

By: Senator(s) Harkins

To: Finance

SENATE BILL NO. 2545

1 AN ACT TO AMEND SECTION 57-73-21, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE DATE OF THE REPEALER ON THE PROVISION OF LAW
3 AUTHORIZING AN INCOME TAX CREDIT FOR ANY COMPANY THAT TRANSFERS OR
4 RELOCATES ITS NATIONAL OR REGIONAL HEADQUARTERS TO THE STATE OF
5 MISSISSIPPI FROM OUTSIDE THE STATE; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 57-73-21, Mississippi Code of 1972, is
8 amended as follows:

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

12 57-73-21. (1) Annually by December 31, using the most
13 current data available from the University Research Center,
14 Mississippi Department of Employment Security and the United
15 States Department of Commerce, the State Tax Commission shall rank
16 and designate the state's counties as provided in this section.
17 The twenty-eight (28) counties in this state having a combination
18 of the highest unemployment rate and lowest per capita income for
19 the most recent thirty-six-month period, with equal weight being



20 given to each category, are designated Tier Three areas. The
21 twenty-seven (27) counties in the state with a combination of the
22 next highest unemployment rate and next lowest per capita income
23 for the most recent thirty-six-month period, with equal weight
24 being given to each category, are designated Tier Two areas. The
25 twenty-seven (27) counties in the state with a combination of the
26 lowest unemployment rate and the highest per capita income for the
27 most recent thirty-six-month period, with equal weight being given
28 to each category, are designated Tier One areas. Counties
29 designated by the Tax Commission qualify for the appropriate tax
30 credit for jobs as provided in subsections (2), (3) and (4) of
31 this section. The designation by the Tax Commission is effective
32 for the tax years of permanent business enterprises which begin
33 after the date of designation. For companies which plan an
34 expansion in their labor forces, the Tax Commission shall
35 prescribe certification procedures to ensure that the companies
36 can claim credits in future years without regard to whether or not
37 a particular county is removed from the list of Tier Three or Tier
38 Two areas.

39 (2) Permanent business enterprises primarily engaged in
40 manufacturing, processing, warehousing, distribution, wholesaling
41 and research and development, or permanent business enterprises
42 designated by rule and regulation of the Mississippi Development
43 Authority as air transportation and maintenance facilities, final
44 destination or resort hotels having a minimum of one hundred fifty



45 (150) guest rooms, recreational facilities that impact tourism,
46 movie industry studios, telecommunications enterprises, data or
47 information processing enterprises or computer software
48 development enterprises or any technology intensive facility or
49 enterprise, in counties designated by the Tax Commission as Tier
50 Three areas are allowed a job tax credit for taxes imposed by
51 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually
52 for each net new full-time employee job for five (5) years
53 beginning with years two (2) through six (6) after the creation of
54 the job; however, if the permanent business enterprise is located
55 in an area that has been declared by the Governor to be a disaster
56 area and as a direct result of the disaster the permanent business
57 enterprise is unable to maintain the required number of jobs, the
58 Chairman of the State Tax Commission may extend this time period
59 for not more two (2) years. The number of new full-time jobs must
60 be determined by comparing the monthly average number of full-time
61 employees subject to the Mississippi income tax withholding for
62 the taxable year with the corresponding period of the prior
63 taxable year. Only those permanent businesses that increase
64 employment by ten (10) or more in a Tier Three area are eligible
65 for the credit. Credit is not allowed during any of the five (5)
66 years if the net employment increase falls below ten (10). The
67 Tax Commission shall adjust the credit allowed each year for the
68 net new employment fluctuations above the minimum level of ten
69 (10).



70 (3) Permanent business enterprises primarily engaged in
71 manufacturing, processing, warehousing, distribution, wholesaling
72 and research and development, or permanent business enterprises
73 designated by rule and regulation of the Mississippi Development
74 Authority as air transportation and maintenance facilities, final
75 destination or resort hotels having a minimum of one hundred fifty
76 (150) guest rooms, recreational facilities that impact tourism,
77 movie industry studios, telecommunications enterprises, data or
78 information processing enterprises or computer software
79 development enterprises or any technology intensive facility or
80 enterprise, in counties that have been designated by the Tax
81 Commission as Tier Two areas are allowed a job tax credit for
82 taxes imposed by Section 27-7-5 equal to One Thousand Dollars
83 (\$1,000.00) annually for each net new full-time employee job for
84 five (5) years beginning with years two (2) through six (6) after
85 the creation of the job; however, if the permanent business
86 enterprise is located in an area that has been declared by the
87 Governor to be a disaster area and as a direct result of the
88 disaster the permanent business enterprise is unable to maintain
89 the required number of jobs, the Chairman of the State Tax
90 Commission may extend this time period for not more two (2) years.
91 The number of new full-time jobs must be determined by comparing
92 the monthly average number of full-time employees subject to
93 Mississippi income tax withholding for the taxable year with the
94 corresponding period of the prior taxable year. Only those



