

By: Representatives Gunn, Lamar, Felsher,
Williamson, Hopkins, Eubanks, Boyd (19th),
Miles

To: Ways and Means

HOUSE BILL NO. 1671
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-7-22.43, MISSISSIPPI CODE OF 1972,
2 WHICH PROVIDES AN INCOME TAX CREDIT, INSURANCE PREMIUM TAX CREDIT
3 AND AD VALOREM TAX CREDIT FOR CONTRIBUTIONS MADE BY CERTAIN
4 TAXPAYERS TO CERTAIN ELIGIBLE CHARITABLE ORGANIZATIONS UNDER THE
5 PREGNANCY RESOURCE ACT, TO REVISE THE DEFINITION OF THE TERM
6 "ELIGIBLE CHARITABLE ORGANIZATION"; TO REVISE CERTAIN PROVISIONS
7 REGARDING THE AMOUNT OF CREDIT THAT MAY BE UTILIZED BY A TAXPAYER
8 DURING A TAXABLE YEAR AND TO INCREASE THE AMOUNT OF CREDITS THAT
9 MAY BE ALLOCATED BY THE DEPARTMENT OF REVENUE UNDER THIS SECTION;
10 TO REVISE THE TAXPAYERS ELIGIBLE FOR AN AD VALOREM TAX CREDIT FOR
11 SUCH CONTRIBUTIONS; TO AMEND SECTION 27-7-22.39, MISSISSIPPI CODE
12 OF 1972, WHICH AUTHORIZES INCOME TAX CREDITS FOR VOLUNTARY CASH
13 CONTRIBUTIONS TO QUALIFYING CHARITABLE ORGANIZATIONS AND
14 QUALIFYING FOSTER CARE CHARITABLE ORGANIZATIONS, TO REVISE THE
15 AMOUNT OF CREDIT THAT A TAXPAYER IS ALLOWED TO CLAIM FOR SUCH A
16 VOLUNTARY CASH CONTRIBUTION; TO AUTHORIZE AN INCOME TAX CREDIT,
17 INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX CREDIT FOR
18 VOLUNTARY CASH CONTRIBUTIONS BY TAXPAYERS TO ELIGIBLE TRANSITIONAL
19 HOME ORGANIZATIONS; TO LIMIT THE AMOUNT OF THE TAX CREDIT; TO
20 PROVIDE THAT UNUSED PORTIONS OF A TAX CREDIT MAY BE CARRIED
21 FORWARD FOR FIVE CONSECUTIVE YEARS FROM THE CLOSE OF THE TAX YEAR
22 IN WHICH THE CREDIT WAS EARNED; TO PROVIDE THE CRITERIA THAT AN
23 ELIGIBLE TRANSITIONAL HOME ORGANIZATION MUST MEET IN ORDER FOR A
24 CONTRIBUTION TO THE ORGANIZATION TO QUALIFY FOR A TAX CREDIT
25 AUTHORIZED BY THIS ACT; TO AUTHORIZE AN INCOME TAX CREDIT,
26 INSURANCE PREMIUM TAX CREDIT AND AD VALOREM TAX CREDIT FOR
27 VOLUNTARY CASH CONTRIBUTIONS BY TAXPAYERS TO ELIGIBLE CHARITABLE
28 ORGANIZATIONS; TO LIMIT THE AMOUNT OF THE TAX CREDIT; TO PROVIDE
29 THAT UNUSED PORTIONS OF A TAX CREDIT MAY BE CARRIED FORWARD FOR
30 FIVE CONSECUTIVE YEARS FROM THE CLOSE OF THE TAX YEAR IN WHICH THE
31 CREDIT WAS EARNED; TO PROVIDE THE CRITERIA THAT AN ELIGIBLE
32 CHARITABLE ORGANIZATION MUST MEET IN ORDER FOR A CONTRIBUTION TO
33 THE ORGANIZATION TO QUALIFY FOR A TAX CREDIT AUTHORIZED BY THIS
34 ACT; TO AUTHORIZE AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS



35 CLAIMING A FEDERAL INCOME TAX CREDIT FOR CERTAIN DEPENDENT CARE
36 EXPENSES; TO PROVIDE THE AMOUNT OF THE CREDIT; AND FOR RELATED
37 PURPOSES.

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

39 **SECTION 1.** Section 27-7-22.43, Mississippi Code of 1972, is
40 amended as follows:

41 27-7-22.43. (1) This section shall be known and may be
42 cited as the "Pregnancy Resource Act."

43 (2) For the purposes of this section, the following words
44 and phrases shall have the meanings ascribed in this section
45 unless the context clearly indicates otherwise:

46 (a) "Department" means the Department of Revenue.

47 (b) "Eligible charitable organization" means an
48 organization that is exempt from federal income taxation under
49 Section 501(c)(3) of the Internal Revenue Code and is a pregnancy
50 resource center or crisis pregnancy center * * *. To be
51 considered an "eligible charitable organization" a pregnancy
52 resource center or crisis pregnancy center must meet the following
53 criteria:

54 (i) Certify that no more than twenty percent (20%)
55 of the contributions received under this section will be spent on
56 administrative purposes;

57 (ii) File annually with the Secretary of State the
58 organization's publicly available Internal Revenue Service
59 filings.

60 (3) (a) The tax credit authorized in this section shall be
61 available only to a taxpayer who is a business enterprise engaged



62 in commercial, industrial or professional activities and operating
63 as a corporation, limited liability company, partnership or sole
64 proprietorship. Except as otherwise provided in this section, a
65 credit is allowed against the taxes imposed by Sections 27-7-5,
66 27-15-103, 27-15-109 and 27-15-123, for voluntary cash
67 contributions made by a taxpayer during the taxable year to an
68 eligible charitable organization. For calendar year 2022, for a
69 taxpayer that is not operating as a corporation, a credit is also
70 allowed against ad valorem taxes assessed and levied on real
71 property for voluntary cash contributions made by the taxpayer
72 during the taxable year to an eligible charitable organization.
73 From and after January 1, 2023, a credit is also allowed against
74 ad valorem taxes assessed and levied on real property for
75 voluntary cash contributions made by a taxpayer during the taxable
76 year to an eligible charitable organization. The amount of credit
77 that may be utilized by a taxpayer in a taxable year shall be
78 limited to (i) an amount not to exceed fifty percent (50%) of the
79 total tax liability of the taxpayer for the taxes imposed by such
80 sections of law and (ii) an amount not to exceed fifty percent
81 (50%) of the total tax liability of the taxpayer for ad valorem
82 taxes assessed and levied on real property. Any tax credit
83 claimed under this section but not used in any taxable year may be
84 carried forward for five (5) consecutive years from the close of
85 the tax year in which the credits were earned.



