

By: Senator(s) Harkins

To: Finance

## SENATE BILL NO. 2853

1       AN ACT TO AMEND SECTION 4, CHAPTER 492, LAWS OF 1994, AS LAST  
2 AMENDED BY SECTION 3, CHAPTER 467, LAWS OF 2022, TO EXTEND THE  
3 DATE OF THE REPEALER ON SECTIONS 27-7-22.7 AND 27-7-22.9,  
4 MISSISSIPPI CODE OF 1972, WHICH PROVIDE AN INCOME TAX CREDIT FOR  
5 TAXPAYERS USING PORT FACILITIES AT STATE, COUNTY AND MUNICIPAL  
6 PORTS FOR THE EXPORT OF CARGO AND REQUIRE THE MISSISSIPPI  
7 DEVELOPMENT AUTHORITY TO REPORT ANNUALLY TO THE LEGISLATURE  
8 REGARDING THE IMPACT OF SUCH CREDIT; TO BRING FORWARD SECTIONS  
9 27-7-22.7 AND 27-7-22.9, MISSISSIPPI CODE OF 1972, FOR THE PURPOSE  
10 OF POSSIBLE AMENDMENT; TO AMEND SECTION 3, CHAPTER 442, LAWS OF  
11 2005, AS LAST AMENDED BY SECTION 6, CHAPTER 467, LAWS OF 2022, TO  
12 EXTEND THE DATE OF THE REPEALER ON SECTIONS 27-7-22.25 AND  
13 27-7-22.26, MISSISSIPPI CODE OF 1972, WHICH PROVIDE AN INCOME TAX  
14 CREDIT FOR CERTAIN TAXPAYERS USING THE AIRPORT FACILITIES AT  
15 PUBLIC AIRPORTS FOR CERTAIN CHARGES PAID ON THE EXPORT OR IMPORT  
16 OF CARGO AND REQUIRE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO  
17 REPORT ANNUALLY TO THE LEGISLATURE REGARDING THE IMPACT OF SUCH  
18 CREDIT; TO AMEND SECTION 27-7-22.25, MISSISSIPPI CODE OF 1972, TO  
19 CONFORM; TO BRING FORWARD SECTION 27-7-22.26, MISSISSIPPI CODE OF  
20 1972, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED  
21 PURPOSES.

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

23       **SECTION 1.** Section 4, Chapter 492, Laws of 1994, as amended  
24 by Section 3, Chapter 548, Laws of 1998, as amended by Section 3,  
25 Chapter 537, Laws of 2002, as amended by Section 3, Chapter 457,  
26 Laws of 2005, as amended by Section 3, Chapter 322, Laws of 2009,  
27 as amended by Section 3, Chapter 377, Laws of 2012, as amended by

28 Section 3, Chapter 335, Laws of 2016, as amended by Section 3,  
29 Chapter 321, Laws of 2019, as amended by Section 3, Chapter 467,  
30 Laws of 2022, is amended as follows:

31       Section 4. This act shall take effect and be in force from  
32 and after January 1, 1994, and shall stand repealed from and after  
33 December 31, \* \* \* 2029.

34       **SECTION 2.** Section 27-7-22.7, Mississippi Code of 1972, is  
35 brought forward as follows:

36       27-7-22.7. (1) As used in this section, the term "port"  
37 means a state, county or municipal port or harbor established  
38 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
39 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
40 59-11-1 through 59-11-7.

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

46       (3) Except as otherwise provided by subsection (5) of this  
47 section, the amount of the credit allowed pursuant to this section  
48 shall be the total of the following charges on export cargo paid  
49 by the corporation:

- 50           (a) Receiving into the port;
- 51           (b) Handling to a vessel; and
- 52           (c) Wharfage.



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



78 attainment of the purposes set forth in this subsection must be  
79 demonstrated by the material contained in the reports prepared by  
80 the Mississippi Development Authority under Section 27-7-22.9.

81       **SECTION 3.** Section 27-7-22.9, Mississippi Code of 1972, is  
82 brought forward as follows:

83       27-7-22.9. The Mississippi Development Authority shall  
84 report annually to the Legislature regarding the impact of the  
85 credit granted in Section 27-7-22.7 on shipping and economic  
86 growth. Each report shall show the overall annual increase on  
87 shipping at each port for the most recent year for which data is  
88 available and for each of the previous five (5) years. Each  
89 report shall estimate the number of jobs created or retained at  
90 each port and in businesses related to port activity at each port  
91 since January 1, 1994, as compared to the number of similar jobs  
92 created during the ten (10) years preceding January 1, 1994. Each  
93 report shall state the net economic impact on the state as a  
94 result of the tax credit provided for in Section 27-7-22.7. The  
95 Mississippi Development Authority shall file a copy of the report  
96 with the Governor, the Secretary of the Senate, the Clerk of the  
97 House of Representatives and the Chairmen of the House Ways and  
98 Means Committee and the Senate Finance Committee of the  
99 Legislature on May 1 of each year. The Department of Revenue and  
100 all state, county and municipal ports shall cooperate with the  
101 Mississippi Development Authority in providing the information  
102 required in the annual reports.



