

By: Senator(s) Hewes, Gollott

To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 3023

1 AN ACT TO AMEND AND REENACT SECTIONS 27-7-22.25 AND  
2 27-7-22.26, MISSISSIPPI CODE OF 1972, AND SECTION 3, CHAPTER 442,  
3 LAWS OF 2005, TO EXTEND THE REPEAL DATE ON THE PROVISIONS OF LAW  
4 THAT PROVIDE AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS THAT  
5 UTILIZE THE AIRPORT FACILITIES AT PUBLIC AIRPORTS EQUAL TO CERTAIN  
6 CHARGES PAID BY THE TAXPAYER ON THE EXPORT OR IMPORT OF CARGO AND  
7 REQUIRE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO REPORT ANNUALLY  
8 REGARDING THE IMPACT OF THE CREDIT; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Section 27-7-22.25, Mississippi Code of 1972, is  
11 reenacted and amended as follows:

12 27-7-22.25. (1) As used in this section, the term "airport"  
13 means an airport established pursuant to Chapters 3 and 5, Title  
14 61, Mississippi Code of 1972.

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

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

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

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

36 (4) The credit provided for in this section shall not exceed  
37 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
38 for the taxable year reduced by the sum of all other credits  
39 allowable to such taxpayer under this chapter, except credit for  
40 tax payments made by or on behalf of the taxpayer. Any unused  
41 portion of the credit may be carried forward for the succeeding  
42 five (5) years. The maximum cumulative credit that may be claimed  
43 by a taxpayer under this section is limited to One Million Dollars  
44 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
45 more than twenty-five (25) permanent full-time employees at its  
46 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)  
47 if the taxpayer employs more than twenty-five (25), but not more  
48 than one hundred (100) permanent full-time employees at its  
49 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
50 if the taxpayer employs more than one hundred (100), but not more  
51 than two hundred (200) permanent full-time employees at its  
52 headquarters in Mississippi; and Four Million Dollars  
53 (\$4,000,000.00) if the taxpayer employs more than two hundred  
54 (200) permanent full-time employees at its headquarters in  
55 Mississippi.

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

61 (6) Any taxpayer who is eligible, before July 1, 2010, for  
62 the credit provided for in this section, shall remain eligible for

63 such credit after July 1, 2010, notwithstanding the repeal of this  
64 section.

65 **SECTION 2.** Section 27-7-22.26, Mississippi Code of 1972, is  
66 reenacted as follows:

67 27-7-22.26. The Mississippi Development Authority shall  
68 report annually to the Legislature regarding the impact of the  
69 credit granted in Section 27-7-22.25 on shipping and economic  
70 growth. Each report shall show the overall annual increase in  
71 shipping at each airport for the most recent year for which data  
72 is available and for each of the previous five (5) years. Each  
73 report shall estimate the number of jobs created or retained at  
74 each airport and in businesses related to airport activity at each  
75 airport since January 1, 2006, as compared to the number of  
76 similar jobs created during the ten (10) years preceding January  
77 1, 2006. Each report shall state the net economic impact on the  
78 state as a result of the tax credit provided for in Section  
79 27-7-22.25. The Mississippi Development Authority shall file a  
80 copy of the report with the Governor, the Secretary of the Senate,  
81 the Clerk of the House of Representatives and the Chairmen of the  
82 House Ways and Means Committee and the Senate Finance Committee of  
83 the Legislature on May 1 of each year. The State Tax Commission  
84 and all state, regional, county and municipal airports shall  
85 cooperate with the Mississippi Development Authority in providing  
86 the information required in the annual reports.

87 **SECTION 3.** Section 3, Chapter 442, Laws of 2005, is amended  
88 as follows:

89 Section 3. Sections 1 and 2 of this act shall stand repealed  
90 from and after July 1, 2010.

91 **SECTION 4.** This act shall take effect and be in force from  
92 and after July 1, 2007.