86 (b) A contribution for which a credit is claimed under
87 this section may not be used as a deduction by the taxpayer for
88 state income tax purposes.

89 (4) Taxpayers taking a credit authorized by this section
90 shall provide the name of the eligible charitable organization and
91 the amount of the contribution to the department on forms provided
92 by the department.

93 (5) An eligible charitable organization shall provide the
94 department with a written certification that it meets all criteria
95 to be considered an eligible charitable organization. The
96 organization shall also notify the department of any changes that
97 may affect eligibility under this section.

98 (6) The eligible charitable organization's written
99 certification must be signed by an officer of the organization
100 under penalty of perjury. The written certification shall include
101 the following:

102 (a) Verification of the organization's status under
103 Section 501(c)(3) of the Internal Revenue Code;

104 (b) A statement that the organization does not provide,
105 pay for or provide coverage of abortions and does not financially
106 support any other entity that provides, pays for or provides
107 coverage of abortions;

108 (c) Any other information that the department requires
109 to administer this section.



110 (7) The department shall review each written certification
111 and determine whether the organization meets all the criteria to
112 be considered an eligible charitable organization and notify the
113 organization of its determination. The department may also
114 periodically request recertification from the organization. The
115 department shall compile and make available to the public a list
116 of eligible charitable organizations.

117 (8) Tax credits authorized by this section that are earned
118 by a partnership, limited liability company, S corporation or
119 other similar pass-through entity, shall be allocated among all
120 partners, members or shareholders, respectively, either in
121 proportion to their ownership interest in such entity or as the
122 partners, members or shareholders mutually agree as provided in an
123 executed document.

124 (9) (a) A taxpayer shall apply for credits with the
125 department on forms prescribed by the department. In the
126 application the taxpayer shall certify to the department the
127 dollar amount of the contributions made or to be made during the
128 calendar year. Within thirty (30) days after the receipt of an
129 application, the department shall allocate credits based on the
130 dollar amount of contributions as certified in the application.
131 However, if the department cannot allocate the full amount of
132 credits certified in the application due to the limit on the
133 aggregate amount of credits that may be awarded under this section
134 in a calendar year, the department shall so notify the applicant



135 within thirty (30) days with the amount of credits, if any, that
136 may be allocated to the applicant in the calendar year. Once the
137 department has allocated credits to a taxpayer, if the
138 contribution for which a credit is allocated has not been made as
139 of the date of the allocation, then the contribution must be made
140 not later than sixty (60) days from the date of the allocation.
141 If the contribution is not made within such time period, the
142 allocation shall be cancelled and returned to the department for
143 reallocation. Upon final documentation of the contributions, if
144 the actual dollar amount of the contributions is lower than the
145 amount estimated, the department shall adjust the tax credit
146 allowed under this section.

147 (b) For the purposes of using a tax credit against ad
148 valorem taxes assessed and levied on real property, a taxpayer
149 shall present to the appropriate tax collector the tax credit
150 documentation provided to the taxpayer by the Department of
151 Revenue, and the tax collector shall apply the tax credit against
152 such ad valorem taxes. The tax collector shall forward the tax
153 credit documentation to the Department of Revenue along with the
154 amount of the tax credit applied against ad valorem taxes, and the
155 department shall disburse funds to the tax collector for the
156 amount of the tax credit applied against ad valorem taxes. Such
157 payments by the Department of Revenue shall be made from current
158 tax collections.



159 (10) The aggregate amount of tax credits that may be
160 allocated by the department under this section during a calendar
161 year shall not exceed Three Million Five Hundred Thousand Dollars
162 (\$3,500,000.00). However, for calendar year 2023, and for each
163 calendar year thereafter, the aggregate amount of tax credits that
164 may be allocated by the department under this section during a
165 calendar year shall not exceed Ten Million Dollars
166 (\$10,000,000.00). For credits allocated during a calendar year
167 for contributions to eligible charitable organizations, no more
168 than * * * twenty-five percent (25%) of such credits may be
169 allocated for contributions to a single eligible charitable
170 organization; however, credits not allocated before June 1, may be
171 allocated without regard to such restriction for the same calendar
172 year.

173 **SECTION 2.** Section 27-7-22.39, Mississippi Code of 1972, is
174 amended as follows:

175 27-7-22.39. (1) As used in this section:

176 (a) "Low-income residents" means persons whose
177 household income is less than one hundred fifty percent (150%) of
178 the federal poverty level.

179 (b) "Qualifying charitable organization" means a
180 charitable organization that is exempt from federal income
181 taxation under Section 501(c)(3) of the Internal Revenue Code or
182 is a designated community action agency that receives community
183 services block grant program monies pursuant to 42 USC 9901. The



184 organization must spend at least fifty percent (50%) of its budget
185 on services to residents of this state who receive temporary
186 assistance for needy families benefits or low-income residents of
187 this state and their households or to children who have a chronic
188 illness or physical, intellectual, developmental or emotional
189 disability who are residents of this state. A charitable
190 organization that is exempt from federal income tax under Section
191 501(c)(3) of the Internal Revenue Code and that meets all other
192 requirements of this paragraph except that it does not spend at
193 least fifty percent (50%) of its overall budget in Mississippi may
194 be a qualifying charitable organization if it spends at least
195 fifty percent (50%) of its Mississippi budget on services to
196 qualified individuals in Mississippi and it certifies to the
197 department that one hundred percent (100%) of the voluntary cash
198 contributions from the taxpayer will be spent on services to
199 qualified individuals in Mississippi. Taxpayers choosing to make
200 donations through an umbrella charitable organization that
201 collects donations on behalf of member charities shall designate
202 that the donation be directed to a member charitable organization
203 that would qualify under this section on a stand-alone basis.
204 Qualifying charitable organization does not include any entity
205 that provides, pays for or provides coverage of abortions or that
206 financially supports any other entity that provides, pays for or
207 provides coverage of abortions.