95 permanent businesses that increase employment by fifteen (15) or
96 more in Tier Two areas are eligible for the credit. The credit is
97 not allowed during any of the five (5) years if the net employment
98 increase falls below fifteen (15). The Tax Commission shall
99 adjust the credit allowed each year for the net new employment
100 fluctuations above the minimum level of fifteen (15).

101 (4) Permanent business enterprises primarily engaged in
102 manufacturing, processing, warehousing, distribution, wholesaling
103 and research and development, or permanent business enterprises
104 designated by rule and regulation of the Mississippi Development
105 Authority as air transportation and maintenance facilities, final
106 destination or resort hotels having a minimum of one hundred fifty
107 (150) guest rooms, recreational facilities that impact tourism,
108 movie industry studios, telecommunications enterprises, data or
109 information processing enterprises or computer software
110 development enterprises or any technology intensive facility or
111 enterprise, in counties designated by the Tax Commission as Tier
112 One areas are allowed a job tax credit for taxes imposed by
113 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually
114 for each net new full-time employee job for five (5) years
115 beginning with years two (2) through six (6) after the creation of
116 the job; however, if the permanent business enterprise is located
117 in an area that has been declared by the Governor to be a disaster
118 area and as a direct result of the disaster the permanent business
119 enterprise is unable to maintain the required number of jobs, the



Chairman of the State Tax Commission may extend this time period for not more than two (2) years. The number of new full-time jobs must be determined by comparing the monthly average number of full-time employees subject to Mississippi income tax withholding for the taxable year with the corresponding period of the prior taxable year. Only those permanent businesses that increase employment by twenty (20) or more in Tier One areas are eligible for the credit. The credit is not allowed during any of the five (5) years if the net employment increase falls below twenty (20). The Tax Commission shall adjust the credit allowed each year for the net new employment fluctuations above the minimum level of twenty (20).

(5) In addition to the credits authorized in subsections (2), (3) and (4), an additional Five Hundred Dollars (\$500.00) credit for each net new full-time employee or an additional One Thousand Dollars (\$1,000.00) credit for each net new full-time employee who is paid a salary, excluding benefits which are not subject to Mississippi income taxation, of at least one hundred twenty-five percent (125%) of the average annual wage of the state or an additional Two Thousand Dollars (\$2,000.00) credit for each net new full-time employee who is paid a salary, excluding benefits which are not subject to Mississippi income taxation, of at least two hundred percent (200%) of the average annual wage of the state, shall be allowed for any company establishing or transferring its national or regional headquarters from within or



outside the State of Mississippi. A minimum of thirty-five (35) jobs must be created to qualify for the additional credit. The State Tax Commission shall establish criteria and prescribe procedures to determine if a company qualifies as a national or regional headquarters for purposes of receiving the credit awarded in this subsection. As used in this subsection, the average annual wage of the state is the most recently published average annual wage as determined by the Mississippi Department of Employment Security.

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

(7) In lieu of the tax credits provided in subsections (2) through (6), any commercial or industrial property owner which remediates contaminated property in accordance with Sections 49-35-1 through 49-35-25, is allowed a job tax credit for taxes imposed by Section 27-7-5 equal to the amounts provided in subsection (2), (3) or (4) for each net new full-time employee job for five (5) years beginning with years two (2) through six (6) after the creation of the job. The number of new full-time jobs must be determined by comparing the monthly average number of full-time employees subject to Mississippi income tax withholding for the taxable year with the corresponding period of the prior



taxable year. This subsection shall be administered in the same manner as subsections (2), (3) and (4), except the landowner shall not be required to increase employment by the levels provided in subsections (2), (3) and (4) to be eligible for the tax credit.

(8) Tax credits for five (5) years for the taxes imposed by Section 27-7-5 shall be awarded for additional net new full-time jobs created by business enterprises qualified under subsections (2), (3), (4), (5), (6) and (7) of this section. Except as otherwise provided, the Tax Commission shall adjust the credit allowed in the event of employment fluctuations during the additional five (5) years of credit.

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

(b) This subsection shall not apply in cases in which a business enterprise has ceased operation, laid off all its employees and is subsequently acquired by another unrelated business entity that continues operation of the enterprise in the



195 same or a similar type of business. In such a case the succeeding
196 business entity shall be eligible for the credit authorized by
197 this section unless the cessation of operation of the business
198 enterprise was for the purpose of obtaining new eligibility for
199 the credit.

