

By: Senator(s) Dawkins

To: Finance

SENATE BILL NO. 2435

1 AN ACT TO AMEND SECTION 27-7-22.32, MISSISSIPPI CODE OF 1972,
2 TO INCREASE TO \$5,000.00 THE MAXIMUM AMOUNT OF QUALIFIED ADOPTION
3 EXPENSES INCURRED BY A TAXPAYER THAT MAY BE ALLOWED AS A CREDIT
4 AGAINST INCOME TAXES; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 27-7-22.32, Mississippi Code of 1972, is
7 amended as follows:

8 27-7-22.32. There shall be allowed as a credit against the
9 tax imposed by this chapter the amount of the qualified adoption
10 expenses paid or incurred, not to exceed Two Thousand Five Hundred
11 Dollars (\$2,500.00), for each dependent child legally adopted by a
12 taxpayer under the laws of this state during calendar year 2006,
13 or not to exceed Five Thousand Dollars (\$5,000.00), for each
14 dependent child legally adopted by a taxpayer under the laws of
15 this state during calendar year 2007 or during any calendar year
16 thereafter. The tax credit under this section may be claimed for
17 the taxable year in which the adoption becomes final under the
18 laws of this state. Any tax credit claimed under this section but
19 not used in any taxable year may be carried forward for the three
20 (3) succeeding tax years. A tax credit is not allowed under this
21 section for any child for which an exemption is claimed during the
22 same taxable year under Section 27-7-21(e). For the purposes of
23 this section, the term "qualified adoption expenses" means and has
24 the same definition as that term has in 26 USCS 23.

25 **SECTION 2.** This act shall take effect and be in force from
26 and after January 1, 2007.