208 (c) "Qualifying foster care charitable organization"
209 means a qualifying charitable organization that each operating
210 year provides services to at least one hundred (100) qualified
211 individuals in this state and spends at least fifty percent (50%)
212 of its budget on services to qualified individuals in this state.
213 A charitable organization that is exempt from federal income tax
214 under Section 501(c)(3) of the Internal Revenue Code and that
215 meets all other requirements of this paragraph except that it does
216 not spend at least fifty percent (50%) of its overall budget in
217 Mississippi may be a qualifying foster care charitable
218 organization if it spends at least fifty percent (50%) of its
219 Mississippi budget on services to qualified individuals in
220 Mississippi and it certifies to the department that one hundred
221 percent (100%) of the voluntary cash contributions from the
222 taxpayer will be spent on services to qualified individuals in
223 Mississippi. For the purposes of this paragraph, "qualified
224 individual" means a child in a foster care placement program
225 established by the Department of Child Protection Services, a
226 child placed under the Safe Families for Children model, or a
227 child at significant risk of entering a foster care placement
228 program established by the Department of Child Protection
229 Services.

230 (d) "Services" means:

231 (i) Cash assistance, medical care, child care,
232 food, clothing, shelter, and job-placement services or any other



233 assistance that is reasonably necessary to meet immediate basic
234 needs and that is provided and used in this state;

235 (ii) Job-training or education services or funding
236 for parents, foster parents or guardians; or (iii)
237 Job-training or education services or funding provided as part of
238 a foster care independent living program.

239 (2) (a) Except as provided in subsections (3) and (4) of
240 this section, a credit is allowed against the taxes imposed by
241 this chapter for voluntary cash contributions by the taxpayer
242 during the taxable year to a qualifying charitable organization,
243 other than a qualifying foster care charitable organization, not
244 to exceed:

245 (* * * i) Through calendar year 2022, the lesser of
246 Four Hundred Dollars (\$400.00) or the amount of the contribution
247 in any taxable year for a single individual or a head of
248 household; and for calendar year 2023 and each calendar year
249 thereafter, the lesser of One Thousand Two Hundred Dollars
250 (\$1,200.00) or the amount of the contribution in any taxable year
251 for a single individual or a head of household.

252 (* * * ii) Through calendar year 2022, the lesser of
253 Eight Hundred Dollars (\$800.00) or the amount of the contribution
254 in any taxable year for a married couple filing a joint return;
255 and for calendar year 2023 and each calendar year thereafter, the
256 lesser of Two Thousand Four Hundred Dollars (\$2,400.00) or the



257 amount of the contribution in any taxable year for a married
258 couple filing a joint return.

259 (b) From and after January 1, 2023, a credit is also
260 allowed against ad valorem taxes assessed and levied on real
261 property for voluntary cash contributions made by the individual
262 taxpayer during the taxable year to a qualifying charitable
263 organization, other than a qualifying foster care charitable
264 organization. The amount of credit that may be utilized by a
265 taxpayer in a taxable year shall be limited to an amount not to
266 exceed fifty percent (50%) of the total tax liability of the
267 taxpayer for ad valorem taxes assessed and levied on real
268 property. Any tax credit claimed under this paragraph but not
269 used in any taxable year may be carried forward for five (5)
270 consecutive years from the close of the tax year in which the
271 credits were earned.

272 (3) (a) A separate credit is allowed against the taxes
273 imposed by this chapter for voluntary cash contributions during
274 the taxable year to a qualifying foster care charitable
275 organization. A contribution to a qualifying foster care
276 charitable organization does not qualify for, and shall not be
277 included in, any credit amount under subsection (2) of this
278 section. If the voluntary cash contribution by the taxpayer is to
279 a qualifying foster care charitable organization, the credit shall
280 not exceed:



281 (* * *i) Through calendar year 2022, the lesser of
282 Five Hundred Dollars (\$500.00) or the amount of the contribution
283 in any taxable year for a single individual or a head of
284 household; and for calendar year 2023 and each calendar year
285 thereafter, the lesser of One Thousand Five Hundred Dollars
286 (\$1,500.00) or the amount of the contribution in any taxable year
287 for a single individual or a head of household.

288 (* * *ii) Through calendar year 2022, the lesser of
289 One Thousand Dollars (\$1,000.00) or the amount of the contribution
290 in any taxable year for a married couple filing a joint return;
291 and for calendar year 2023 and each calendar year thereafter, the
292 lesser of Three Thousand Dollars (\$3,000.00) or the amount of the
293 contribution in any taxable year for a married couple filing a
294 joint return.

295 (b) From and after January 1, 2023, a credit is also
296 allowed against ad valorem taxes assessed and levied on real
297 property for voluntary cash contributions made by the individual
298 taxpayer during the taxable year to a qualifying foster care
299 charitable organization. The amount of credit that may be
300 utilized by a taxpayer in a taxable year shall be limited to an
301 amount not to exceed fifty percent (50%) of the total tax
302 liability of the taxpayer for ad valorem taxes assessed and levied
303 on real property. Any tax credit claimed under this paragraph but
304 not used in any taxable year may be carried forward for five (5)



305 consecutive years from the close of the tax year in which the
306 credits were earned.

307 (4) Subsections (2) and (3) of this section provide separate
308 credits against taxes imposed by this chapter depending on the
309 recipients of the contributions. A taxpayer, including a married
310 couple filing a joint return, in the same taxable year, may either
311 or both:

312 (a) Contribute to a qualifying charitable organization,
313 other than a qualifying foster care charitable organization, and
314 claim a credit under subsection (2) of this section.

315 (b) Contribute to a qualifying foster care charitable
316 organization and claim a credit under subsection (3) of this
317 section.

318 (5) A husband and wife who file separate returns for a
319 taxable year in which they could have filed a joint return may
320 each claim only one-half (1/2) of the tax credit that would have
321 been allowed for a joint return.

