

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 2892

1 AN ACT TO REENACT SECTIONS 57-10-401 THROUGH 57-10-445,
 2 MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR THE ISSUANCE OF BONDS
 3 BY THE MISSISSIPPI BUSINESS FINANCE CORPORATION TO FINANCE
 4 ECONOMIC DEVELOPMENT PROJECTS IN ORDER TO INDUCE THE LOCATION OR
 5 EXPANSION OF CERTAIN BUSINESSES WITHIN THIS STATE; TO REENACT
 6 SECTION 27-7-22.3, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR A
 7 CREDIT AGAINST STATE INCOME TAXES FOR CERTAIN COMPANIES FOR DEBT
 8 SERVICE PAID BY SUCH COMPANIES UNDER FINANCING AGREEMENTS ENTERED
 9 INTO WITH THE MISSISSIPPI BUSINESS FINANCE CORPORATION UNDER
 10 SECTION 57-10-409, MISSISSIPPI CODE OF 1972; TO AMEND SECTION
 11 57-10-449, MISSISSIPPI CODE OF 1972, TO EXTEND UNTIL OCTOBER 1,
 12 2007, THE REPEAL DATE ON SECTIONS 57-10-401 THROUGH 57-10-445 AND
 13 27-7-22.3, MISSISSIPPI CODE OF 1972; AND FOR RELATED PURPOSES.

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

15 **SECTION 1.** Section 57-10-401, Mississippi Code of 1972, is
 16 reenacted as follows:

17 **[In cases involving an economic development project for which**
 18 **the Mississippi Business Finance Corporation has issued bonds for**
 19 **the purpose of financing the approved costs of such project prior**
 20 **to July 1, 1994, this section shall read as follows:]**

21 57-10-401. As used in Sections 57-10-401 through 57-10-445
 22 the following terms shall have the meanings ascribed to them
 23 herein unless the context clearly indicates otherwise:

24 (a) "Approved company" means any eligible company
 25 seeking to locate an economic development project in a county,
 26 which eligible company is approved by the corporation.

27 (b) "Approved costs" means:
 28 (i) Obligations incurred for equipment and labor
 29 and to contractors, subcontractors, builders and materialmen in
 30 connection with the acquisition, construction and installation of
 31 an economic development project;

32 (ii) The cost of acquiring land or rights in land
33 and any cost incidental thereto, including recording fees;

34 (iii) The cost of contract bonds and of insurance
35 of all kinds that may be required or necessary during the course
36 of acquisition, construction and installation of an economic
37 development project which is not paid by the contractor or
38 contractors or otherwise provided for;

39 (iv) All costs of architectural and engineering
40 services, including test borings, surveys, estimates, plans and
41 specifications, preliminary investigations, and supervision of
42 construction, as well as for the performance of all the duties
43 required by or consequent upon the acquisition, construction and
44 installation of an economic development project;

45 (v) All costs which shall be required to be paid
46 under the terms of any contract or contracts for the acquisition,
47 construction and installation of an economic development project;

48 (vi) All costs, expenses and fees incurred in
49 connection with the issuance of bonds pursuant to Sections
50 57-10-401 through 57-10-445;

51 (vii) All costs funded by a loan made under the
52 Mississippi Small Enterprise Development Finance Act; and

53 (viii) All costs of professionals permitted to be
54 engaged under the Mississippi Small Enterprise Development Finance
55 Act for a loan made under such act.

56 (c) "Assessment" means the job development assessment
57 fee authorized in Section 57-10-413.

58 (d) "Bonds" means the revenue bonds, notes or other
59 debt obligations of the corporation authorized to be issued by the
60 corporation on behalf of an eligible company or other state
61 agency.

62 (e) "Corporation" means the Mississippi Business
63 Finance Corporation created under Section 57-10-167, Mississippi
64 Code of 1972.

65 (f) "Economic development project" means and includes
66 the acquisition of any equipment or real estate in a county and
67 the construction and installation thereon, and with respect
68 thereto, of improvements and facilities necessary or desirable for
69 improvement of the real estate, including surveys, site tests and
70 inspections, subsurface site work, excavation, removal of
71 structures, roadways, cemeteries and other surface obstructions,
72 filling, grading and provision of drainage, storm water detention,
73 installation of utilities such as water, sewer, sewage treatment,
74 gas, electricity, communications and similar facilities, off-site
75 construction of utility extensions to the boundaries of the real
76 estate, and the acquisition, construction and installation of
77 manufacturing, telecommunications, data processing, distribution
78 or warehouse facilities on the real estate, for lease or financial
79 arrangement by the corporation to an approved company for use and
80 occupancy by the approved company or its affiliates for
81 manufacturing, telecommunications, data processing, distribution
82 or warehouse purposes. Such term also includes, without
83 limitation, any project the financing of which has been approved
84 under the Mississippi Small Enterprise Development Finance Act.

85 (g) "Eligible company" means any corporation,
86 partnership, sole proprietorship, business trust, or other entity
87 which is:

88 (i) Engaged in manufacturing which meets the
89 standards promulgated by the corporation under Sections 57-10-401
90 through 57-10-445;

91 (ii) A private company approved by the corporation
92 for a loan under the Mississippi Small Enterprise Development
93 Finance Act;

94 (iii) A distribution or warehouse facility
95 employing a minimum of fifty (50) people or employing a minimum of
96 twenty (20) people and having a capital investment in such
97 facility of at least Five Million Dollars (\$5,000,000.00); or

98 (iv) A telecommunications or data processing
99 business.

100 (h) "Executive director" means the Executive Director
101 of the Mississippi Business Finance Corporation.

102 (i) "Financing agreement" means any financing documents
103 and agreements, indentures, loan agreements, lease agreements,
104 security agreements and the like, entered into by and among the
105 corporation, private lenders and an approved company with respect
106 to an economic development project.

107 (j) "Manufacturing" means any activity involving the
108 manufacturing, processing, assembling or production of any
109 property, including the processing resulting in a change in the
110 conditions of the property and any activity functionally related
111 thereto, together with the storage, warehousing, distribution and
112 related office facilities in respect thereof as determined by the
113 Mississippi Business Finance Corporation; however, in no event
114 shall "manufacturing" include mining, coal or mineral processing,
115 or extraction of Mississippi minerals.

116 (k) "State agency" means any state board, commission,
117 committee, council, university, department or unit thereof created
118 by the Constitution or laws of this state.

119 (l) "Revenues" shall not be considered state funds.

120 (m) "State" means the State of Mississippi.

121 (n) "Mississippi Small Enterprise Development Finance
122 Act" means the provisions of law contained in Section 57-71-1 et
123 seq.

