

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2476

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

7 **SECTION 1.** Section 27-7-22.39, Mississippi Code of 1972, is
8 amended as follows:

9 27-7-22.39. (1) As used in this section:

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

13 (b) "Qualifying charitable organization" means a
14 charitable organization that is exempt from federal income
15 taxation under Section 501(c)(3) of the Internal Revenue Code or
16 is a designated community action agency that receives community



17 services block grant program monies pursuant to 42 USC 9901. The
18 organization must spend at least fifty percent (50%) of its budget
19 on services to residents of this state who receive temporary
20 assistance for needy families benefits or low-income residents of
21 this state and their households or to children who have a chronic
22 illness or physical, intellectual, developmental or emotional
23 disability who are residents of this state. A charitable
24 organization that is exempt from federal income tax under Section
25 501(c)(3) of the Internal Revenue Code and that meets all other
26 requirements of this paragraph except that it does not spend at
27 least fifty percent (50%) of its overall budget in Mississippi may
28 be a qualifying charitable organization if it spends at least
29 fifty percent (50%) of its Mississippi budget on services to
30 qualified individuals in Mississippi and it certifies to the
31 department that one hundred percent (100%) of the voluntary cash
32 contributions from the taxpayer will be spent on services to
33 qualified individuals in Mississippi. Taxpayers choosing to make
34 donations through an umbrella charitable organization that
35 collects donations on behalf of member charities shall designate
36 that the donation be directed to a member charitable organization
37 that would qualify under this section on a stand-alone basis.
38 Qualifying charitable organization does not include any entity
39 that provides, pays for or provides coverage of abortions or that
40 financially supports any other entity that provides, pays for or
41 provides coverage of abortions.



42 (c) "Qualifying foster care charitable organization"
43 means a qualifying charitable organization that each operating
44 year provides services to at least one hundred (100) qualified
45 individuals in this state and spends at least fifty percent (50%)
46 of its budget on services to qualified individuals in this state.
47 A charitable organization that is exempt from federal income tax
48 under Section 501(c)(3) of the Internal Revenue Code and that
49 meets all other requirements of this paragraph except that it does
50 not spend at least fifty percent (50%) of its overall budget in
51 Mississippi may be a qualifying foster care charitable
52 organization if it spends at least fifty percent (50%) of its
53 Mississippi budget on services to qualified individuals in
54 Mississippi and it certifies to the department that one hundred
55 percent (100%) of the voluntary cash contributions from the
56 taxpayer will be spent on services to qualified individuals in
57 Mississippi. For the purposes of this paragraph, "qualified
58 individual" means a child in a foster care placement program
59 established by the Department of Child Protection Services, a
60 child placed under the Safe Families for Children model, or a
61 child at significant risk of entering a foster care placement
62 program established by the Department of Child Protection
63 Services.

64 (d) "Services" means:

65 (i) Cash assistance, medical care, child care,
66 food, clothing, shelter, and job-placement services or any other



67 assistance that is reasonably necessary to meet immediate basic
68 needs and that is provided and used in this state;

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

71 (iii) Job-training or education services or
72 funding provided as part of a foster care independent living
73 program.

74 (2) (a) Except as provided in subsections (3) and (4) of
75 this section, a credit is allowed against the taxes imposed by
76 this chapter for voluntary cash contributions by the taxpayer
77 during the taxable year to a qualifying charitable organization,
78 other than a qualifying foster care charitable organization, not
79 to exceed:

80 (i) Through calendar year 2022, the lesser of Four
81 Hundred Dollars (\$400.00) or the amount of the contribution in any
82 taxable year for a single individual or a head of household; and
83 for calendar year 2023 and each calendar year thereafter, the
84 lesser of One Thousand Two Hundred Dollars (\$1,200.00) or the
85 amount of the contribution in any taxable year for a single
86 individual or a head of household.

87 (ii) Through calendar year 2022, the lesser of
88 Eight Hundred Dollars (\$800.00) or the amount of the contribution
89 in any taxable year for a married couple filing a joint return;
90 and for calendar year 2023 and each calendar year thereafter, the
91 lesser of Two Thousand Four Hundred Dollars (\$2,400.00) or the



92 amount of the contribution in any taxable year for a married
93 couple filing a joint return.

