

By: Representative Lamar

To: Ways and Means

HOUSE BILL NO. 1642

1 AN ACT TO BRING FORWARD SECTIONS 27-7-22, 27-7-22.3,  
 2 27-7-22.5, 27-7-22.7, 27-7-22.13, 27-7-22.15, 27-7-22.16,  
 3 27-7-22.17, 27-7-22.18, 27-7-22.19, 27-7-22.20, 27-7-22.21,  
 4 27-7-22.22, 27-7-22.23, 27-7-22.25, 27-7-22.27,  
 5 27-7-22.28, 27-7-22.29, 27-7-22.30, 27-7-22.31, 27-7-22.32,  
 6 27-7-22.33, 27-7-22.34, 27-7-22.35, 27-7-22.36, 27-7-22.37,  
 7 27-7-22.39, 27-7-22.40, 27-7-22.41, 27-7-22.42, 27-7-22.43,  
 8 27-7-22.44, 27-7-22.45, 27-7-22.46, 27-7-22.47, 27-7-22.48,  
 9 27-7-22.49, 27-7-205, 27-7-207, 27-7-209, 57-73-21, 57-73-23,  
 10 57-87-5, 57-87-7, 57-105-1, 57-10-409, 57-114-3, 57-114-7,  
 11 57-114-9, 57-115-3 AND 57-115-5, MISSISSIPPI CODE OF 1972, WHICH  
 12 AUTHORIZE VARIOUS TAX CREDITS, FOR THE PURPOSES OF POSSIBLE  
 13 AMENDMENT; AND FOR RELATED PURPOSES.

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

15 **SECTION 1.** Section 27-7-22, Mississippi Code of 1972, is  
 16 brought forward as follows:

17 27-7-22. (1) For any qualified business, as defined in  
 18 Section 57-51-5, which is located in a county, or portion thereof,  
 19 designated as an enterprise zone pursuant to Title 57, Chapter 51,  
 20 Mississippi Code of 1972, there shall be allowed as a credit  
 21 against the tax imposed by this chapter, an amount equal to One  
 22 Thousand Dollars (\$1,000.00) per net full-time employee as  
 23 determined by the average annual employment of the business



24 reported to the Employment Security Commission. Such credit shall  
25 be allowed annually to each qualified business for a period not to  
26 exceed ten (10) years. If the amount allowable as a credit  
27 exceeds the tax imposed by this chapter, the amount of such excess  
28 shall not be refundable or carried forward to any other taxable  
29 year.

30 For the purpose of determining the credit allowed to a  
31 qualified business which is an existing trade or business having  
32 expanded its buildings and facilities, the number of net full-time  
33 employees shall be the difference between the average annual  
34 employment of such business before and after such expansion.

35 If the Mississippi Enterprise Zone Act is repealed, any  
36 qualified business which had been granted a tax credit under this  
37 subsection prior to the date of such repeal shall be entitled to  
38 such tax credit until the period for which it was granted expires.

39 (2) For any qualified business, as defined in Section  
40 57-54-5, there shall be allowed as a credit against the tax  
41 imposed by this chapter, an amount equal to One Thousand Dollars  
42 (\$1,000.00) per net full-time employee as determined by the  
43 average annual employment of the business reported to the  
44 Employment Security Commission. Such credit shall be allowed  
45 annually to each qualified business for a period not to exceed ten  
46 (10) years. If the amount allowable as a credit exceeds the tax  
47 imposed by this chapter, the amount of such excess shall not be  
48 refundable or carried forward to any other taxable year.



49 For the purpose of determining the credit allowed to a  
50 qualified business which is an existing trade or business having  
51 expanded its buildings and facilities, the number of net full-time  
52 employees shall be the difference between the average annual  
53 employment of such business before and after such expansion.

54 If the Mississippi Advanced Technology Initiative Act is  
55 repealed, any qualified business which had been granted a tax  
56 credit under this subsection prior to the date of such repeal  
57 shall be entitled to such tax credit until the period for which it  
58 was granted expires.

59 (3) For any qualified company, certified as such by the  
60 Mississippi Board of Economic Development under Section 57-53-1,  
61 there shall be allowed as a credit against the tax imposed by this  
62 chapter, an amount equal to One Thousand Dollars (\$1,000.00) per  
63 net full-time employee in this state, provided there is a minimum  
64 of seventy-five (75) net full-time employees, as determined by the  
65 average annual employment of the company in this state reported to  
66 the Employment Security Commission. Such credit shall be allowed  
67 annually to each qualified company for a period not to exceed ten  
68 (10) years. If the amount allowable as a credit exceeds the tax  
69 imposed by this chapter, the amount of such excess shall not be  
70 refundable or carried forward to any other taxable year.