124 **[In cases involving an economic development project for which**
125 **the Mississippi Business Finance Corporation has not issued bonds**
126 **for the purpose of financing the approved costs of such project**
127 **prior to July 1, 1994, this section shall read as follows:]**

128 57-10-401. As used in Sections 57-10-401 through 57-10-445
129 the following terms shall have the meanings ascribed to them
130 herein unless the context clearly indicates otherwise:

131 (a) "Approved company" means any eligible company
132 seeking to locate an economic development project in a county,
133 which eligible company is approved by the corporation.

134 (b) "Approved costs" means:

135 (i) Obligations incurred for equipment and labor
136 and to contractors, subcontractors, builders and materialmen in
137 connection with the acquisition, construction and installation of
138 an economic development project;

139 (ii) The cost of acquiring land or rights in land
140 and any cost incidental thereto, including recording fees;

141 (iii) The cost of contract bonds and of insurance
142 of all kinds that may be required or necessary during the course
143 of acquisition, construction and installation of an economic
144 development project which is not paid by the contractor or
145 contractors or otherwise provided for;

146 (iv) All costs of architectural and engineering
147 services, including test borings, surveys, estimates, plans and
148 specifications, preliminary investigations, and supervision of
149 construction, as well as for the performance of all the duties
150 required by or consequent upon the acquisition, construction and
151 installation of an economic development project;

152 (v) All costs which shall be required to be paid
153 under the terms of any contract or contracts for the acquisition,
154 construction and installation of an economic development project;

155 (vi) All costs, expenses and fees incurred in
156 connection with the issuance of bonds pursuant to Sections
157 57-10-401 through 57-10-445;

158 (vii) All costs funded by a loan made under the
159 Mississippi Small Enterprise Development Finance Act; and

160 (viii) All costs of professionals permitted to be
161 engaged under the Mississippi Small Enterprise Development Finance
162 Act for a loan made under such act.

163 (c) "Assessment" means the job development assessment
164 fee authorized in Section 57-10-413.

165 (d) "Bonds" means the revenue bonds, notes or other
166 debt obligations of the corporation authorized to be issued by the
167 corporation on behalf of an eligible company or other state
168 agency.

169 (e) "Corporation" means the Mississippi Business
170 Finance Corporation created under Section 57-10-167, Mississippi
171 Code of 1972.

172 (f) "Economic development project" means and includes
173 the acquisition of any equipment or real estate in a county and
174 the construction and installation thereon, and with respect
175 thereto, of improvements and facilities necessary or desirable for
176 improvement of the real estate, including surveys, site tests and
177 inspections, subsurface site work, excavation, removal of
178 structures, roadways, cemeteries and other surface obstructions,
179 filling, grading and provision of drainage, storm water detention,
180 installation of utilities such as water, sewer, sewage treatment,
181 gas, electricity, communications and similar facilities, off-site
182 construction of utility extensions to the boundaries of the real
183 estate, and the acquisition, construction and installation of
184 manufacturing, telecommunications, data processing, distribution
185 or warehouse facilities on the real estate, for lease or financial
186 arrangement by the corporation to an approved company for use and
187 occupancy by the approved company or its affiliates for
188 manufacturing, telecommunications, data processing, distribution
189 or warehouse purposes. Such term also includes, without
190 limitation, any project the financing of which has been approved
191 under the Mississippi Small Enterprise Development Finance Act.

192 If an eligible company closes a facility in this state and
193 becomes an approved company under the provisions of Sections
194 57-10-401 through 57-10-449, only that portion of the project for
195 which such company is attempting to obtain financing that is in

196 excess of the value of the closed facility shall be included
197 within the definition of the term "economic development project."
198 The Mississippi Business Finance Corporation shall promulgate
199 rules and regulations to govern the determination of the
200 difference between the value of the closed facility and the new
201 facility.

202 (g) "Eligible company" means any corporation,
203 partnership, sole proprietorship, business trust, or other entity
204 which:

205 (i) Engaged in manufacturing which meets the
206 standards promulgated by the corporation under Sections 57-10-401
207 through 57-10-445;

208 (ii) A private company approved by the corporation
209 for a loan under the Mississippi Small Enterprise Development
210 Finance Act;

211 (iii) A distribution or warehouse facility
212 employing a minimum of fifty (50) people or employing a minimum of
213 twenty (20) people and having a capital investment in such
214 facility of at least Five Million Dollars (\$5,000,000.00); or

215 (iv) A telecommunications or data processing
216 business.

217 (h) "Executive director" means the Executive Director
218 of the Mississippi Business Finance Corporation.

219 (i) "Financing agreement" means any financing documents
220 and agreements, indentures, loan agreements, lease agreements,
221 security agreements and the like, entered into by and among the
222 corporation, private lenders and an approved company with respect
223 to an economic development project.

224 (j) "Manufacturing" means any activity involving the
225 manufacturing, processing, assembling or production of any
226 property, including the processing resulting in a change in the
227 conditions of the property and any activity functionally related
228 thereto, together with the storage, warehousing, distribution and

229 related office facilities in respect thereof as determined by the
230 Mississippi Business Finance Corporation; however, in no event
231 shall "manufacturing" include mining, coal or mineral processing,
232 or extraction of Mississippi minerals.

233 (k) "State agency" means any state board, commission,
234 committee, council, university, department or unit thereof created
235 by the Constitution or laws of this state.

236 (l) "Revenues" shall not be considered state funds.

237 (m) "State" means the State of Mississippi.

238 (n) "Mississippi Small Enterprise Development Finance
239 Act" means the provisions of law contained in Section 57-71-1 et
240 seq.

241 **SECTION 2.** Section 57-10-403, Mississippi Code of 1972, is
242 reenacted as follows:

243 57-10-403. (1) The Legislature finds and declares that the
244 general welfare and material well-being of citizens of the state
245 depend in large measure upon the development and growth of
246 industry in the state.

247 (2) The Legislature finds and declares further that it is in
248 the best interest of the state to induce the location or expansion
249 of manufacturing facilities within this state in order to advance
250 the public purposes of relieving unemployment by creating new jobs
251 within this state that, but for the inducements to be offered by
252 the corporation to approved companies as herein provided, would
253 not exist, and of creating new sources of tax revenues for the
254 support of the public services provided by this state and country.

255 (3) The Legislature finds and declares further that the
256 authority granted by this article and the purposes to be
257 accomplished hereby are proper governmental and public purposes
258 for which public monies may be expended, and that the inducement
259 of the location or expansion of manufacturing facilities within
260 the state is of paramount importance, mandating that the

261 provisions of this article be liberally construed and applied in
262 order to advance the public purposes.