94 (b) From and after January 1, 2023, a credit is also
95 allowed against ad valorem taxes assessed and levied on real
96 property for voluntary cash contributions made by the individual
97 taxpayer during the taxable year to a qualifying charitable
98 organization, other than a qualifying foster care charitable
99 organization. The amount of credit that may be utilized by a
100 taxpayer in a taxable year shall be limited to an amount not to
101 exceed fifty percent (50%) of the total tax liability of the
102 taxpayer for ad valorem taxes assessed and levied on real
103 property. Any tax credit claimed under this paragraph but not
104 used in any taxable year may be carried forward for five (5)
105 consecutive years from the close of the tax year in which the
106 credits were earned.

107 (3) (a) A separate credit is allowed against the taxes
108 imposed by this chapter for voluntary cash contributions during
109 the taxable year to a qualifying foster care charitable
110 organization. A contribution to a qualifying foster care
111 charitable organization does not qualify for, and shall not be
112 included in, any credit amount under subsection (2) of this
113 section. If the voluntary cash contribution by the taxpayer is to
114 a qualifying foster care charitable organization, the credit shall
115 not exceed:



116 (i) Through calendar year 2022, the lesser of Five
117 Hundred Dollars (\$500.00) or the amount of the contribution in any
118 taxable year for a single individual or a head of household; and
119 for calendar year 2023 and each calendar year thereafter, the
120 lesser of One Thousand Five Hundred Dollars (\$1,500.00) or the
121 amount of the contribution in any taxable year for a single
122 individual or a head of household.

123 (ii) Through calendar year 2022, the lesser of One
124 Thousand Dollars (\$1,000.00) or the amount of the contribution in
125 any taxable year for a married couple filing a joint return; and
126 for calendar year 2023 and each calendar year thereafter, the
127 lesser of Three Thousand Dollars (\$3,000.00) or the amount of the
128 contribution in any taxable year for a married couple filing a
129 joint return.

130 (b) From and after January 1, 2023, a credit is also
131 allowed against ad valorem taxes assessed and levied on real
132 property for voluntary cash contributions made by the individual
133 taxpayer during the taxable year to a qualifying foster care
134 charitable organization. The amount of credit that may be
135 utilized by a taxpayer in a taxable year shall be limited to an
136 amount not to exceed fifty percent (50%) of the total tax
137 liability of the taxpayer for ad valorem taxes assessed and levied
138 on real property. Any tax credit claimed under this paragraph but
139 not used in any taxable year may be carried forward for five (5)



140 consecutive years from the close of the tax year in which the
141 credits were earned.

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

147 (a) Contribute to a qualifying charitable organization,
148 other than a qualifying foster care charitable organization, and
149 claim a credit under subsection (2) of this section.

150 (b) Contribute to a qualifying foster care charitable
151 organization and claim a credit under subsection (3) of this
152 section.

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

157 (6) Except as otherwise provided in subsections (2) and (3)
158 of this section, if the allowable tax credit exceeds the taxes
159 otherwise due under this chapter on the claimant's income, or if
160 there are no taxes due under this chapter, the taxpayer may carry
161 forward the amount of the claim not used to offset the taxes under
162 this chapter for not more than five (5) consecutive taxable years'
163 income tax liability.



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

167 (8) Taxpayers taking a credit authorized by this section
168 shall provide the name of the qualifying charitable organization
169 and the amount of the contribution to the department on forms
170 provided by the department.

171 (9) A qualifying charitable organization shall provide the
172 department with a written certification that it meets all criteria
173 to be considered a qualifying charitable organization. The
174 organization shall also notify the department of any changes that
175 may affect the qualifications under this section.

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

179 (a) Verification of the organization's status under
180 Section 501(c)(3) of the Internal Revenue Code or verification
181 that the organization is a designated community action agency that
182 receives community services block grant program monies pursuant to
183 42 USC 9901.

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

187 (i) Receive temporary assistance for needy
188 families benefits;



189 (ii) Are low-income residents of this state;
190 (iii) Are children who have a chronic illness or
191 physical, intellectual, developmental or emotional disability; or
192 (iv) Are children in a foster care placement
193 program established by the Department of Child Protection
194 Services, children placed under the Safe Families for Children
195 model or children at significant risk of entering a foster care
196 placement program established by the Department of Child
197 Protection Services.

