

By: Senator(s) Berry, Younger, Fillingane,
Butler, Whaley, Rhodes, McCaughn

To: Finance

SENATE BILL NO. 3071

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS
2 WHO INCUR COSTS FOR CERTAIN PRACTICES TO CONVERT VARIOUS KINDS OF
3 LAND INTO PASTURE LAND SUITABLE FOR AGRICULTURAL PRODUCTION; TO
4 LIMIT THE AMOUNT OF SUCH INCOME TAX CREDIT; AND FOR RELATED
5 PURPOSES.

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

7 **SECTION 1.** (1) As used in this section, the following words
8 and phrases shall have the meanings ascribed herein unless the
9 context clearly indicates otherwise:

10 (a) "Cost-share assistance" means partial financial
11 payment for pasture conversion practices from the state or federal
12 government.

13 (b) "Eligible lands" means nonindustrial private lands
14 owned by an eligible owner.

15 (c) "Eligible owner" means a private individual, group
16 or association, but the term shall not mean private corporations
17 which manufacture products or provide public utility services of
18 any type or any subsidiary of such corporations.



19 (d) "Nutrient management" means the use of fertilizer,
20 lime or other soil amendments to establish permanent grazing
21 forages for livestock.

22 (e) "Pasture conversion practices" means practices for
23 establishing, from fallow, shrub-covered, cut-over, forest or
24 other nonagricultural lands, pasture land suitable for
25 agricultural production, as defined in Section 69-28-3. Pasture
26 conversion practices include, but are not limited to, clearing and
27 grubbing, mulching, disking, leveling, seeding, erosion control
28 and nutrient management for agricultural crops. Pasture
29 conversion practices do not include planting grass for sod or for
30 recreational activities.

31 (f) "Pasture conversion prescription or plan" means a
32 written description of the pasture conversion practices that the
33 eligible owner plans to use and includes a legal description and
34 map of the area to be converted to pasture, together with the site
35 preparation practices that will be utilized.

36 (2) Subject to the limitations provided in subsection (3) of
37 this section, upon submission to the department of the written
38 verification provided for in subsection (5) of this section and
39 such other documentation as the department may require, any
40 eligible owner who incurs costs for pasture conversion practices
41 on eligible lands shall be allowed a credit, in an amount equal to
42 the lesser of fifty percent (50%) of the actual costs of the



43 pasture conversion practices, against the taxes imposed pursuant
44 to this chapter for the tax year in which the costs are incurred.

45 (3) The maximum amount of the credit provided for in
46 subsection (2) of this section that may be utilized in any one (1)
47 taxable year shall not exceed the lesser of Ten Thousand Dollars
48 (\$10,000.00) or the amount of income tax imposed upon the eligible
49 owner for the taxable year reduced by the sum of all other credits
50 allowable to the eligible owner under this chapter, except credit
51 for tax payments made by or on behalf of the eligible owner. Any
52 unused portion of the credit may be carried forward for succeeding
53 tax years. The maximum dollar amount of the credit provided for
54 in subsection (2) of this section that an eligible owner may
55 utilize during his lifetime shall be Seventy-five Thousand Dollars
56 (\$75,000.00) in the aggregate.

57 (4) If an eligible owner receives any state or federal
58 cost-share assistance funds to defray the cost of a pasture
59 conversion practice, the cost of that practice on the same acre or
60 acres within the same tax year is not eligible for the credit
61 provided in this section unless the eligible owner's adjusted
62 gross income is less than the federal earned income credit level.

63 (5) To be eligible for the tax credit, an eligible owner
64 must have a pasture conversion prescription or plan prepared for
65 the eligible lands by a county agent or by an agent of the
66 National Resource Conservation Service, who must verify in writing



67 that the pasture conversion practices were completed and that the
68 pasture conversion prescription or plan was followed.

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

71 **SECTION 3.** This act shall take effect and be in force from
72 and after July 1, 2024, and shall stand repealed on June 30, 2024.