263 **SECTION 3.** Section 57-10-405, Mississippi Code of 1972, is
264 reenacted as follows:

265 57-10-405. In addition to its other powers and duties, the
266 corporation shall have all the powers necessary or convenient to
267 carry out and effectuate the purposes and provisions of Sections
268 57-10-401 through 57-10-445, including, but without limiting the
269 generality of the foregoing, the power:

270 (a) To provide and finance economic development
271 projects under the provisions of Sections 57-10-401 through
272 57-10-445, and cooperate with counties, municipalities and
273 eligible companies in order to promote, foster and support
274 economic development within the counties and municipalities;

275 (b) To conduct hearings and inquiries, in the manner
276 and by the methods as it deems desirable, including, without
277 limitation, appointment of special committees, for the purpose of
278 gathering information with respect to counties, municipalities,
279 eligible companies and economic development projects, for the
280 purpose of making any determinations necessary or desirable in the
281 furtherance of Sections 57-10-401 through 57-10-445;

282 (c) To negotiate the terms of, and enter into financing
283 agreements with, approved companies, and in connection therewith
284 to acquire, convey, sell, own, lease, mortgage, finance, foreclose
285 or otherwise dispose of any property, real or personal, in
286 connection with an economic development project, and to pay, or
287 cause to be paid, in accordance with the provisions of a financing
288 agreement, the approved costs of an economic development project
289 from any funds available therefor, including, without limitation,
290 funds available as the result of the issuance of bonds under the
291 Mississippi Small Enterprise Development Finance Act;

292 (d) To delegate to the executive director the rights
293 and powers of the corporation required for the proper and
294 desirable execution of the purposes of this article;

295 (e) To consent, if it deems it necessary or desirable
296 in the fulfillment of its purposes, to the modification of the
297 terms of any financing agreements of any kind to which the
298 corporation is a party;

299 (f) To include in any borrowing the amounts deemed
300 necessary by the corporation to pay financing charges, consultant,
301 advisory and legal fees, fees for bond insurance, letters of
302 credit or other forms of credit enhancement, investment advisory
303 fees, trustees' fees and other expenses necessary or incident to
304 the borrowing;

305 (g) To make and publish administrative regulations
306 respecting its programs and other administrative regulations
307 necessary or appropriate to effectuate the purposes of Sections
308 57-10-401 through 57-10-445, and necessary to administer the
309 procedures and program as provided for in Sections 57-10-401
310 through 57-10-445;

311 (h) To make, execute and effectuate any and all
312 agreements or other documents with any governmental agency or any
313 person, corporation, association, partnership, or other
314 organization or entity, necessary or appropriate to accomplish the
315 purposes of Sections 57-10-401 through 57-10-445, including any
316 financing agreements with state agencies or any political
317 subdivisions of the state under which funds may be pledged by or
318 to the corporation for the payment of its bonds;

319 (i) To accept gifts, devises, bequests, grants, loans,
320 appropriations, revenue sharing, other financing and assistance
321 and any other aid from any source and to agree to, and to comply
322 with, conditions attached thereto;

323 (j) To sue and be sued in its own name, plead and be
324 impleaded; and

325 (k) To invest any funds held by the corporation or its
326 agents or trustees, under Sections 57-10-401 through 57-10-445,
327 including, but not limited to, the proceeds of bonds issued under
328 Sections 57-10-401 through 57-10-445, reserve or other funds, or
329 any monies not required for immediate disbursement, and the
330 investment income on any of the foregoing, in obligations
331 authorized by Sections 57-10-401 through 57-10-445.

332 **SECTION 4.** Section 57-10-407, Mississippi Code of 1972, is
333 reenacted as follows:

334 57-10-407. The corporation may accept and expend: (a)
335 monies which may be appropriated from time to time by the
336 Legislature; (b) monies which may be available under the
337 Mississippi Small Enterprise Development Finance Act; or (c)
338 monies which may be received from any source, including income
339 from the corporation's operations, under Sections 57-10-401
340 through 57-10-445, for effectuating the purposes of Sections
341 57-10-401 through 57-10-445, including, without limitation, the
342 payment of the expenses of administration and operation incurred
343 pursuant to Sections 57-10-401 through 57-10-445 and the
344 establishment and, if deemed desirable, maintenance of a reserve
345 or contingency fund for the administration of Sections 57-10-401
346 through 57-10-445.

347 **SECTION 5.** Section 57-10-409, Mississippi Code of 1972, is
348 reenacted as follows:

349 **[In cases involving an economic development project for which**
350 **the Mississippi Business Finance Corporation has issued bonds for**
351 **the purpose of financing the approved costs of such project prior**
352 **to July 1, 1994, this section shall read as follows:]**

353 57-10-409. The corporation may enter into, with any approved
354 company, a financing agreement with respect to its economic
355 development project. The terms and provisions of each financing
356 agreement shall be determined by negotiations between the

357 corporation and the approved company, except that each financing
358 agreement shall include the following provisions:

359 (a) If the corporation issues any bonds in connection
360 with an economic development project, the term of the financing
361 agreement shall not be less than the last maturity of the bonds
362 issued with respect to the economic development project, except
363 that the financing agreement may terminate upon the earlier
364 redemption of all of the bonds issued with respect to the economic
365 development project and may grant to the approved company an
366 option to purchase the economic development project from the
367 corporation upon the termination of the financing agreement for
368 such consideration and under such terms and conditions the
369 corporation may approve. Nothing in this paragraph shall limit
370 the extension of the term of a financing agreement if there is a
371 refunding of the correlative bonds or otherwise.

372 (b) If the corporation issues any bonds in connection
373 with an economic development project, the financing agreement
374 shall specify that the annual obligations of the approved company
375 under Sections 57-10-401 through 57-10-445 shall equal in each
376 year at least the annual debt service for that year on the bonds
377 issued with respect to the economic development project; and the
378 approved company shall pay such obligation of the financing
379 agreement to the trustee for bonds issued for the benefit of the
380 approved company, at such time and in such amounts sufficient to
381 amortize such bonds.

382 (c) If the corporation loans funds to an approved
383 company that is a private company under the Mississippi Small
384 Enterprise Development Finance Act, the financing agreement shall
385 include the terms and conditions of the loan required by Section
386 57-71-1 et seq.

387 (d) (i) In consideration for financing agreement
388 payment, the approved company may be permitted the following

389 during the period of time in which the financing agreement is in
390 effect, not to exceed twenty-five (25) years:

391 1. A tax credit on the amount provided for in
392 Section 27-7-22.3(2), Mississippi Code of 1972; plus

393 2. The aggregate assessment withheld by the
394 approved company in each year.

395 (ii) The income tax credited to the approved
396 company referred to herein shall be credited in the fiscal year of
397 the financing agreement in which the tax return of the approved
398 company is filed. The approved company shall not be required to
399 pay estimated tax payments under Section 27-7-319, Mississippi
400 Code of 1972.

