

By: Senator(s) Hewes, Butler, Horhn, Jackson (11th), Jackson (32nd), Jordan, Morgan, Simmons, Walls To: Finance

SENATE BILL NO. 2652

1 AN ACT TO AMEND SECTION 27-7-22.25, MISSISSIPPI CODE OF 1972,
2 TO DECREASE FROM \$5,000,000.00 TO \$2,000,000.00 THE AMOUNT OF THE
3 INVESTMENT IN REAL OR PERSONAL PROPERTY IN MISSISSIPPI THAT A
4 TAXPAYER MUST MAKE TO BE ELIGIBLE FOR THE INCOME TAX CREDIT FOR
5 CERTAIN CHARGES IMPOSED ON THE EXPORT OR IMPORT OF CARGO AT AN
6 AIRPORT; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 27-7-22.25, Mississippi Code of 1972, is
9 amended as follows:

10 27-7-22.25. (1) As used in this section, the term "airport"
11 means an airport established pursuant to Chapters 3 and 5, Title
12 61, Mississippi Code of 1972.

13 (2) Subject to the provisions of this section, for any
14 income taxpayer utilizing the facilities at any airport for the
15 export or import of cargo that is unloaded from a carrier at any
16 such airport, a credit against the taxes imposed pursuant to this
17 chapter shall be allowed in the amounts provided in this section.
18 In order to be eligible for the credit authorized under this
19 section, a taxpayer must locate its United States headquarters in
20 Mississippi on or after July 1, 2005, employ at least five (5) new
21 permanent full-time employees who actually work at such
22 headquarters and, after July 1, 2005, invest a minimum of Two
23 Million Dollars (\$2,000,000.00), in the aggregate, in real
24 property and/or personal property in Mississippi. For the
25 purposes of this section, "full-time employee" shall mean an
26 employee who works at least thirty-five (35) hours per week.

27 (3) Except as otherwise provided by subsection (4) of this
28 section, the amount of the credit allowed pursuant to this section

29 shall be the total of the following charges on import or export of
30 cargo paid by the corporation:

- 31 (a) Receiving into the airport;
- 32 (b) Aircraft marshalling or handling fees; and
- 33 (c) Aircraft landing fees.

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 under this section is limited to One Million Dollars
42 (\$1,000,000.00) if the taxpayer employs at least five (5), but not
43 more than twenty-five (25) permanent full-time employees at its
44 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)
45 if the taxpayer employs more than twenty-five (25), but not more
46 than one hundred (100) permanent full-time employees at its
47 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)
48 if the taxpayer employs more than one hundred (100), but not more
49 than two hundred (200) permanent full-time employees at its
50 headquarters in Mississippi; and Four Million Dollars
51 (\$4,000,000.00) if the taxpayer employs more than two hundred
52 (200) permanent full-time employees at its headquarters in
53 Mississippi.

54 (5) To obtain the credit provided for in this section, a
55 taxpayer must provide to the State Tax Commission a statement from
56 the governing authority of the airport certifying the amount of
57 charges paid by the taxpayer for which a credit is claimed and any
58 other information required by the State Tax Commission.

59 (6) Any taxpayer who is eligible, before July 1, 2007, for
60 the credit provided for in this section, shall remain eligible for

61 such credit after July 1, 2007, notwithstanding the repeal of this
62 section.

63 **SECTION 2.** This act shall take effect and be in force from
64 and after July 1, 2006.