322 (6) Except as otherwise provided in subsections (2) and (3)
323 of this section, if the allowable tax credit exceeds the taxes
324 otherwise due under this chapter on the claimant's income, or if
325 there are no taxes due under this chapter, the taxpayer may carry
326 forward the amount of the claim not used to offset the taxes under
327 this chapter for not more than five (5) consecutive taxable years'
328 income tax liability.



329 (7) The credit allowed by this section is in lieu of a
330 deduction pursuant to Section 170 of the Internal Revenue Code and
331 taken for state tax purposes.

332 (8) Taxpayers taking a credit authorized by this section
333 shall provide the name of the qualifying charitable organization
334 and the amount of the contribution to the department on forms
335 provided by the department.

336 (9) A qualifying charitable organization shall provide the
337 department with a written certification that it meets all criteria
338 to be considered a qualifying charitable organization. The
339 organization shall also notify the department of any changes that
340 may affect the qualifications under this section.

341 (10) The charitable organization's written certification
342 must be signed by an officer of the organization under penalty of
343 perjury. The written certification shall include the following:

344 (a) Verification of the organization's status under
345 Section 501(c)(3) of the Internal Revenue Code or verification
346 that the organization is a designated community action agency that
347 receives community services block grant program monies pursuant to
348 42 USC 9901.

349 (b) Financial data indicating the organization's budget
350 for the organization's prior operating year and the amount of that
351 budget spent on services to residents of this state who either:

352 (i) Receive temporary assistance for needy
353 families benefits;



354 (ii) Are low-income residents of this state;
355 (iii) Are children who have a chronic illness or
356 physical, intellectual, developmental or emotional disability; or
357 (iv) Are children in a foster care placement
358 program established by the Department of Child Protection
359 Services, children placed under the Safe Families for Children
360 model or children at significant risk of entering a foster care
361 placement program established by the Department of Child
362 Protection Services.

363 (c) A statement that the organization plans to continue
364 spending at least fifty percent (50%) of its budget on services to
365 residents of this state who receive temporary assistance for needy
366 families benefits, who are low-income residents of this state, who
367 are children who have a chronic illness or physical, intellectual,
368 developmental or emotional disability or who are children in a
369 foster care placement program established by the Department of
370 Child Protection Services, children placed under the Safe Families
371 for Children model or children at significant risk of entering a
372 foster care placement program established by the Department of
373 Child Protection Services. A charitable organization that is
374 exempt from federal income tax under Section 501(c)(3) of the
375 Internal Revenue Code and that meets all other requirements for a
376 qualifying charitable organization or qualifying foster care
377 charitable organization except that it does not spend at least
378 fifty percent (50%) of its overall budget in Mississippi shall



379 submit a statement that it spends at least fifty percent (50%) of
380 its Mississippi budget on services to qualified individuals in
381 Mississippi and that one hundred percent (100%) of the voluntary
382 cash contributions it receives from Mississippi taxpayers will be
383 spent on services to qualified individuals in Mississippi.

384 (d) In the case of a foster care charitable
385 organization, a statement that each operating year it provides
386 services to at least one hundred (100) qualified individuals in
387 this state.

388 (e) A statement that the organization does not provide,
389 pay for or provide coverage of abortions and does not financially
390 support any other entity that provides, pays for or provides
391 coverage of abortions.

392 (f) Any other information that the department requires
393 to administer this section.

394 (11) The department shall review each written certification
395 and determine whether the organization meets all the criteria to
396 be considered a qualifying charitable organization and notify the
397 organization of its determination. The department may also
398 periodically request recertification from the organization. The
399 department shall compile and make available to the public a list
400 of the qualifying charitable organizations.

401 (12) The aggregate amount of tax credits that may be awarded
402 under this section in any calendar year shall not exceed Three
403 Million Dollars (\$3,000,000.00). However, for calendar year 2021,



404 and for each calendar year thereafter, the aggregate amount of tax
405 credits that may be awarded under this section in any calendar
406 year shall not exceed One Million Dollars (\$1,000,000.00). In
407 addition, any tax credits not awarded under this section before
408 June 1, 2020, may be allocated during calendar year 2020 under
409 Section 27-7-22.41 for contributions by taxpayers to eligible
410 charitable organizations described in Section
411 27-7-22.41(1)(b)(ii) as provided under such section,
412 notwithstanding any limitation on the percentage of tax credits
413 that may be allocated for such contributions.

414 (13) A taxpayer shall apply for credits with the department
415 on forms prescribed by the department. In the application the
416 taxpayer shall certify to the department the dollar amount of the
417 contributions made or to be made during the calendar year. Within
418 thirty (30) days after the receipt of an application, the
419 department shall allocate credits based on the dollar amount of
420 contributions as certified in the application. However, if the
421 department cannot allocate the full amount of credits certified in
422 the application due to the limit on the aggregate amount of
423 credits that may be awarded under this section in a calendar year,
424 the department shall so notify the applicant within thirty (30)
425 days with the amount of credits, if any, that may be allocated to
426 the applicant in the calendar year. Once the department has
427 allocated credits to a taxpayer, if the contribution for which a
428 credit is allocated has not been made as of the date of the



429 allocation, then the contribution must be made not later than
430 sixty (60) days from the date of the allocation. If the
431 contribution is not made within such time period, the allocation
432 shall be cancelled and returned to the department for
433 reallocation. Upon final documentation of the contributions, if
434 the actual dollar amount of the contributions is lower than the
435 amount estimated, the department shall adjust the tax credit
436 allowed under this section.

437 (14) This section shall be repealed from and after January
438 1, 2025.

439 **SECTION 3.** (1) For the purposes of this section, the
440 following words and phrases shall have the meanings ascribed in
441 this section unless the context clearly indicates otherwise:

442 (a) "Department" means the Department of Revenue.

443 (b) "Eligible transitional home organization" means an
444 organization that is exempt from federal income taxation under
445 Section 501(c)(3) of the Internal Revenue Code that provides
446 transitional housing for homeless persons age twenty-five (25) and
447 under, homeless families and/or homeless and/or referred unwed
448 pregnant women.

449 "Eligible transitional home organization" does not include
450 any entity that provides, pays for or provides coverage of
451 abortions or that financially supports any other entity that
452 provides, pays for or provides coverage of abortions.