401 (e) (i) The financing agreement shall provide that the
402 assessments, when added to the credit for the state corporate
403 income tax herein granted, shall not exceed the total financing
404 agreement annual payment by the approved company in any year;
405 however, to the extent that financing agreement annual payments
406 exceed credits received and assessments collected in any year, the
407 excess payment may be recouped from excess credits or assessment
408 collections in succeeding years.

409 (ii) If during any fiscal year of the financing
410 agreement the total of the income tax credit granted to the
411 approved company plus the assessment collected from the wages of
412 the employees equals the annual payment pursuant to the financing
413 agreement, and if all excess payments pursuant to the financing
414 agreement accumulated in prior years have been recouped, the
415 assessment collected from the wages of the employees shall cease
416 for the remainder of the fiscal year of the financing agreement.

417 (f) The financing agreement shall provide that:

418 (i) It may be assigned by the approved company
419 only upon the prior written consent of the corporation following
420 the adoption of a resolution by the corporation to such effect;
421 and

422 (ii) Upon the default by the approved company in
423 the obligation to render its annual payment, the corporation shall
424 have the right, at its option, to declare the financing agreement
425 in default and to accelerate the total of all annual payments that
426 are to be made or to terminate the financing agreement and cause
427 to be sold the economic development project at public or private
428 sale, or to pursue any other remedies available under the Uniform
429 Commercial Code, as from time to time amended, or otherwise
430 available in law or equity.

431 **[In cases involving an economic development project for which**
432 **the Mississippi Business Finance Corporation has not issued bonds**
433 **for the purpose of financing the approved costs of such project**
434 **prior to July 1, 1994, but has issued bonds for such project prior**
435 **to July 1, 1997, or in cases involving an economic development**
436 **project which has been induced by a resolution of the Board of**
437 **Directors of the Mississippi Business Finance Corporation that has**
438 **been filed with the State Tax Commission prior to July 1, 1997,**
439 **this section shall read as follows:]**

440 57-10-409. The corporation may enter into, with any approved
441 company, a financing agreement with respect to its economic
442 development project. The terms and provisions of each financing
443 agreement shall be determined by negotiations between the
444 corporation and the approved company, except that each financing
445 agreement shall include the following provisions:

446 (a) If the corporation issues any bonds in connection
447 with an economic development project, the term of the financing
448 agreement shall not be less than the last maturity of the bonds
449 issued with respect to the economic development project, except
450 that the financing agreement may terminate upon the earlier
451 redemption of all of the bonds issued with respect to the economic
452 development project and may grant to the approved company an
453 option to purchase the economic development project from the
454 corporation upon the termination of the financing agreement for

455 such consideration and under such terms and conditions the
456 corporation may approve. Nothing in this paragraph shall limit
457 the extension of the term of a financing agreement if there is a
458 refunding of the correlative bonds or otherwise.

459 (b) If the corporation issues any bonds in connection
460 with an economic development project, the financing agreement
461 shall specify that the annual obligations of the approved company
462 under Sections 57-10-401 through 57-10-445 shall equal in each
463 year at least the annual debt service for that year on the bonds
464 issued with respect to the economic development project; and the
465 approved company shall pay such obligation of the financing
466 agreement to the trustee for bonds issued for the benefit of the
467 approved company, at such time and in such amounts sufficient to
468 amortize such bonds.

469 (c) If the corporation loans funds to an approved
470 company that is a private company under the Mississippi Small
471 Enterprise Development Finance Act, the financing agreement shall
472 include the terms and conditions of the loan required by Section
473 57-71-1 et seq.

474 (d) (i) In consideration for financing agreement
475 payment, the approved company may be permitted the following
476 during the period of time in which the financing agreement is in
477 effect, not to exceed twenty-five (25) years:

478 1. A tax credit on the amount provided for in
479 Section 27-7-22.3(2), Mississippi Code of 1972; plus

480 2. The aggregate assessment withheld by the
481 approved company in each year.

482 (ii) The income tax credited to the approved
483 company referred to herein shall be credited in the fiscal year of
484 the financing agreement in which the tax return of the approved
485 company is filed. The approved company shall not be required to
486 pay estimated tax payments under Section 27-7-319, Mississippi
487 Code of 1972.

488 (e) (i) The financing agreement shall provide that the
489 assessments, when added to the credit for the state corporate
490 income tax herein granted, shall not exceed the total financing
491 agreement annual payment by the approved company in any year;
492 however, to the extent that financing agreement annual payments
493 exceed credits received and assessments collected in any year, the
494 excess payment may be recouped from excess credits or assessment
495 collections in succeeding years not to exceed three (3) years
496 following the termination of the period of time during which the
497 financing agreement is in effect.

498 (ii) If during any fiscal year of the financing
499 agreement the total of the income tax credit granted to the
500 approved company plus the assessment collected from the wages of
501 the employees equals the annual payment pursuant to the financing
502 agreement, and if all excess payments pursuant to the financing
503 agreement accumulated in prior years have been recouped, the
504 assessment collected from the wages of the employees shall cease
505 for the remainder of the fiscal year of the financing agreement.

506 (f) The financing agreement shall provide that:

507 (i) It may be assigned by the approved company
508 only upon the prior written consent of the corporation following
509 the adoption of a resolution by the corporation to such effect;
510 and

511 (ii) Upon the default by the approved company in
512 the obligation to render its annual payment, the corporation shall
513 have the right, at its option, to declare the financing agreement
514 in default and to accelerate the total of all annual payments that
515 are to be made or to terminate the financing agreement and cause
516 to be sold the economic development project at public or private
517 sale, or to pursue any other remedies available under the Uniform
518 Commercial Code, as from time to time amended, or otherwise
519 available in law or equity.

520 **[In cases involving an economic development project for which**
521 **the Mississippi Business Finance Corporation has not issued bonds**
522 **for the purpose of financing the approved costs of such project**
523 **prior to July 1, 1997, or in cases involving an economic**
524 **development project which has not been induced by a resolution of**
525 **the Board of Directors of the Mississippi Business Finance**
526 **Corporation that has been filed with the State Tax Commission**
527 **prior to July 1, 1997, this section shall read as follows:]**

528 57-10-409. The corporation may enter into, with any approved
529 company, a financing agreement with respect to its economic
530 development project. The terms and provisions of each financing
531 agreement shall be determined by negotiations between the
532 corporation and the approved company, except that each financing
533 agreement shall include the following provisions:

534 (a) If the corporation issues any bonds in connection
535 with an economic development project, the term of the financing
536 agreement shall not be less than the last maturity of the bonds
537 issued with respect to the economic development project, except
538 that the financing agreement may terminate upon the earlier
539 redemption of all of the bonds issued with respect to the economic
540 development project and may grant to the approved company an
541 option to purchase the economic development project from the
542 corporation upon the termination of the financing agreement for
543 such consideration and under such terms and conditions the
544 corporation may approve. Nothing in this paragraph shall limit
545 the extension of the term of a financing agreement if there is a
546 refunding of the correlative bonds or otherwise.