198 (c) A statement that the organization plans to continue
199 spending at least fifty percent (50%) of its budget on services to
200 residents of this state who receive temporary assistance for needy
201 families benefits, who are low-income residents of this state, who
202 are children who have a chronic illness or physical, intellectual,
203 developmental or emotional disability or who are children in a
204 foster care placement program established by the Department of
205 Child Protection Services, children placed under the Safe Families
206 for Children model or children at significant risk of entering a
207 foster care placement program established by the Department of
208 Child Protection Services. A charitable organization that is
209 exempt from federal income tax under Section 501(c)(3) of the
210 Internal Revenue Code and that meets all other requirements for a
211 qualifying charitable organization or qualifying foster care
212 charitable organization except that it does not spend at least
213 fifty percent (50%) of its overall budget in Mississippi shall



214 submit a statement that it spends at least fifty percent (50%) of
215 its Mississippi budget on services to qualified individuals in
216 Mississippi and that one hundred percent (100%) of the voluntary
217 cash contributions it receives from Mississippi taxpayers will be
218 spent on services to qualified individuals in Mississippi.

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

223 (e) A statement that the organization does not provide,
224 pay for or provide coverage of abortions and does not financially
225 support any other entity that provides, pays for or provides
226 coverage of abortions.

227 (f) Any other information that the department requires
228 to administer this section.

229 (11) The department shall review each written certification
230 and determine whether the organization meets all the criteria to
231 be considered a qualifying charitable organization and notify the
232 organization of its determination. The department may also
233 periodically request recertification from the organization. The
234 department shall compile and make available to the public a list
235 of the qualifying charitable organizations.

236 (12) The aggregate amount of tax credits that may be awarded
237 under this section in any calendar year shall not exceed Three
238 Million Dollars (\$3,000,000.00). However, for calendar year 2021,



239 and for each calendar year thereafter, the aggregate amount of tax
240 credits that may be awarded under this section in any calendar
241 year shall not exceed One Million Dollars (\$1,000,000.00). In
242 addition, any tax credits not awarded under this section before
243 June 1, 2020, may be allocated during calendar year 2020 under
244 Section 27-7-22.41 for contributions by taxpayers to eligible
245 charitable organizations described in Section 27-7-22.41(1)(b)(ii)
246 as provided under such section, notwithstanding any limitation on
247 the percentage of tax credits that may be allocated for such
248 contributions.

249 (13) A taxpayer shall apply for credits with the department
250 on forms prescribed by the department. In the application the
251 taxpayer shall certify to the department the dollar amount of the
252 contributions made or to be made during the calendar year. Within
253 thirty (30) days after the receipt of an application, the
254 department shall allocate credits based on the dollar amount of
255 contributions as certified in the application. However, if the
256 department cannot allocate the full amount of credits certified in
257 the application due to the limit on the aggregate amount of
258 credits that may be awarded under this section in a calendar year,
259 the department shall so notify the applicant within thirty (30)
260 days with the amount of credits, if any, that may be allocated to
261 the applicant in the calendar year. Once the department has
262 allocated credits to a taxpayer, if the contribution for which a
263 credit is allocated has not been made as of the date of the



264 allocation, then the contribution must be made not later than
265 sixty (60) days from the date of the allocation. If the
266 contribution is not made within such time period, the allocation
267 shall be cancelled and returned to the department for
268 reallocation. Upon final documentation of the contributions, if
269 the actual dollar amount of the contributions is lower than the
270 amount estimated, the department shall adjust the tax credit
271 allowed under this section.

272 * * *

273 **SECTION 2.** This act shall take effect and be in force from
274 and after July 1, 2024.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 27-7-22.39, MISSISSIPPI CODE OF 1972,
2 WHICH AUTHORIZES SEPARATE INCOME TAX CREDITS FOR VOLUNTARY CASH
3 CONTRIBUTIONS TO QUALIFYING CHARITABLE ORGANIZATIONS AND
4 QUALIFYING FOSTER CARE CHARITABLE ORGANIZATIONS, TO DELETE THE
5 REPEALER ON THAT SECTION OF LAW; AND FOR RELATED PURPOSES.