453 "Eligible transitional home organization" does not include
454 any entity that charges a fee for the services and/or benefits it
455 provides as an eligible transitional home organization. The
456 prohibition against charging a fee for services and/or benefits is
457 limited to services and benefits the entity provides as an
458 eligible transitional home organization and does not apply to any
459 other services and/or benefits the entity may provide to persons
460 not being served by the entity's transitional home services.

461 (c) "Transitional housing" means temporary housing the
462 purpose of which is to provide homeless persons age twenty-five
463 (25) and under, homeless families and/or homeless and/or referred
464 unwed pregnant women with temporary shelter and facilitate their
465 movement to permanent housing within an amount of time that the
466 eligible transitional home organization determines to be
467 appropriate.

468 "Transitional housing" includes a program designed by the
469 eligible transitional home organization that offers structure,
470 supervision, support, life skills, education and training as the
471 eligible transitional home organization determines to be
472 appropriate for each individual and/or family to achieve and/or
473 maintain independence.

474 (2) (a) (i) The tax credit authorized in this subsection
475 shall be available only to a taxpayer who is a business enterprise
476 engaged in commercial, industrial or professional activities and
477 operating as a corporation, limited liability company, partnership



478 or sole proprietorship. Except as otherwise provided in this
479 subsection, a credit is allowed against the taxes imposed by
480 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary
481 cash contributions made by a taxpayer during the taxable year to
482 an eligible transitional home organization. A credit is also
483 allowed against ad valorem taxes assessed and levied on real
484 property for voluntary cash contributions made by the taxpayer
485 during the taxable year to an eligible transitional home
486 organization. The amount of credit that may be utilized by a
487 taxpayer in a taxable year shall be limited to an amount not to
488 exceed fifty percent (50%) of the total tax liability of the
489 taxpayer for the taxes imposed by such sections of law and an
490 amount not to exceed fifty percent (50%) of the total tax
491 liability of the taxpayer for ad valorem taxes assessed and levied
492 on real property. Any tax credit claimed under this subsection
493 but not used in any taxable year may be carried forward for five
494 (5) consecutive years from the close of the tax year in which the
495 credits were earned.

496 (ii) A contribution to an eligible transitional
497 home organization for which a credit is claimed under this
498 subsection does not qualify for and shall not be included in any
499 credit that may be claimed under subsection (3) of this section.

500 (iii) A contribution for which a credit is claimed
501 under this subsection may not be used as a deduction by the
502 taxpayer for state income tax purposes.



503 (b) Taxpayers taking a credit authorized by this
504 subsection shall provide the name of the eligible transitional
505 home organization and the amount of the contribution to the
506 department on forms provided by the department.

507 (c) An eligible transitional home organization shall
508 provide the department with a written certification that it meets
509 all criteria to be considered an eligible transitional home
510 organization. The organization shall also notify the department
511 of any changes that may affect eligibility under this section.

512 (d) The eligible transitional home organization's
513 written certification must be signed by an officer of the
514 organization under penalty of perjury. The written certification
515 shall include the following:

516 (i) Verification of the organization's status
517 under Section 501(c)(3) of the Internal Revenue Code;

518 (ii) Information about the facilities that
519 demonstrate the applicant's ability to provide housing for
520 homeless persons age twenty-five (25) and under, homeless
521 families, and/or homeless and/or referred unwed pregnant women;

522 (iii) Sufficient materials to document the program
523 of the applicant that demonstrate that the applicant has and runs
524 a program that offers structure, supervision, support, life
525 skills, education and training as the eligible transitional home
526 organization determines to be appropriate for each individual
527 and/or family to achieve and/or maintain independence;



528 (iv) A statement that the organization does not
529 charge a fee for services or benefits provided in whole or in part
530 by its transitional housing program; and

531 (v) Any other information that the department
532 requires to administer this section.

533 (e) The department shall review each written
534 certification and determine whether the organization meets all the
535 criteria to be considered an eligible transitional home
536 organization and notify the organization of its determination.

537 The department may also periodically request recertification from
538 the organization. The department shall compile and make available
539 to the public a list of eligible transitional home organizations.

540 (f) Tax credits authorized by this subsection that are
541 earned by a partnership, limited liability company, S corporation
542 or other similar pass-through entity, shall be allocated among all
543 partners, members or shareholders, respectively, either in
544 proportion to their ownership interest in such entity or as the
545 partners, members or shareholders mutually agree as provided in an
546 executed document.

547 (g) (i) A taxpayer shall apply for credits with the
548 department on forms prescribed by the department. In the
549 application the taxpayer shall certify to the department the
550 dollar amount of the contributions made or to be made during the
551 calendar year. Within thirty (30) days after the receipt of an
552 application, the department shall allocate credits based on the



553 dollar amount of contributions as certified in the application.
554 However, if the department cannot allocate the full amount of
555 credits certified in the application due to the limit on the
556 aggregate amount of credits that may be awarded under this
557 subsection in a calendar year, the department shall so notify the
558 applicant within thirty (30) days with the amount of credits, if
559 any, that may be allocated to the applicant in the calendar year.
560 Once the department has allocated credits to a taxpayer, if the
561 contribution for which a credit is allocated has not been made as
562 of the date of the allocation, then the contribution must be made
563 not later than sixty (60) days from the date of the allocation.
564 If the contribution is not made within such time period, the
565 allocation shall be cancelled and returned to the department for
566 reallocation. Upon final documentation of the contributions, if
567 the actual dollar amount of the contributions is lower than the
568 amount estimated, the department shall adjust the tax credit
569 allowed under this subsection.

570 (ii) For the purposes of using a tax credit
571 against ad valorem taxes assessed and levied on real property, a
572 taxpayer shall present to the appropriate tax collector the tax
573 credit documentation provided to the taxpayer by the Department of
574 Revenue, and the tax collector shall apply the tax credit against
575 such ad valorem taxes. The tax collector shall forward the tax
576 credit documentation to the Department of Revenue along with the
577 amount of the tax credit applied against ad valorem taxes, and the



578 department shall disburse funds to the tax collector for the
579 amount of the tax credit applied against ad valorem taxes. Such
580 payments by the Department of Revenue shall be made from current
581 tax collections.