547 (b) If the corporation issues any bonds in connection
548 with an economic development project, the financing agreement
549 shall specify that the annual obligations of the approved company
550 under Sections 57-10-401 through 57-10-445 shall equal in each
551 year at least the annual debt service for that year on the bonds
552 issued with respect to the economic development project; and the

553 approved company shall pay such obligation of the financing
554 agreement to the trustee for bonds issued for the benefit of the
555 approved company, at such time and in such amounts sufficient to
556 amortize such bonds.

557 (c) If the corporation loans funds to an approved
558 company that is a private company under the Mississippi Small
559 Enterprise Development Finance Act, the financing agreement shall
560 include the terms and conditions of the loan required by Section
561 57-71-1 et seq.

562 (d) (i) In consideration for financing agreement
563 payment, the approved company may be permitted a tax credit on the
564 amount provided for in Section 27-7-22.3(2), Mississippi Code of
565 1972, during the period of time in which the financing agreement
566 is in effect, not to exceed twenty-five (25) years.

567 (ii) The income tax credited to the approved
568 company referred to herein shall be credited in the fiscal year of
569 the financing agreement in which the tax return of the approved
570 company is filed. The approved company shall not be required to
571 pay estimated tax payments under Section 27-7-319, Mississippi
572 Code of 1972.

573 (e) The financing agreement shall provide that:

574 (i) It may be assigned by the approved company
575 only upon the prior written consent of the corporation following
576 the adoption of a resolution by the corporation to such effect;
577 and

578 (ii) Upon the default by the approved company in
579 the obligation to render its annual payment, the corporation shall
580 have the right, at its option, to declare the financing agreement
581 in default and to accelerate the total of all annual payments that
582 are to be made or to terminate the financing agreement and cause
583 to be sold the economic development project at public or private
584 sale, or to pursue any other remedies available under the Uniform

585 Commercial Code, as from time to time amended, or otherwise
586 available in law or equity.

587 **SECTION 6.** Section 57-10-411, Mississippi Code of 1972, is
588 reenacted as follows:

589 57-10-411. Ninety (90) days after the filing of the tax
590 return of the approved company, the State Tax Commission shall
591 certify to the corporation the state income tax liability for the
592 preceding year of each approved company with respect to an
593 economic development project financed under Sections 57-10-401
594 through 57-10-445, and the amounts of any tax credits taken under
595 Sections 57-10-401 through 57-10-445.

596 **SECTION 7.** Section 57-10-413, Mississippi Code of 1972, is
597 reenacted as follows:

598 **[In cases involving an economic development project for which**
599 **the Mississippi Business Finance Corporation has issued bonds for**
600 **the purpose of financing the approved costs of such project prior**
601 **to July 1, 1994, this section shall read as follows:]**

602 57-10-413. (1) The approved company may require that each
603 employee whose gross wages are equivalent to Five Dollars (\$5.00)
604 or more per hour, as a condition of employment, agrees to pay a
605 job development assessment fee not to exceed a certain percentage
606 of the gross wages of each such employee whose job was created as
607 a result of the economic development project, for the purpose of
608 retiring the bonds which fund the economic development project or
609 other indebtedness. The job development assessment fee shall not
610 exceed the following percentages of the gross wages of the
611 employee:

612 (a) Two percent (2%), if the gross wages of the
613 employee are equivalent to Five Dollars (\$5.00) or more per hour
614 but less than Seven Dollars (\$7.00) per hour;

615 (b) Four percent (4%), if the gross wages of the
616 employee are equivalent to Seven Dollars (\$7.00) or more per hour
617 but less than Nine Dollars (\$9.00) per hour; and

618 (c) Six percent (6%), if the gross wages of the
619 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

620 (2) Each employee so assessed shall be entitled to credits
621 against Mississippi income taxes as provided in Section 27-7-22.3.

622 (3) If an approved company shall elect to impose the
623 assessment as a condition of employment, it shall deduct the
624 assessment from each paycheck of each employee.

625 (4) Any approved company collecting an assessment as
626 provided in subsection (1) of this section shall make its payroll
627 books and records available to the corporation at such reasonable
628 times as the corporation shall request and shall file with the
629 corporation documentation respecting the assessment as the
630 corporation may require.

631 (5) Any assessment of the wages of employees of an approved
632 company in connection with their employment at an economic
633 development project under subsection (1) of this section shall
634 lapse on the date the bonds are retired.

635 **[In cases involving an economic development project for which**
636 **the Mississippi Business Finance Corporation has not issued bonds**
637 **for the purpose of financing the approved costs of such project**
638 **prior to July 1, 1994, but has issued bonds for such project prior**
639 **to July 1, 1997, or in cases involving an economic development**
640 **project which has been induced by a resolution of the Board of**
641 **Directors of the Mississippi Business Finance Corporation that has**
642 **been filed with the State Tax Commission prior to July 1, 1997,**
643 **this section shall read as follows:]**

644 57-10-413. (1) Except as otherwise provided for in
645 subsection (6) of this section, the approved company may require
646 that each employee whose gross wages are equivalent to Five
647 Dollars (\$5.00) or more per hour, as a condition of employment,
648 agrees to pay a job development assessment fee not to exceed a
649 certain percentage of the gross wages of each such employee whose
650 job was created as a result of the economic development project,

651 for the purpose of retiring the bonds which fund the economic
652 development project or other indebtedness. The job development
653 assessment fee shall not exceed the following percentages of the
654 gross wages of the employee:

655 (a) Two percent (2%), if the gross wages of the
656 employee are equivalent to Five Dollars (\$5.00) or more per hour
657 but less than Seven Dollars (\$7.00) per hour;

658 (b) Four percent (4%), if the gross wages of the
659 employee are equivalent to Seven Dollars (\$7.00) or more per hour
660 but less than Nine Dollars (\$9.00) per hour; and

661 (c) Six percent (6%), if the gross wages of the
662 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

663 (2) Each employee so assessed shall be entitled to credits
664 against Mississippi income taxes as provided in Section 27-7-22.3.

665 (3) If an approved company shall elect to impose the
666 assessment as a condition of employment, it shall deduct the
667 assessment from each paycheck of each employee.

668 (4) Any approved company collecting an assessment as
669 provided in subsection (1) of this section shall make its payroll
670 books and records available to the corporation at such reasonable
671 times as the corporation shall request and shall file with the
672 corporation documentation respecting the assessment as the
673 corporation may require.

674 (5) Any assessment of the wages of employees of an approved
675 company in connection with their employment at an economic
676 development project under subsection (1) of this section shall
677 lapse on the date the bonds are retired.