200 (10) Any tax credit claimed under this section but not used
201 in any taxable year may be carried forward for five (5) years from
202 the close of the tax year in which the qualified jobs were
203 established but the credit established by this section taken in
204 any one (1) tax year must be limited to an amount not greater than
205 fifty percent (50%) of the taxpayer's state income tax liability
206 which is attributable to income derived from operations in the
207 state for that year. If the permanent business enterprise is
208 located in an area that has been declared by the Governor to be a
209 disaster area and as a direct result of the disaster the business
210 enterprise is unable to use the existing carryforward, the
211 Chairman of the State Tax Commission may extend the period that
212 the credit may be carried forward for a period of time not to
213 exceed two (2) years.

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

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



220 (13) The tax credits provided for in this section shall be
221 in addition to any tax credits described in Sections 57-51-13(b),
222 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official
223 action by the Mississippi Development Authority prior to July 1,
224 1989, to any business enterprise determined prior to July 1, 1989,
225 by the Mississippi Development Authority to be a qualified
226 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or
227 a qualified company as described in Section 57-53-1, as the case
228 may be; however, from and after July 1, 1989, tax credits shall be
229 allowed only under either this section or Sections 57-51-13(b),
230 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time
231 employee.

232 (14) As used in this section, the term "telecommunications
233 enterprises" means entities engaged in the creation, display,
234 management, storage, processing, transmission or distribution for
235 compensation of images, text, voice, video or data by wire or by
236 wireless means, or entities engaged in the construction, design,
237 development, manufacture, maintenance or distribution for
238 compensation of devices, products, software or structures used in
239 the above activities. Companies organized to do business as
240 commercial broadcast radio stations, television stations or news
241 organizations primarily serving in-state markets shall not be
242 included within the definition of the term "telecommunications
243 enterprises."



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

57-73-21. (1) Annually by December 31, using the most current data available from the University Research Center, Mississippi Department of Employment Security and the United States Department of Commerce, the Department of Revenue shall rank and designate the state's counties as provided in this section. The twenty-eight (28) counties in this state having a combination of the highest unemployment rate and lowest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier Three areas. The twenty-seven (27) counties in the state with a combination of the next highest unemployment rate and next lowest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier Two areas. The twenty-seven (27) counties in the state with a combination of the lowest unemployment rate and the highest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier One areas. Counties designated by the Department of Revenue qualify for the appropriate tax credit for jobs as provided in this section. The designation by the Department of Revenue is effective for the tax years of permanent business enterprises which begin after the date of designation. For companies which



269 plan an expansion in their labor forces, the Department of Revenue
270 shall prescribe certification procedures to ensure that the
271 companies can claim credits in future years without regard to
272 whether or not a particular county is removed from the list of
273 Tier Three or Tier Two areas.

274 (2) Permanent business enterprises in counties designated by
275 the Department of Revenue as Tier Three areas are allowed a job
276 tax credit for taxes imposed by Section 27-7-5 equal to ten
277 percent (10%) of the payroll of the enterprise for net new
278 full-time employee jobs for five (5) years beginning with years
279 two (2) through six (6) after the creation of the minimum number
280 of jobs required by this subsection; however, if the permanent
281 business enterprise is located in an area that has been declared
282 by the Governor to be a disaster area and as a direct result of
283 the disaster the permanent business enterprise is unable to
284 maintain the required number of jobs, the Commissioner of Revenue
285 may extend this time period for not more than two (2) years. The
286 number of new full-time jobs must be determined by comparing the
287 monthly average number of full-time employees subject to the
288 Mississippi income tax withholding for the taxable year with the
289 corresponding period of the prior taxable year. Only those
290 permanent business enterprises that increase employment by ten
291 (10) or more in a Tier Three area are eligible for the credit.
292 Credit is not allowed during any of the five (5) years if the net
293 employment increase falls below ten (10). The Department of



Revenue shall adjust the credit allowed each year for the net new employment fluctuations above the minimum level of ten (10). Medical cannabis establishments as defined in the Mississippi Medical Cannabis Act shall not be eligible for the tax credit authorized in this subsection (2).