582 (h) The aggregate amount of tax credits that may be
583 allocated by the department under this subsection during a
584 calendar year shall not exceed Ten Million Dollars
585 (\$10,000,000.00). For credits allocated during a calendar year
586 for contributions to eligible transitional home organizations, no
587 more than twenty-five percent (25%) of such credits may be
588 allocated for contributions to a single eligible transitional home
589 organization.

590 (3) (a) (i) Except as otherwise provided in this
591 subsection, a credit is allowed against the taxes imposed by this
592 chapter for voluntary cash contributions by an individual taxpayer
593 during the taxable year to an eligible transitional home
594 organization. A credit is also allowed against ad valorem taxes
595 assessed and levied on real property for voluntary cash
596 contributions made by an individual taxpayer during the taxable
597 year to an eligible transitional home organization. The amount of
598 credit that may be utilized by a taxpayer in a taxable year shall
599 be limited to an amount not to exceed fifty percent (50%) of the
600 total tax liability of the taxpayer for the taxes imposed by this
601 chapter and an amount not to exceed fifty percent (50%) of the
602 total tax liability of the taxpayer for ad valorem taxes assessed



603 and levied on real property. Any tax credit claimed under this
604 subsection but not used in any taxable year may be carried forward
605 for five (5) consecutive years from the close of the tax year in
606 which the credits were earned.

607 (ii) A husband and wife who file separate returns
608 for a taxable year in which they could have filed a joint return
609 may each claim only one-half (1/2) of the tax credit that would
610 have been allowed for a joint return.

611 (iii) A contribution to an eligible transitional
612 home organization for which a credit is claimed under this
613 subsection does not qualify for and shall not be included in any
614 credit that may be claimed under subsection (2) of this section.

615 (iv) A contribution for which a credit is claimed
616 under this subsection may not be used as a deduction by the
617 taxpayer for state income tax purposes.

618 (b) Taxpayers taking a credit authorized by this
619 subsection shall provide the name of the eligible transitional
620 home organization and the amount of the contribution to the
621 department on forms provided by the department.

622 (c) An eligible transitional home organization shall
623 provide the department with a written certification that it meets
624 all criteria to be considered an eligible transitional home
625 organization. The organization shall also notify the department
626 of any changes that may affect eligibility under this section.



627 (d) The eligible transitional housing organization's
628 written certification must be signed by an officer of the
629 organization under penalty of perjury. The written certification
630 shall include the following:

631 (i) Verification of the organization's status
632 under Section 501(c)(3) of the Internal Revenue Code;

633 (ii) Information about the facilities that
634 demonstrate the applicant's ability to provide housing for
635 homeless persons age twenty-five (25) and under, homeless
636 families, and/or homeless and/or referred unwed pregnant women;

637 (iii) Sufficient materials to document the program
638 of the applicant that demonstrate that the applicant has and runs
639 a program that offers structure, supervision, support, life
640 skills, education and training as the eligible transitional home
641 organization determines to be appropriate for each individual
642 and/or family to achieve and/or maintain independence;

643 (iv) A statement that the organization does not
644 charge a fee for services or benefits provided in whole or in part
645 by its transitional housing program; and

646 (v) Any other information that the department
647 requires to administer this section.

648 (e) The department shall review each written
649 certification and determine whether the organization meets all the
650 criteria to be considered an eligible transitional home
651 organization and notify the organization of its determination.



652 The department may also periodically request recertification from
653 the organization. The department shall compile and make available
654 to the public a list of eligible transitional home organizations.

655 (f) (i) A taxpayer shall apply for credits with the
656 department on forms prescribed by the department. In the
657 application the taxpayer shall certify to the department the
658 dollar amount of the contributions made or to be made during the
659 calendar year. Within thirty (30) days after the receipt of an
660 application, the department shall allocate credits based on the
661 dollar amount of contributions as certified in the application.
662 However, if the department cannot allocate the full amount of
663 credits certified in the application due to the limit on the
664 aggregate amount of credits that may be awarded under this
665 subsection in a calendar year, the department shall so notify the
666 applicant within thirty (30) days with the amount of credits, if
667 any, that may be allocated to the applicant in the calendar year.
668 Once the department has allocated credits to a taxpayer, if the
669 contribution for which a credit is allocated has not been made as
670 of the date of the allocation, then the contribution must be made
671 not later than sixty (60) days from the date of the allocation.
672 If the contribution is not made within such time period, the
673 allocation shall be cancelled and returned to the department for
674 reallocation. Upon final documentation of the contributions, if
675 the actual dollar amount of the contributions is lower than the



676 amount estimated, the department shall adjust the tax credit
677 allowed under this subsection.

678 (ii) For the purposes of using a tax credit
679 against ad valorem taxes assessed and levied on real property, a
680 taxpayer shall present to the appropriate tax collector the tax
681 credit documentation provided to the taxpayer by the Department of
682 Revenue, and the tax collector shall apply the tax credit against
683 such ad valorem taxes. The tax collector shall forward the tax
684 credit documentation to the Department of Revenue along with the
685 amount of the tax credit applied against ad valorem taxes, and the
686 department shall disburse funds to the tax collector for the
687 amount of the tax credit applied against ad valorem taxes. Such
688 payments by the Department of Revenue shall be made from current
689 tax collections.

690 (g) The aggregate amount of tax credits that may be
691 allocated by the department under this subsection during a
692 calendar year shall not exceed One Million Dollars
693 (\$1,000,000.00).

694 **SECTION 4.** (1) (a) For the purposes of this section, the
695 following words and phrases shall have the meanings ascribed in
696 this section unless the context clearly indicates otherwise:

697 (i) "Department" means the Department of Revenue.

698 (ii) "Eligible charitable organization" means an
699 organization that is exempt from federal income taxation under
700 Section 501(c)(3) of the Internal Revenue Code and spends at least



701 fifty percent (50%) of its budget on contracting or making other
702 agreements or arrangements with physicians and/or nurse
703 practitioners to provide health care services to low-income
704 residents of this state including those who are mothers and to
705 their households.

706 "Eligible charitable organization" does not include any
707 entity that provides, pays for or provides coverage of abortions
708 or that financially supports any other entity that provides, pays
709 for or provides coverage of abortions.