678 (6) If an eligible company closes a facility in this state
679 and becomes an approved company under the provisions of Sections
680 57-10-401 through 57-10-449, only those jobs created in excess of
681 those that existed at the closed facility at the time of the
682 closure shall be eligible for the imposition of the job
683 development assessment fee. The Mississippi Business Finance

684 Corporation shall promulgate rules and regulations to govern the
685 determination of the number of jobs upon which the job development
686 assessment fee may be imposed.

687 **SECTION 8.** Section 57-10-415, Mississippi Code of 1972, is
688 reenacted as follows:

689 57-10-415. Every issue of bonds under Sections 57-10-401
690 through 57-10-445 shall be payable solely out of any revenues of
691 the corporation as provided in Sections 57-10-401 through
692 57-10-445. The bonds additionally may be secured by a pledge of
693 any grant, contribution or guarantee from the federal government
694 or any person or a pledge by the corporation of any revenues from
695 any source.

696 **SECTION 9.** Section 57-10-417, Mississippi Code of 1972, is
697 reenacted as follows:

698 57-10-417. The bonds issued by the corporation under
699 Sections 57-10-401 through 57-10-445 shall be limited obligations
700 of the corporation and shall not constitute a debt, liability or
701 general obligation of the state or any political subdivision
702 thereof (other than the corporation), or a pledge of the faith and
703 credit of the state or any political subdivision thereof (other
704 than the corporation), but shall be payable solely as provided by
705 the corporation under Sections 57-10-401 through 57-10-445. No
706 member or officer of the board of directors of the corporation nor
707 any person executing the bonds shall be liable personally on the
708 bonds by reason of the issuance thereof. Each bond issued under
709 Sections 57-10-401 through 57-10-445 shall contain on the face
710 thereof a statement that neither the state, nor any other
711 political subdivision thereof, shall be obligated to pay the same
712 or the interest thereon or other costs incident thereto except
713 from the revenue or money pledged by the corporation and that
714 neither the faith and credit nor the taxing power of the state or
715 any political subdivision thereof is pledged to the payment of the
716 principal of, or the interest on, such bond.

717 **SECTION 10.** Section 57-10-419, Mississippi Code of 1972, is
718 reenacted as follows:

719 57-10-419. (1) The corporation may issue in its own name,
720 from time to time, for the purpose of financing the approved costs
721 of an economic development project, its bonds and may pledge for
722 the payment thereof funds derived in respect of any financing
723 agreement or other arrangement entered into by the corporation and
724 an approved company under Sections 57-10-401 through 57-10-445.

725 (2) In anticipation of the issuance of bonds, the
726 corporation may provide for the issuance, at one time or from time
727 to time, of bond anticipation notes. The principal of and the
728 interest on the notes shall be payable solely from the funds
729 herein provided for the payment. Any notes may be made payable
730 from the proceeds of bonds or renewal notes; or, if bond or
731 renewal note proceeds are not available, the notes may be paid
732 from any available revenues or assets of the corporation.

733 (3) The bonds issued under Sections 57-10-401 through
734 57-10-445 shall be authorized by a resolution of the corporation,
735 shall bear such date or dates, and shall mature at such time or
736 times as such resolution may provide, except that no bond shall
737 mature more than twenty-five (25) years from the date of issue.
738 Bonds which are not subject to taxation shall bear interest at
739 such rate or rates, be in such denominations, be in such form,
740 carry such registration privileges, be executed in such manner, be
741 payable in such medium of payment, at such place or places, and be
742 subject to such terms of redemption, including redemption before
743 maturity, as such resolution may provide. Except as expressly
744 provided otherwise in Sections 57-10-401 through 57-10-445, the
745 provisions of other laws of the state relating to the issuance of
746 revenue bonds shall not apply to bonds issued by the corporation.
747 As to bonds issued hereunder and designated as taxable bonds by
748 the corporation, any immunity to taxation by the United States
749 government of interest on such bonds or notes is hereby waived.

750 Bonds of the corporation may be sold by the corporation at public
751 or private sale, from time to time, and at such price or prices as
752 the corporation shall determine.

753 (4) The proceeds of any bonds shall be used solely for the
754 purposes for which issued and shall be disbursed in the manner and
755 under the restrictions, if any, that the corporation may provide
756 in the resolution authorizing the issuance of the bonds or in a
757 trust indenture securing the same.

758 (5) The principal and interest on the bonds issued by the
759 corporation shall be payable solely and only from proceeds derived
760 under a financing agreement and shall be secured solely by the
761 economic development project, the proceeds of the financing
762 agreement, and such other assets as may be available, but not
763 including revenues of the state.

764 (6) Before the preparation of definitive certificates
765 evidencing the bonds, the corporation may issue, under like
766 restrictions, interim receipts or temporary certificates, with or
767 without coupons, exchangeable for definitive certificates when the
768 certificates have been executed and are available for delivery.
769 The corporation may also provide for the replacement of any
770 certificates which become mutilated or are destroyed or lost.

771 **SECTION 11.** Section 57-10-421, Mississippi Code of 1972, is
772 reenacted as follows:

773 57-10-421. In addition to the requirements provided for in
774 Section 57-10-419, any resolution authorizing the issuance of
775 bonds under Sections 57-10-401 through 57-10-445 may contain
776 provisions as to:

777 (a) The setting aside of reserves or sinking funds and
778 the regulations and disposition thereof;

779 (b) Limitations on the issuance of additional bonds,
780 the terms upon which additional bonds may be issued and secured,
781 and the refunding of outstanding or other bonds;

782 (c) The procedure, if any, by which the terms of any of
783 the proceedings under which the bonds are being issued may be
784 amended or abrogated, the number or percentage of bondholders who
785 or which must consent thereto, and the manner in which the consent
786 may be given;

787 (d) The vesting in a trustee or trustees of such
788 property, rights, powers and duties in trust as the company may
789 determine, and limiting or abrogating the right of bondholders to
790 appoint a trustee or limiting the rights, powers and duties of the
791 trustee;

792 (e) Defining the act or omissions to act which shall
793 constitute a default and the obligations or duties of the
794 corporation to the holders of the bonds, and providing for the
795 rights and remedies of the holders of the bonds in the event of
796 default, which rights and remedies may include the general laws of
797 the state and other provisions of Sections 57-10-401 through
798 57-10-445; or

799 (f) Any other matter, of like or different character,
800 which in any way affects the security or protection of the holders
801 of the bonds.

802 **SECTION 12.** Section 57-10-423, Mississippi Code of 1972, is
803 reenacted as follows:

804 57-10-423. Any pledge made by the corporation shall be valid
805 and binding from the time when the pledge was made. The revenues
806 or properties so pledged and thereafter received by the
807 corporation shall immediately be subject to the lien of such
808 pledge without any physical delivery thereof or further act, and
809 the lien of any such pledge shall be valid and binding as against
810 all parties having claims of any kind in tort, contract or
811 otherwise against the corporation, irrespective of whether the
812 parties have notice thereof. Neither the resolution nor any other
813 instrument by which a pledge is created need be recorded.