(3) Permanent business enterprises in counties that have been designated by the Department of Revenue as Tier Two areas are allowed a job tax credit for taxes imposed by Section 27-7-5 equal to five percent (5%) of the payroll of the enterprise for net new full-time employee jobs for five (5) years beginning with years two (2) through six (6) after the creation of the minimum number of jobs required by this subsection; however, if the permanent business enterprise is located in an area that has been declared by the Governor to be a disaster area and as a direct result of the disaster the permanent business enterprise is unable to maintain the required number of jobs, the Commissioner of Revenue may extend this time period for not more than two (2) years. The number of new full-time jobs must be determined by comparing the monthly average number of full-time employees subject to Mississippi income tax withholding for the taxable year with the corresponding period of the prior taxable year. Only those permanent business enterprises that increase employment by fifteen (15) or more in Tier Two areas are eligible for the credit. The credit is not allowed during any of the five (5) years if the net employment increase falls below fifteen (15). The Department of



Revenue shall adjust the credit allowed each year for the net new employment fluctuations above the minimum level of fifteen (15). Medical cannabis establishments as defined in the Mississippi Medical Cannabis Act shall not be eligible for the tax credit authorized in this subsection (3).

(4) Permanent business enterprises in counties designated by the Department of Revenue as Tier One areas are allowed a job tax credit for taxes imposed by Section 27-7-5 equal to two and one-half percent (2.5%) of the payroll of the enterprise for net new full-time employee jobs for five (5) years beginning with years two (2) through six (6) after the creation of the minimum number of jobs required by this subsection; however, if the permanent business enterprise is located in an area that has been declared by the Governor to be a disaster area and as a direct result of the disaster the permanent business enterprise is unable to maintain the required number of jobs, the Commissioner of Revenue may extend this time period for not more than two (2) years. The number of new full-time jobs must be determined by comparing the monthly average number of full-time employees subject to Mississippi income tax withholding for the taxable year with the corresponding period of the prior taxable year. Only those permanent business enterprises that increase employment by twenty (20) or more in Tier One areas are eligible for the credit. The credit is not allowed during any of the five (5) years if the net employment increase falls below twenty (20). The Department



of Revenue shall adjust the credit allowed each year for the net new employment fluctuations above the minimum level of twenty (20). Medical cannabis establishments as defined in the Mississippi Medical Cannabis Act shall not be eligible for the tax credit authorized in this subsection (4).

(5) (a) In addition to the other credits authorized in this section, an additional Five Hundred Dollars (\$500.00) credit for each net new full-time employee or an additional One Thousand Dollars (\$1,000.00) credit for each net new full-time employee who is paid a salary, excluding benefits which are not subject to Mississippi income taxation, of at least one hundred twenty-five percent (125%) of the average annual wage of the state or an additional Two Thousand Dollars (\$2,000.00) credit for each net new full-time employee who is paid a salary, excluding benefits which are not subject to Mississippi income taxation, of at least two hundred percent (200%) of the average annual wage of the state, shall be allowed for any company establishing or transferring its national or regional headquarters from within or outside the State of Mississippi. A minimum of twenty (20) jobs must be created to qualify for the additional credit. The Department of Revenue shall establish criteria and prescribe procedures to determine if a company qualifies as a national or regional headquarters for purposes of receiving the credit awarded in this paragraph (a). As used in this paragraph (a), the average annual wage of the state is the most recently published average



369 annual wage as determined by the Mississippi Department of
370 Employment Security. Medical cannabis establishments as defined
371 in the Mississippi Medical Cannabis Act shall not be eligible for
372 the tax credit authorized in this paragraph (a).

373 (b) In addition to the other credits authorized in this
374 section, an additional Five Hundred Dollars (\$500.00) credit for
375 each net new full-time employee or an additional One Thousand
376 Dollars (\$1,000.00) credit for each net new full-time employee who
377 is paid a salary, excluding benefits which are not subject to
378 Mississippi income taxation, of at least one hundred twenty-five
379 percent (125%) of the average annual wage of the state or an
380 additional Two Thousand Dollars (\$2,000.00) credit for each net
381 new full-time employee who is paid a salary, excluding benefits
382 which are not subject to Mississippi income taxation, of at least
383 two hundred percent (200%) of the average annual wage of the
384 state, shall be allowed for any company expanding or making
385 additions after January 1, 2013, to its national or regional
386 headquarters within the State of Mississippi. A minimum of twenty
387 (20) new jobs must be created to qualify for the additional
388 credit. The Department of Revenue shall establish criteria and
389 prescribe procedures to determine if a company qualifies as a
390 national or regional headquarters for purposes of receiving the
391 credit awarded in this paragraph (b). As used in this paragraph
392 (b), the average annual wage of the state is the most recently
393 published average annual wage as determined by the Mississippi



Department of Employment Security. Medical cannabis establishments as defined in the Mississippi Medical Cannabis Act shall not be eligible for the tax credit authorized in this paragraph (b).