710 (iii) "Low-income residents" means persons whose
711 household income does not exceed one hundred eighty-five percent
712 (185%) of the federal poverty level converted to a modified
713 adjusted gross income equivalent standard.

714 (iv) "Nurse practitioner" means a nurse
715 practitioner certified under Section 73-15-20, Mississippi Code of
716 1972.

717 (v) "Physician" means an individual licensed to
718 practice medicine or osteopathic medicine under Section 73-25-1 et
719 seq., Mississippi Code of 1972.

720 (2) (a) (i) The tax credit authorized in this subsection
721 shall be available only to a taxpayer who is a business enterprise
722 engaged in commercial, industrial or professional activities and
723 operating as a corporation, limited liability company, partnership
724 or sole proprietorship. Except as otherwise provided in this
725 subsection, a credit is allowed against the taxes imposed by



726 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary
727 cash contributions made by a taxpayer during the taxable year to
728 an eligible charitable organization. A credit is also allowed
729 against ad valorem taxes assessed and levied on real property for
730 voluntary cash contributions made by the taxpayer during the
731 taxable year to an eligible charitable organization. The amount
732 of credit that may be utilized by a taxpayer in a taxable year
733 shall be limited to an amount not to exceed fifty percent (50%) of
734 the total tax liability of the taxpayer for the taxes imposed by
735 such sections of law and an amount not to exceed fifty percent
736 (50%) of the total tax liability of the taxpayer for ad valorem
737 taxes assessed and levied on real property. Any tax credit
738 claimed under this subsection but not used in any taxable year may
739 be carried forward for five (5) consecutive years from the close
740 of the tax year in which the credits were earned.

741 (ii) A contribution to an eligible charitable
742 organization for which a credit is claimed under this subsection
743 does not qualify for and shall not be included in any credit that
744 may be claimed under subsection (3) of this section.

745 (iii) A contribution for which a credit is claimed
746 under this subsection may not be used as a deduction by the
747 taxpayer for state income tax purposes.

748 (b) Taxpayers taking a credit authorized by this
749 subsection shall provide the name of the eligible charitable



750 organization and the amount of the contribution to the department
751 on forms provided by the department.

752 (c) An eligible charitable organization shall provide
753 the department with a written certification that it meets all
754 criteria to be considered an eligible charitable organization.
755 The organization shall also notify the department of any changes
756 that may affect eligibility under this subsection.

757 (d) The eligible charitable organization's written
758 certification must be signed by an officer of the organization
759 under penalty of perjury. The written certification shall include
760 the following:

761 (i) Verification of the organization's status
762 under Section 501(c)(3) of the Internal Revenue Code;

763 (ii) A statement that the organization does not
764 provide, pay for or provide coverage of abortions and does not
765 financially support any other entity that provides, pays for or
766 provides coverage of abortions;

767 (iii) Any other information that the department
768 requires to administer this subsection.

769 (e) The department shall review each written
770 certification and determine whether the organization meets all the
771 criteria to be considered an eligible charitable organization and
772 notify the organization of its determination. The department may
773 also periodically request recertification from the organization.



774 The department shall compile and make available to the public a
775 list of eligible charitable organizations.

776 (f) Tax credits authorized by this subsection that are
777 earned by a partnership, limited liability company, S corporation
778 or other similar pass-through entity, shall be allocated among all
779 partners, members or shareholders, respectively, either in
780 proportion to their ownership interest in such entity or as the
781 partners, members or shareholders mutually agree as provided in an
782 executed document.

783 (g) (i) A taxpayer shall apply for credits with the
784 department on forms prescribed by the department. In the
785 application the taxpayer shall certify to the department the
786 dollar amount of the contributions made or to be made during the
787 calendar year. Within thirty (30) days after the receipt of an
788 application, the department shall allocate credits based on the
789 dollar amount of contributions as certified in the application.
790 However, if the department cannot allocate the full amount of
791 credits certified in the application due to the limit on the
792 aggregate amount of credits that may be awarded under this
793 subsection in a calendar year, the department shall so notify the
794 applicant within thirty (30) days with the amount of credits, if
795 any, that may be allocated to the applicant in the calendar year.
796 Once the department has allocated credits to a taxpayer, if the
797 contribution for which a credit is allocated has not been made as
798 of the date of the allocation, then the contribution must be made



799 not later than sixty (60) days from the date of the allocation.
800 If the contribution is not made within such time period, the
801 allocation shall be cancelled and returned to the department for
802 reallocation. Upon final documentation of the contributions, if
803 the actual dollar amount of the contributions is lower than the
804 amount estimated, the department shall adjust the tax credit
805 allowed under this subsection.

806 (ii) For the purposes of using a tax credit
807 against ad valorem taxes assessed and levied on real property, a
808 taxpayer shall present to the appropriate tax collector the tax
809 credit documentation provided to the taxpayer by the Department of
810 Revenue, and the tax collector shall apply the tax credit against
811 such ad valorem taxes. The tax collector shall forward the tax
812 credit documentation to the Department of Revenue along with the
813 amount of the tax credit applied against ad valorem taxes, and the
814 department shall disburse funds to the tax collector for the
815 amount of the tax credit applied against ad valorem taxes. Such
816 payments by the Department of Revenue shall be made from current
817 tax collections.

818 (h) The aggregate amount of tax credits that may be
819 allocated by the department under this subsection during a
820 calendar year shall not exceed Three Million Dollars
821 (\$3,000,000.00).

822 (3) (a) (i) Except as otherwise provided in this
823 subsection, a credit is allowed against the taxes imposed by this



824 chapter for voluntary cash contributions by an individual taxpayer
825 during the taxable year to an eligible charitable organization. A
826 credit is also allowed against ad valorem taxes assessed and
827 levied on real property for voluntary cash contributions made by
828 the taxpayer during the taxable year to an eligible charitable
829 organization. The amount of credit that may be utilized by a
830 taxpayer in a taxable year shall be limited to an amount not to
831 exceed fifty percent (50%) of the total tax liability of the
832 taxpayer for the taxes imposed by this chapter and an amount not
833 to exceed fifty percent (50%) of the total tax liability of the
834 taxpayer for ad valorem taxes assessed and levied on real
835 property. Any tax credit claimed under this subsection but not
836 used in any taxable year may be carried forward for five (5)
837 consecutive years from the close of the tax year in which the
838 credits were earned.

