundred Thousand  
5492 Dollars (\$3,500,000.00) of the total Forty-five Million Dollars  
5493 (\$45,000,000.00) aggregate amount of investment tax credits.  
5494 Secondary Mississippi small business investment companies may not  
5495 apply for more than One Million Seven Hundred Fifty Thousand  
5496 Dollars (\$1,750,000.00) worth of credits on a single application.



5497 A certified secondary Mississippi small business investment  
5498 company may apply for additional tax credit allocation from the  
5499 secondary tax credit pool, if the credits are available, after  
5500 fifty percent (50%) of its previously allocated credits are used  
5501 in qualified investments.

5502 (iii) If there are any tax credits remaining  
5503 available for allocation in the secondary tax credit pool on  
5504 August 1, 2024, those available tax credits shall revert to the  
5505 primary tax credit pool and be made available to primary  
5506 Mississippi small business investment companies according to rules  
5507 and regulations promulgated by the MDA. Prior to August 1, 2027,  
5508 primary Mississippi small business investment companies, including  
5509 any wholly owned subsidiary company, shall be prohibited from  
5510 making application to the MDA to be additionally certified as a  
5511 secondary Mississippi small business investment company for  
5512 purposes of the tax credits allocated in this paragraph (c) and  
5513 prohibited from applying for any tax credit allocation from the  
5514 secondary tax credit pool. A certified primary Mississippi small  
5515 business investment company may have ownership equity in a  
5516 certified secondary Mississippi small business investment company,  
5517 but the equity interest owned by the certified primary Mississippi  
5518 small business investment company shall not exceed forty percent  
5519 (40%).

5520 (d) Credits must be allocated to investors in the order  
5521 that the credit allocation claims are filed with the MDA.



5522           (e) Any credit allocation claims filed with the MDA  
5523 before the initial credit allocation claim filing date will be  
5524 deemed to have been filed on the initial credit allocation claim  
5525 filing date. The MDA will set the initial credit allocation claim  
5526 filing date to be not less than one hundred twenty (120) days and  
5527 not more than one hundred fifty (150) days after the date the MDA  
5528 begins accepting applications for certification. Credit  
5529 allocation claims filed on the same day with the MDA must be  
5530 treated as having been filed contemporaneously.

5531           (f) If two (2) or more Mississippi small business  
5532 investment companies file credit allocation claims with the MDA on  
5533 behalf of their respective participating investors on the same day  
5534 and the aggregate amount of credit allocation claims exceeds the  
5535 aggregate limit of credits authorized under this subsection (4) or  
5536 the lesser amount of credits that remain unallocated on that day,  
5537 then the credits shall be allocated among the participating  
5538 investors who filed on that day on a pro rata basis with respect  
5539 to the amounts claimed. The pro rata allocation for any one (1)  
5540 participating investor is the product obtained by multiplying a  
5541 fraction, the numerator of which is the amount of the credit  
5542 allocation claim filed on behalf of a participating investor and  
5543 the denominator of which is the total of all credit allocation  
5544 claims filed on behalf of all participating investors on that day,  
5545 by the aggregate limit of credits authorized under this subsection





5546 (4) or the lesser amount of credits that remain unallocated on  
5547 that day.

5548 (g) Within ten (10) business days after the MDA  
5549 receives a credit allocation claim filed by a Mississippi small  
5550 business investment company on behalf of one or more of its  
5551 participating investors, the MDA may notify the Mississippi small  
5552 business investment company of the amount of credits allocated to  
5553 each of the participating investors of that Mississippi small  
5554 business investment company. In the event a Mississippi small  
5555 business investment company does not receive an investment of  
5556 designated capital from each participating investor required to  
5557 earn the amount of credits allocated to the participating investor  
5558 within ten (10) business days of the Mississippi small business  
5559 investment company's receipt of notice of allocation, then it  
5560 shall notify the MDA on or before the next business day, and the  
5561 credits allocated to the participating investor of the Mississippi  
5562 small business investment company will be forfeited. The MDA may  
5563 then reallocate those forfeited credits among the participating  
5564 investors of the other Mississippi small business investment  
5565 companies on a pro rata basis with respect to the credit  
5566 allocation claims filed on behalf of the participating investors.  
5567 The MDA may levy a fine of not more than Fifty Thousand Dollars  
5568 (\$50,000.00) on any participating investor that does not invest  
5569 the full amount of designated capital required to fund the credits



5570 allocated to it by the MDA in accordance with the credit  
5571 allocation claim filed on its behalf.

5572 (h) No participating investor, on an aggregate basis  
5573 with its affiliates, may file an allocation claim for more than  
5574 twenty-five percent (25%) of the maximum amount of investment tax  
5575 credits authorized under this subsection (4), regardless of  
5576 whether the claim is made in connection with one or more  
5577 Mississippi small business investment companies.

5578 **SECTION 52.** Section 1 of this act shall take effect and be  
5579 in force from and after January 1, 2024, and the remainder of this  
5580 act shall take effect and be in force from and after July 1, 2024.