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

(7) (a) In addition to the other credits authorized in this section, any company that transfers or relocates its national or regional headquarters to the State of Mississippi from outside the State of Mississippi may receive a tax credit in an amount equal to the actual relocation costs paid by the company. A minimum of twenty (20) jobs must be created in order to qualify for the additional credit authorized under this subsection. Relocation costs for which a credit may be awarded shall be determined by the Department of Revenue and shall include those nondepreciable expenses that are necessary to relocate headquarters employees to the national or regional headquarters, including, but not limited to, costs such as travel expenses for employees and members of their households to and from Mississippi in search of homes and moving expenses to relocate furnishings, household goods and



419 personal property of the employees and members of their
420 households. Medical cannabis establishments as defined in the
421 Mississippi Medical Cannabis Act shall not be eligible for the tax
422 credit authorized in this subsection (7).

423 (b) The tax credit authorized under this subsection
424 shall be applied for the taxable year in which the relocation
425 costs are paid. The maximum cumulative amount of tax credits that
426 may be claimed by all taxpayers claiming a credit under this
427 subsection in any one (1) state fiscal year shall not exceed One
428 Million Dollars (\$1,000,000.00), exclusive of credits that might
429 be carried forward from previous taxable years. A company may not
430 receive a credit for the relocation of an employee more than one
431 (1) time in a twelve-month period for that employee.

432 (c) The Department of Revenue shall establish criteria
433 and prescribe procedures to determine if a company creates the
434 required number of jobs and qualifies as a national or regional
435 headquarters for purposes of receiving the credit awarded in this
436 subsection. A company desiring to claim a credit under this
437 subsection must submit an application for such credit with the
438 Department of Revenue in a manner prescribed by the department.

439 (d) In order to participate in the provisions of this
440 section, a company must certify to the Mississippi Department of
441 Revenue that it complies with the equal pay provisions of the
442 federal Equal Pay Act of 1963, the Americans with Disabilities Act



443 of 1990 and the fair pay provisions of the Civil Rights Act of
444 1964.

445 (e) This subsection shall stand repealed on July
446 1, * * * 2029.

447 (8) In lieu of the other tax credits provided in this
448 section, any commercial or industrial property owner which
449 remediates contaminated property in accordance with Sections
450 49-35-1 through 49-35-25, is allowed a job tax credit for taxes
451 imposed by Section 27-7-5 equal to the percentage of payroll
452 provided in subsection (2), (3) or (4) of this section for net new
453 full-time employee jobs for five (5) years beginning with years
454 two (2) through six (6) after the creation of the jobs. The
455 number of new full-time jobs must be determined by comparing the
456 monthly average number of full-time employees subject to
457 Mississippi income tax withholding for the taxable year with the
458 corresponding period of the prior taxable year. This subsection
459 shall be administered in the same manner as subsections (2), (3)
460 and (4), except the landowner shall not be required to increase
461 employment by the levels provided in subsections (2), (3) and (4)
462 to be eligible for the tax credit.

463 (9) (a) Tax credits for five (5) years for the taxes
464 imposed by Section 27-7-5 shall be awarded for increases in the
465 annual payroll for net new full-time jobs created by business
466 enterprises qualified under this section. The Department of



Revenue shall adjust the credit allowed in the event of payroll fluctuations during the additional five (5) years of credit.

(b) Tax credits for five (5) years for the taxes imposed by Section 27-7-5 shall be awarded for additional net new full-time jobs created by business enterprises qualified under subsections (5) and (6) of this section and for additional relocation costs paid by companies qualified under subsection (7) of this section. The Department of Revenue shall adjust the credit allowed in the event of employment fluctuations during the additional five (5) years of credit.

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

(b) This subsection shall not apply in cases in which a business enterprise has ceased operation, laid off all its employees and is subsequently acquired by another unrelated business entity that continues operation of the enterprise in the same or a similar type of business. In such a case the succeeding



business entity shall be eligible for the credit authorized by this section unless the cessation of operation of the business enterprise was for the purpose of obtaining new eligibility for the credit.

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

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

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



(14) As used in this section:

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

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

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

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



(c) "Warehousing activities" means entities that establish or expand facilities that service and support multiple retail or wholesale locations within and outside the state. Warehousing activities may be performed solely to support the primary activities of the entity, and credits generated shall offset the income of the entity based on an apportioned ratio of payroll for warehouse employees of the entity to total Mississippi payroll of the entity that includes the payroll of retail employees of the entity.

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

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



566 **SECTION 2.** This act shall take effect and be in force from
567 and after June 30, 2025.