814 **SECTION 13.** Section 57-10-425, Mississippi Code of 1972, is
815 reenacted as follows:

816 57-10-425. The corporation, subject to the provisions in
817 proceedings relating to outstanding bonds as may then exist, may
818 purchase bonds out of any funds available therefor, which shall
819 thereupon be canceled, at any reasonable price which, if the bonds
820 are then redeemable, shall not exceed the redemption price (and
821 premium, if any) then applicable plus accrued interest to the
822 redemption date thereof.

823 **SECTION 14.** Section 57-10-427, Mississippi Code of 1972, is
824 reenacted as follows:

825 57-10-427. The bonds may be secured by an indenture by and
826 between the corporation and a corporate trustee which may be any
827 bank or other corporation having the power of a trust company or
828 any trust company within or without this state. Such indenture
829 may contain such provisions for protecting and enforcing the
830 rights and remedies of the bondholders as may be reasonable and
831 proper and not in violation of law, including covenants setting
832 forth the duties of the corporation in relation to the exercise of
833 its powers and the custody, safekeeping and application of all
834 money. The corporation may provide by the indenture for the
835 payment of the proceeds of the bonds and revenues to the trustee
836 under the indenture or other depository, and for the method of
837 disbursement thereof, with such safeguards and restrictions as the
838 corporation may determine. If the bonds shall be secured by an
839 indenture, the bondholders shall have no authority to appoint a
840 separate trustee to represent them.

841 **SECTION 15.** Section 57-10-429, Mississippi Code of 1972, is
842 reenacted as follows:

843 57-10-429. In the event that any of the members or officers
844 of the board of directors of the corporation shall cease to be
845 members or officers of the board prior to the delivery of any
846 bonds signed by them, their signatures or facsimiles thereof shall

847 nevertheless be valid and sufficient for all purposes, the same as
848 if such members or officers had remained in office until such
849 delivery.

850 **SECTION 16.** Section 57-10-431, Mississippi Code of 1972, is
851 reenacted as follows:

852 57-10-431. The corporation may create and establish such
853 funds and accounts as may be necessary or desirable for its
854 purposes under Sections 57-10-401 through 57-10-445.

855 **SECTION 17.** Section 57-10-433, Mississippi Code of 1972, is
856 reenacted as follows:

857 57-10-433. The corporation shall have the power to contract
858 with the holders of any of its bonds issued under Sections
859 57-10-401 through 57-10-445 as to the custody, collection,
860 securing, investment and payment of any money of the corporation,
861 and of any money held in trust or otherwise for the payment of
862 bonds, and to carry out such contract. Money held in trust or
863 otherwise for the payment of bonds or in any way to secure bonds
864 and deposits of money may be secured in the same manner as money
865 of the corporation, and all banks and trust companies are
866 authorized to give security for the deposits.

867 **SECTION 18.** Section 57-10-435, Mississippi Code of 1972, is
868 reenacted as follows:

869 57-10-435. Amendments to Sections 57-10-401 through
870 57-10-445, enacted after July 1, 1993, shall not limit the rights
871 vested in the corporation with respect to any agreements made
872 with, or remedies available to, the holders of bonds issued under
873 this article or Section 27-7-22.3 prior to the enactment of the
874 amendments until the bonds, together with all interest thereon,
875 and all costs and expenses in connection with any proceeding by or
876 on behalf of the holders, are fully met and discharged.

877 **SECTION 19.** Section 57-10-437, Mississippi Code of 1972, is
878 reenacted as follows:

879 57-10-437. All expenses incurred by the corporation in
880 carrying out the provisions of Sections 57-10-401 through
881 57-10-445 shall be payable solely from funds provided under
882 Sections 57-10-401 through 57-10-445, or other funds of the
883 corporation. Nothing in Sections 57-10-401 through 57-10-445
884 shall be construed to authorize the corporation to incur
885 indebtedness or liability on behalf of or payable by the state or
886 any other political subdivision thereof.

887 **SECTION 20.** Section 57-10-439, Mississippi Code of 1972, is
888 reenacted as follows:

889 57-10-439. (1) The corporation is hereby declared to be
890 performing a public function and to be a public body corporate and
891 a political subdivision of the state. Accordingly, the income,
892 including any profit made on the sale thereof from all bonds
893 issued by the corporation, shall at all times be exempt from all
894 taxation by the state or any political subdivision thereof. If,
895 after all indebtedness and other obligations of the corporation
896 are discharged, the corporation is dissolved, its remaining assets
897 shall inure to the benefit of the state.

898 (2) With the approval of the appropriate local taxing
899 authority, all mortgages or deeds of trust executed as security
900 therefor, all lease or purchase agreements made pursuant to the
901 provisions hereof, and all purchases required to establish the
902 industrial enterprise and financed by proceeds from bonds issued
903 under Sections 57-10-401 through 57-10-445, shall likewise be
904 exempt from all taxation in the State of Mississippi except the
905 contractors' tax imposed by Section 27-65-21, and except ad
906 valorem taxes levied for school district purposes. All projects
907 and the revenue derived therefrom from any lease thereof shall be
908 exempt from all taxation in the State of Mississippi, except the
909 tax levied by Section 27-65-21, except the tax levied under
910 Chapter 7, Title 27, Mississippi Code of 1972, and except ad
911 valorem taxes levied for school district purposes.

912 **SECTION 21.** Section 57-10-441, Mississippi Code of 1972, is
913 reenacted as follows:

914 57-10-441. The bonds issued by and under the authority of
915 Sections 57-10-401 through 57-10-445 by the corporation are
916 declared to be legal investments in which all public officers or
917 public bodies of the state, its political subdivisions, all
918 municipalities and municipal subdivisions, all insurance companies
919 and associations, and other persons carrying on insurance
920 business, all banks, bankers, banking associations, trust
921 companies, savings associations, including savings and loan
922 associations, building and loan associations, investment
923 companies, and other persons carrying on a banking business, all
924 administrators, guardians, executors, trustees and other
925 fiduciaries, and all other persons who are now or may later be
926 authorized to invest in bonds or in other obligations of the
927 state, may invest funds, including capital, in their control or
928 belonging to them. Such bonds are also hereby made securities
929 which may be deposited with and received by all public officers
930 and bodies of the state or any agency or political subdivision of
931 the state and all municipalities and public corporations for any
932 purpose for which the deposit of bonds or other obligations of the
933 state is now or may be later authorized by law.