103           **SECTION 4.** Section 3, Chapter 442, Laws of 2005, as amended  
104 by Section 3, Chapter 519, Laws of 2007, as amended by Section 3,  
105 Chapter 323, Laws of 2009, as amended by Section 6, Chapter 377,  
106 Laws of 2012, as amended by Section 6, Chapter 335, Laws of 2016,  
107 as amended by Section 6, Chapter 321, Laws of 2019, as amended by  
108 Section 6, Chapter 467, Laws of 2022, is amended as follows:

109           Section 3. Sections 1 and 2 of this act shall stand repealed  
110 from and after July 1, \* \* \* 2029.

111           **SECTION 5.** Section 27-7-22.25, Mississippi Code of 1972, is  
112 amended as follows:

113           27-7-22.25. (1) As used in this section, the term "airport"  
114 means an airport established pursuant to Chapters 3 and 5, Title  
115 61, Mississippi Code of 1972.

116           (2) Subject to the provisions of this section, for any  
117 income taxpayer utilizing the facilities at any airport for the  
118 export or import of cargo that is unloaded from a carrier at any  
119 such airport, a credit against the taxes imposed pursuant to this  
120 chapter shall be allowed in the amounts provided in this section.  
121 In order to be eligible for the credit authorized under this  
122 section, a taxpayer must locate its United States headquarters in  
123 Mississippi on or after July 1, 2005, employ at least five (5) new  
124 permanent full-time employees who actually work at such  
125 headquarters and, after July 1, 2005, invest a minimum of Two  
126 Million Dollars (\$2,000,000.00), in the aggregate, in real  
127 property and/or personal property in Mississippi. For the



128 purposes of this section, "full-time employee" shall mean an  
129 employee who works at least thirty-five (35) hours per week.

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

134 (a) Receiving into the airport;  
135 (b) Aircraft marshalling or handling fees; and  
136 (c) Aircraft landing fees.

137 (4) The credit provided for in this section shall not exceed  
138 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
139 for the taxable year reduced by the sum of all other credits  
140 allowable to such taxpayer under this chapter, except credit for  
141 tax payments made by or on behalf of the taxpayer. Any unused  
142 portion of the credit may be carried forward for the succeeding  
143 five (5) years. The maximum cumulative credit that may be claimed  
144 by a taxpayer under this section is limited to One Million Dollars  
145 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
146 more than twenty-five (25) permanent full-time employees at its  
147 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)  
148 if the taxpayer employs more than twenty-five (25), but not more  
149 than one hundred (100) permanent full-time employees at its  
150 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
151 if the taxpayer employs more than one hundred (100), but not more  
152 than two hundred (200) permanent full-time employees at its



153 headquarters in Mississippi; and Four Million Dollars  
154 (\$4,000,000.00) if the taxpayer employs more than two hundred  
155 (200) permanent full-time employees at its headquarters in  
156 Mississippi.

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

162 (6) Any taxpayer who is eligible, before July 1, \* \* \* 2029,  
163 for the credit provided for in this section, shall remain eligible  
164 for such credit after July 1, \* \* \* 2029, notwithstanding the  
165 repeal of this section.

166 **SECTION 6.** Section 27-7-22.26, Mississippi Code of 1972, is  
167 brought forward as follows:

168 27-7-22.26. The Mississippi Development Authority shall  
169 report annually to the Legislature regarding the impact of the  
170 credit granted in Section 27-7-22.25 on shipping and economic  
171 growth. Each report shall show the overall annual increase in  
172 shipping at each airport for the most recent year for which data  
173 is available and for each of the previous five (5) years. Each  
174 report shall estimate the number of jobs created or retained at  
175 each airport and in businesses related to airport activity at each  
176 airport since January 1, 2006, as compared to the number of  
177 similar jobs created during the ten (10) years preceding January



178 1, 2006. Each report shall state the net economic impact on the  
179 state as a result of the tax credit provided for in Section  
180 27-7-22.25. The Mississippi Development Authority shall file a  
181 copy of the report with the Governor, the Secretary of the Senate,  
182 the Clerk of the House of Representatives and the Chairmen of the  
183 House Ways and Means Committee and the Senate Finance Committee of  
184 the Legislature on May 1 of each year. The Department of Revenue  
185 and all state, regional, county and municipal airports shall  
186 cooperate with the Mississippi Development Authority in providing  
187 the information required in the annual reports.

188         **SECTION 7.** This act shall take effect and be in force from  
189 and after June 30, 2025.

