

By: Senator(s) Jackson, Norwood, Turner-Ford, Butler, Thomas, Brumfield, Simmons (12th)

To: Finance

SENATE BILL NO. 2491

1 AN ACT TO PROVIDE A STATE INCOME TAX CREDIT FOR TAXPAYERS
2 CLAIMING THE FEDERAL EARNED INCOME TAX CREDIT; TO PROVIDE THE
3 AMOUNT OF THE CREDIT; TO PROVIDE THAT IF THE AMOUNT OF CREDIT
4 CLAIMED BY A TAXPAYER EXCEEDS THE AMOUNT OF INCOME TAX IMPOSED
5 UPON THE TAXPAYER FOR THE TAXABLE YEAR, THEN THE TAXPAYER SHALL
6 RECEIVE A REFUND FROM THE DEPARTMENT OF REVENUE FOR THE AMOUNT OF
7 SUCH EXCESS; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** (1) Any taxpayer allowed to claim a federal
10 Earned Income Tax Credit under 26 USCS Section 32, shall be
11 allowed a refundable credit against the taxes imposed under this
12 chapter in the manner prescribed in this section. The amount of
13 the credit shall be equal to five percent (5%) of the amount of
14 the federal credit allowed under 26 USCS Section 32 claimed by the
15 taxpayer on the taxpayer's federal income tax return. If the
16 amount of credit claimed by a taxpayer exceeds the amount of
17 income tax imposed upon the taxpayer for the taxable year reduced
18 by the sum of all other credits allowable to the taxpayer under
19 the state income tax laws, except credit for tax payments made by
20 or on behalf of the taxpayer, then the taxpayer shall receive a



21 refund from the Department of Revenue for the amount of such
22 excess.

23 (2) To obtain the credit provided for in this section, a
24 taxpayer must claim the federal credit allowed under 26 USCS
25 Section 32 on the taxpayer's federal income tax return and must
26 provide a copy of such return and any other information required
27 by the Department of Revenue.

28 **SECTION 2.** Section 1 of this act shall be codified as a new
29 section in Title 27, Chapter 7, Mississippi Code of 1972.

30 **SECTION 3.** Nothing in this act shall affect or defeat any
31 claim, assessment, appeal, suit, right or cause of action for
32 taxes due or accrued under the income tax laws before the date on
33 which this act becomes effective, whether such claims,
34 assessments, appeals, suits or actions have been begun before the
35 date on which this act becomes effective or are begun thereafter;
36 and the provisions of the income tax laws are expressly continued
37 in full force, effect and operation for the purpose of the
38 assessment, collection and enrollment of liens for any taxes due
39 or accrued and the execution of any warrant under such laws before
40 the date on which this act becomes effective, and for the
41 imposition of any penalties, forfeitures or claims for failure to
42 comply with such laws.

43 **SECTION 4.** This act shall take effect and be in force from
44 and after January 1, 2024.