934 **SECTION 22.** Section 57-10-443, Mississippi Code of 1972, is
935 reenacted as follows:

936 57-10-443. The corporation, within one hundred twenty (120)
937 days of the close of each fiscal year, shall submit an annual
938 report of its activities in regard to Sections 57-10-401 through
939 57-10-445 for the preceding year to the Governor. The Clerk of
940 the House of Representatives and the Secretary of the Senate each
941 shall receive a copy of the report by making a request for it to
942 the corporation. Each report shall set forth a complete operating
943 and financial statement in regard to Sections 57-10-401 through
944 57-10-445 for the corporation during the fiscal year it covers.

945 **SECTION 23.** Section 57-10-445, Mississippi Code of 1972, is
946 reenacted as follows:

947 57-10-445. Nothing contained in Sections 57-10-401 through
948 57-10-445 is to be construed as a restriction or limitation upon
949 any powers which the corporation might otherwise have under any
950 other law of the state. Insofar as the provisions of Sections
951 57-10-401 through 57-10-445 are inconsistent with the provisions
952 of any other law, the provisions of Sections 57-10-401 through
953 57-10-445 shall be controlling, and the powers conferred by
954 Sections 57-10-401 through 57-10-445 shall be regarded as
955 supplemental and additional to powers conferred by any other laws.
956 No proceedings, notice or approval shall be required for the
957 issuance of any bonds or any instrument or the security therefor,
958 except as provided in Sections 57-10-401 through 57-10-445.

959 The provisions of Sections 57-10-401 through 57-10-445 shall
960 be liberally construed to accomplish the purposes of Sections
961 57-10-401 through 57-10-445.

962 The powers granted and the duties imposed in Sections
963 57-10-401 through 57-10-445 shall be construed to be independent
964 and severable. If any one or more sections, subsections,
965 sentences or parts of any of Sections 57-10-401 through 57-10-445
966 shall be adjudged unconstitutional or invalid, such adjudication
967 shall not affect, impair or invalidate the remaining provisions
968 thereof, but shall be confined in its operation to the specific
969 provisions so held unconstitutional or invalid.

970 **SECTION 24.** Section 27-7-22.3, Mississippi Code of 1972, is
971 reenacted as follows:

972 **[In cases involving an economic development project for which**
973 **the Mississippi Business Finance Corporation has issued bonds for**
974 **the purpose of financing the approved costs of such project prior**
975 **to July 1, 1994, this section shall read as follows:]**

976 27-7-22.3. (1) For taxpayers who are required to pay a job
977 assessment fee as provided in Section 57-10-413, there shall be

978 allowed as a credit against the taxes imposed by this chapter, an
979 amount equal to the amount of the job assessment fee imposed upon
980 such taxpayer pursuant to Section 57-10-413. If the amount
981 allowable as a credit exceeds the tax imposed by this article and
982 Section 27-7-22.3, the amount of such excess shall not be
983 refundable or carried forward to any other taxable year.

984 (2) For any approved company as defined in Section
985 57-10-401, there shall be allowed against the taxes imposed by
986 this chapter on the income of the approved company generated by or
987 arising out of the economic development project (as defined in
988 Section 57-10-401), a credit in an amount not to exceed the total
989 debt service paid under a financing agreement entered into under
990 Section 57-10-409. The tax credit allowed in this subsection
991 shall not exceed the amount of taxes due the State of Mississippi.

992 **[In cases involving an economic development project for which**
993 **the Mississippi Business Finance Corporation has not issued bonds**
994 **for the purpose of financing the approved costs of such project**
995 **prior to July 1, 1994, but has issued bonds for such project prior**
996 **to July 1, 1997, or in cases involving an economic development**
997 **project which has been induced by a resolution of the Board of**
998 **Directors of the Mississippi Business Finance Corporation that has**
999 **been filed with the State Tax Commission prior to July 1, 1997,**
1000 **this section shall read as follows:]**

1001 27-7-22.3. (1) For taxpayers who are required to pay a job
1002 assessment fee as provided in Section 57-10-413, there shall be
1003 allowed as a credit against the taxes imposed by this chapter, an
1004 amount equal to the amount of the job assessment fee imposed upon
1005 such taxpayer pursuant to Section 57-10-413. If the amount
1006 allowable as a credit exceeds the tax imposed by this article and
1007 Section 27-7-22.3, the amount of such excess shall not be
1008 refundable or carried forward to any other taxable year.

1009 (2) For any approved company as defined in Section
1010 57-10-401, there shall be allowed against the taxes imposed by

1011 this chapter on the income of the approved company generated by or
1012 arising out of the economic development project (as defined in
1013 Section 57-10-401), a credit in an amount not to exceed the total
1014 debt service paid under a financing agreement entered into under
1015 Section 57-10-409. The tax credit allowed in this subsection
1016 shall not exceed the amount of taxes due the State of Mississippi.
1017 The amount of income of the approved company generated by or
1018 arising out of the economic development project shall be
1019 determined by a formula adopted by the Mississippi Business
1020 Finance Corporation.

1021 **[In cases involving an economic development project for which**
1022 **the Mississippi Business Finance Corporation has not issued bonds**
1023 **for the purpose of financing the approved costs of such project**
1024 **prior to July 1, 1997, or in cases involving an economic**
1025 **development project which has not been induced by a resolution of**
1026 **the Board of Directors of the Mississippi Business Finance**
1027 **Corporation that has been filed with the State Tax Commission**
1028 **prior to July 1, 1997, this section shall read as follows:]**

1029 27-7-22.3. For any approved company as defined in Section
1030 57-10-401, there shall be allowed against the taxes imposed by
1031 this chapter on the income of the approved company generated by or
1032 arising out of the economic development project (as defined in
1033 Section 57-10-401), a credit in an amount not to exceed the total
1034 debt service paid under a financing agreement entered into under
1035 Section 57-10-409; provided, however, that the tax credit allowed
1036 in this subsection shall not exceed eighty percent (80%) of the
1037 amount of taxes due the State of Mississippi prior to the
1038 application of the credit. To the extent that financing agreement
1039 annual payments exceed the amount of the credit authorized
1040 pursuant to this section in any taxable year, such excess payment
1041 may be recouped from excess credits in succeeding years not to
1042 exceed three (3) years following the date upon which the credit
1043 was earned. The amount of income of the approved company

1044 generated by or arising out of the economic development project
1045 shall be determined by a formula adopted by the Mississippi
1046 Business Finance Corporation.

1047 **SECTION 25.** Section 57-10-449, Mississippi Code of 1972, is
1048 amended as follows:

1049 57-10-449. Sections 57-10-401 through 57-10-445 and
1050 27-7-22.3 shall be repealed from and after October 1, 2007.

1051 **SECTION 26.** This act shall take effect and be in force from
1052 and after July 1, 2005.