

By: Representatives Dedeaux, Eaton, Barnett, Cockerham, Compretta, Moak, Myers, Nicholson, Upshaw, Vince, Montgomery, Arinder

To: Agriculture; Ways and Means

HOUSE BILL NO. 477

1 AN ACT TO AUTHORIZE AN INCOME TAX CREDIT FOR RESIDENT
2 TAXPAYERS ENGAGED IN THE BUSINESS OF PRODUCING MILK FOR SALE; TO
3 PROVIDE THAT THE AMOUNT OF THE CREDIT SHALL BE BASED ON THE AMOUNT
4 OF MILK PRODUCED AND SOLD BY A TAXPAYER; TO PROVIDE FOR THE
5 MAXIMUM AMOUNT OF CREDIT THAT A TAXPAYER MAY CLAIM FOR A TAXABLE
6 YEAR; TO PROVIDE THAT IF THE AMOUNT OF CREDIT CLAIMED BY A
7 TAXPAYER EXCEEDS THE AMOUNT OF INCOME TAX IMPOSED UPON THE
8 TAXPAYER FOR THE TAXABLE YEAR, THEN THE TAXPAYER SHALL RECEIVE A
9 REFUND FROM THE STATE TAX COMMISSION FOR THE AMOUNT OF SUCH
10 EXCESS; TO PROVIDE THAT THE COMMISSIONER OF AGRICULTURE AND
11 COMMERCE SHALL PROMULGATE RULES AND REGULATIONS NECESSARY FOR
12 DETERMINING WHETHER A TAXPAYER IS ELIGIBLE TO CLAIM THE INCOME TAX
13 CREDIT AUTHORIZED UNDER THIS ACT AND CERTIFY TO THE STATE TAX
14 COMMISSION WHETHER A TAXPAYER CLAIMING A CREDIT HAS SATISFIED THE
15 ELIGIBILITY REQUIREMENTS OF THIS ACT; AND FOR RELATED PURPOSES.

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

17 **SECTION 1.** (1) (a) Subject to the provisions of this
18 section, any resident taxpayer engaged in the business of
19 producing milk for sale shall be allowed a refundable credit
20 against the taxes imposed under this chapter.

21 (b) The amount of the credit shall be based on the
22 amount of milk produced and sold by a taxpayer as follows:

23 (i) The credit shall be for an amount not to
24 exceed Five Thousand Dollars (\$5,000.00) for the production and
25 sale of the first three hundred thousand (300,000) pounds of milk
26 by a taxpayer, with the credit to be calculated on a pro rata
27 basis based on the number of pounds of milk produced and sold by
28 the taxpayer; and

29 (ii) The credit shall be for an amount not to
30 exceed Five Thousand Dollars (\$5,000.00) for the production and
31 sale of the second three hundred thousand (300,000) pounds of milk
32 by a taxpayer, with the credit to be calculated on a pro rata

33 basis based on the number of pounds of milk produced and sold by
34 the taxpayer.

35 (c) The maximum income tax credit that a taxpayer may
36 claim for a taxable year shall not exceed Ten Thousand Dollars
37 (\$10,000.00). If the amount of credit claimed by a taxpayer
38 exceeds the amount of income tax imposed upon the taxpayer for the
39 taxable year reduced by the sum of all other credits allowable to
40 the taxpayer under the state income tax laws, except credit for
41 tax payments made by or on behalf of the taxpayer, then the
42 taxpayer shall receive a refund from the State Tax Commission for
43 the amount of such excess.

44 (d) The credit authorized under this section must be
45 prorated on a quarterly basis.

46 (2) The Commissioner of Agriculture and Commerce shall
47 promulgate rules and regulations necessary for determining whether
48 a taxpayer is eligible to claim the income tax credit authorized
49 under this section and shall certify to the State Tax Commission
50 whether a taxpayer claiming a credit has satisfied the eligibility
51 requirements of this section.

52 (3) This section shall stand repealed from and after July 1,
53 2009.

54 **SECTION 2.** Section 1 of this act shall be codified in
55 Chapter 7, Title 27, Mississippi Code of 1972.

56 **SECTION 3.** Nothing in this act shall affect or defeat any
57 claim, assessment, appeal, suit, right or cause of action for
58 taxes due or accrued under the income tax laws before the date on
59 which this act becomes effective, whether such claims,
60 assessments, appeals, suits or actions have been begun before the
61 date on which this act becomes effective or are begun thereafter;
62 and the provisions of the income tax laws are expressly continued
63 in full force, effect and operation for the purpose of the
64 assessment, collection and enrollment of liens for any taxes due
65 or accrued and the execution of any warrant under such laws before

66 the date on which this act becomes effective, and for the
67 imposition of any penalties, forfeitures or claims for failure to
68 comply with such laws.

69 **SECTION 4.** This act shall take effect and be in force from
70 and after January 1, 2007.