

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2937

1 AN ACT TO REENACT SECTIONS 27-7-22.7 AND 27-7-22.9,
 2 MISSISSIPPI CODE OF 1972, WHICH PROVIDE AN INCOME TAX CREDIT FOR
 3 INCOME TAXPAYERS THAT UTILIZE PORT FACILITIES AT STATE, COUNTY AND
 4 MUNICIPAL PORTS FOR THE EXPORT OF CARGO AND REQUIRE THE
 5 MISSISSIPPI DEVELOPMENT AUTHORITY TO REPORT ANNUALLY TO THE
 6 LEGISLATURE REGARDING THE IMPACT OF SUCH TAX CREDIT; TO AMEND
 7 REENACTED SECTION 27-7-22.9, MISSISSIPPI CODE OF 1972, TO REFLECT
 8 THE CHANGE OF THE NAME OF THE DEPARTMENT OF ECONOMIC AND COMMUNITY
 9 DEVELOPMENT TO THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO AMEND
 10 SECTION 4, CHAPTER 492, LAWS OF 1994, AS AMENDED BY SECTION 3,
 11 CHAPTER 548, LAWS OF 1998, TO EXTEND THE DATE OF REPEAL ON
 12 SECTIONS 27-7-22.7 AND 27-7-22.9, MISSISSIPPI CODE OF 1972; AND
 13 FOR RELATED PURPOSES.

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

15 **SECTION 1.** Section 27-7-22.7, Mississippi Code of 1972, is
 16 reenacted as follows:

17 27-7-22.7. (1) As used in this section, the term "port"
 18 means a state, county or municipal port or harbor established
 19 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1
 20 through 59-7-519, 59-9-1 through 59-9-85 or Sections 59-11-1
 21 through 59-11-11.

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

27 (3) Except as otherwise provided by subsection (5) of this
 28 section, the amount of the credit allowed pursuant to this section
 29 shall be the total of the following charges on export cargo paid
 30 by the corporation:

- 31 (a) Receiving into the port;
- 32 (b) Handling to a vessel; and



33 (c) Wharfage.

34 (4) The credit provided for in this section shall not exceed
35 fifty percent (50%) of the amount of tax imposed upon the taxpayer
36 for the taxable year reduced by the sum of all other credits
37 allowable to such taxpayer under this chapter, except credit for
38 tax payments made by or on behalf of the taxpayer. Any unused
39 portion of the credit may be carried forward for the succeeding
40 five (5) years. The maximum cumulative credit that may be claimed
41 by a taxpayer pursuant to this chapter and for the period of time
42 beginning on January 1, 1994, and ending on December 31, 2002, is
43 limited to One Million Two Hundred Thousand Dollars
44 (\$1,200,000.00).

45 (5) To obtain the credit provided for in this section, a
46 taxpayer must provide to the State Tax Commission a statement from
47 the governing authority of the port certifying the amount of
48 charges paid by the taxpayer for which a credit is claimed and any
49 other information required by the State Tax Commission.

50 **SECTION 2.** Section 27-7-22.9, Mississippi Code of 1972, is
51 reenacted and amended as follows:

52 27-7-22.9. The Mississippi Development Authority shall
53 report annually to the Legislature regarding the impact of the
54 credit granted in Section 27-7-22.7 on shipping and economic
55 growth. Each report shall show the overall annual increase on
56 shipping at each port for the most recent year for which data is
57 available and for each of the previous five (5) years. Each
58 report shall estimate the number of jobs created or retained at
59 each port and in businesses related to port activity at each port
60 since January 1, 1994, as compared to the number of similar jobs
61 created during the ten (10) years preceding January 1, 1994. Each
62 report shall state the net economic impact on the state as a
63 result of the tax credit provided for in Section 27-7-22.7. The
64 Mississippi Development Authority shall file a copy of the report
65 with the Governor, the Secretary of the Senate, the Clerk of the



66 House of Representatives and the Chairmen of the House Ways and
67 Means Committee and the Senate Finance Committee of the
68 Legislature on May 1, of each year. The State Tax Commission and
69 all state, county and municipal ports shall cooperate with the
70 Mississippi Development Authority in providing the information
71 required in the annual reports.

72 **SECTION 3.** Section 4, Chapter 492, Laws of 1994, as amended
73 by Section 3, Chapter 548, Laws of 1998, is amended as follows:

74 Section 4. This act shall take effect and be in force from
75 and after January 1, 1994, and shall stand repealed from and after
76 December 31, 2007.

77 **SECTION 4.** This act shall take effect and be in force from
78 and after July 1, 2002.