839 (ii) A husband and wife who file separate returns
840 for a taxable year in which they could have filed a joint return
841 may each claim only one-half (1/2) of the tax credit that would
842 have been allowed for a joint return.

843 (iii) A contribution to an eligible charitable
844 organization for which a credit is claimed under this subsection
845 does not qualify for and shall not be included in any credit that
846 may be claimed under subsection (2) of this section.



847 (iv) A contribution for which a credit is claimed
848 under this subsection may not be used as a deduction by the
849 taxpayer for state income tax purposes.

850 (b) Taxpayers taking a credit authorized by this
851 subsection shall provide the name of the eligible charitable
852 organization and the amount of the contribution to the department
853 on forms provided by the department.

854 (c) An eligible charitable organization shall provide
855 the department with a written certification that it meets all
856 criteria to be considered an eligible charitable organization.
857 The organization shall also notify the department of any changes
858 that may affect eligibility under this subsection.

859 (d) The eligible charitable organization's written
860 certification must be signed by an officer of the organization
861 under penalty of perjury. The written certification shall include
862 the following:

863 (i) Verification of the organization's status
864 under Section 501(c)(3) of the Internal Revenue Code;

865 (ii) A statement that the organization does not
866 provide, pay for or provide coverage of abortions and does not
867 financially support any other entity that provides, pays for or
868 provides coverage of abortions;

869 (iii) Any other information that the department
870 requires to administer this subsection.



871 (e) The department shall review each written
872 certification and determine whether the organization meets all the
873 criteria to be considered an eligible charitable organization and
874 notify the organization of its determination. The department may
875 also periodically request recertification from the organization.
876 The department shall compile and make available to the public a
877 list of eligible charitable organizations.

878 (f) (i) A taxpayer shall apply for credits with the
879 department on forms prescribed by the department. In the
880 application the taxpayer shall certify to the department the
881 dollar amount of the contributions made or to be made during the
882 calendar year. Within thirty (30) days after the receipt of an
883 application, the department shall allocate credits based on the
884 dollar amount of contributions as certified in the application.
885 However, if the department cannot allocate the full amount of
886 credits certified in the application due to the limit on the
887 aggregate amount of credits that may be awarded under this
888 subsection in a calendar year, the department shall so notify the
889 applicant within thirty (30) days with the amount of credits, if
890 any, that may be allocated to the applicant in the calendar year.
891 Once the department has allocated credits to a taxpayer, if the
892 contribution for which a credit is allocated has not been made as
893 of the date of the allocation, then the contribution must be made
894 not later than sixty (60) days from the date of the allocation.
895 If the contribution is not made within such time period, the



896 allocation shall be cancelled and returned to the department for
897 reallocation. Upon final documentation of the contributions, if
898 the actual dollar amount of the contributions is lower than the
899 amount estimated, the department shall adjust the tax credit
900 allowed under this subsection.

901 (ii) For the purposes of using a tax credit
902 against ad valorem taxes assessed and levied on real property, a
903 taxpayer shall present to the appropriate tax collector the tax
904 credit documentation provided to the taxpayer by the Department of
905 Revenue, and the tax collector shall apply the tax credit against
906 such ad valorem taxes. The tax collector shall forward the tax
907 credit documentation to the Department of Revenue along with the
908 amount of the tax credit applied against ad valorem taxes, and the
909 department shall disburse funds to the tax collector for the
910 amount of the tax credit applied against ad valorem taxes. Such
911 payments by the Department of Revenue shall be made from current
912 tax collections.

913 (g) The aggregate amount of tax credits that may be
914 allocated by the department under this subsection during a
915 calendar year shall not exceed One Million Dollars
916 (\$1,000,000.00).

917 **SECTION 5.** (1) As used in this section, the following words
918 and phrases shall have the meanings ascribed in this section
919 unless the context clearly indicates otherwise:



920 (a) "Employment-related expenses" means and has the
921 same definition as such term has in 26 USCS Section 21.

922 (b) "Qualifying individual" means and has the same
923 definition as such term has in 26 USCS Section 21(b)(1)(A).

924 (2) Subject to the provisions of this section, any taxpayer
925 allowed to claim a federal income tax credit under 26 USCS Section
926 21 for employment-related expenses incurred related to one (1) or
927 more qualifying individuals shall be allowed a credit against the
928 taxes imposed under this chapter in the manner prescribed in this
929 section. The amount of the credit shall be equal to twenty-five
930 percent (25%) of the amount of the federal income tax credit
931 lawfully claimed by the taxpayer for such employment-related
932 expenses on the taxpayer's federal income tax return. However,
933 the amount of credit that may be utilized by a taxpayer in a
934 taxable year shall be limited to an amount not to exceed the total
935 tax liability of the taxpayer for the taxes imposed under this
936 chapter. In order to claim the credit provided for in this
937 section, a taxpayer must claim the federal income tax credit on
938 the taxpayer's federal income tax return and have an adjusted
939 gross income for such return of not more than Fifty Thousand
940 Dollars (\$50,000.00). A taxpayer must provide a copy of such
941 return and any other information required by the department.

942 **SECTION 6.** Sections 3, 4, and 5 of this act shall be
943 codified as new sections in Chapter 7, Title 27, Mississippi Code
944 of 1972.



945 **SECTION 7.** Nothing in this act shall affect or defeat any
946 claim, assessment, appeal, suit, right or cause of action for
947 taxes due or accrued under the income tax laws, insurance premium
948 tax laws or ad valorem tax laws before the date on which this act
949 becomes effective, whether such claims, assessments, appeals,
950 suits or actions have been begun before the date on which this act
951 becomes effective or are begun thereafter; and the provisions of
952 the income tax laws, insurance premium tax laws and ad valorem tax
953 laws are expressly continued in full force, effect and operation
954 for the purpose of the assessment, collection and enrollment of
955 liens for any taxes due or accrued and the execution of any
956 warrant under such laws before the date on which this act becomes
957 effective, and for the imposition of any penalties, forfeitures or
958 claims for failure to comply with such laws.

959 **SECTION 8.** This act shall take effect and be in force from
960 and after January 1, 2023.