71 For the purpose of determining the credit allowed to a  
72 qualified company which has expanded its existing buildings and  
73 facilities, the number of net full-time employees shall be the



74 difference between the average annual employment of such company  
75 before and after such expansion.

76 (4) For any qualified business or industry which is  
77 certified as such by the Mississippi Board of Economic Development  
78 pursuant to the Mississippi Flexible Tax Incentive Act and awarded  
79 any mFlex tax incentive amount for such qualified business's or  
80 industry's qualified economic development project, there shall be  
81 allowed as a credit against the tax imposed by this chapter, an  
82 amount prescribed by, and subject to, the Mississippi Flexible Tax  
83 Incentive Act.

84 **SECTION 2.** Section 27-7-22.3, Mississippi Code of 1972, is  
85 brought forward as follows:

86 **[In cases involving an economic development project for which**  
87 **the Mississippi Business Finance Corporation has issued bonds for**  
88 **the purpose of financing the approved costs of such project prior**  
89 **to July 1, 1994, this section shall read as follows:]**

90 27-7-22.3. (1) For taxpayers who are required to pay a job  
91 assessment fee as provided in Section 57-10-413, there shall be  
92 allowed as a credit against the taxes imposed by this chapter, an  
93 amount equal to the amount of the job assessment fee imposed upon  
94 such taxpayer pursuant to Section 57-10-413. If the amount  
95 allowable as a credit exceeds the tax imposed by this article and  
96 Section 27-7-22.3, the amount of such excess shall not be  
97 refundable or carried forward to any other taxable year.



98           (2) For any approved company as defined in Section  
99 57-10-401, there shall be allowed against the taxes imposed by  
100 this chapter on the income of the approved company generated by or  
101 arising out of the economic development project (as defined in  
102 Section 57-10-401), a credit in an amount not to exceed the total  
103 debt service paid under a financing agreement entered into under  
104 Section 57-10-409. The tax credit allowed in this subsection  
105 shall not exceed the amount of taxes due the State of Mississippi.

106           **[In cases involving an economic development project for which**  
107 **the Mississippi Business Finance Corporation has not issued bonds**  
108 **for the purpose of financing the approved costs of such project**  
109 **prior to July 1, 1994, but has issued bonds for such project prior**  
110 **to July 1, 1997, or in cases involving an economic development**  
111 **project which has been induced by a resolution of the Board of**  
112 **Directors of the Mississippi Business Finance Corporation that has**  
113 **been filed with the State Tax Commission prior to July 1, 1997,**  
114 **this section shall read as follows:]**

115           27-7-22.3. (1) For taxpayers who are required to pay a job  
116 assessment fee as provided in Section 57-10-413, there shall be  
117 allowed as a credit against the taxes imposed by this chapter, an  
118 amount equal to the amount of the job assessment fee imposed upon  
119 such taxpayer pursuant to Section 57-10-413. If the amount  
120 allowable as a credit exceeds the tax imposed by this article and  
121 Section 27-7-22.3, the amount of such excess shall not be  
122 refundable or carried forward to any other taxable year.



123           (2) For any approved company as defined in Section  
124 57-10-401, there shall be allowed against the taxes imposed by  
125 this chapter on the income of the approved company generated by or  
126 arising out of the economic development project (as defined in  
127 Section 57-10-401), a credit in an amount not to exceed the total  
128 debt service paid under a financing agreement entered into under  
129 Section 57-10-409. The tax credit allowed in this subsection  
130 shall not exceed the amount of taxes due the State of Mississippi.  
131 The amount of income of the approved company generated by or  
132 arising out of the economic development project shall be  
133 determined by a formula adopted by the Mississippi Business  
134 Finance Corporation.

135           **[In cases involving an economic development project for which**  
136 **the Mississippi Business Finance Corporation has not issued bonds**  
137 **for the purpose of financing the approved costs of such project**  
138 **prior to July 1, 1997, or in cases involving an economic**  
139 **development project which has not been induced by a resolution of**  
140 **the Board of Directors of the Mississippi Business Finance**  
141 **Corporation that has been filed with the State Tax Commission**  
142 **prior to July 1, 1997, this section shall read as follows:]**

143           27-7-22.3. For any approved company as defined in Section  
144 57-10-401, there shall be allowed against the taxes imposed by  
145 this chapter on the income of the approved company generated by or  
146 arising out of the economic development project (as defined in  
147 Section 57-10-401), a credit in an amount not to exceed the total



148 debt service paid under a financing agreement entered into under  
149 Section 57-10-409; provided, however, that the tax credit allowed  
150 in this subsection shall not exceed eighty percent (80%) of the  
151 amount of taxes due the State of Mississippi prior to the  
152 application of the credit. To the extent that financing agreement  
153 annual payments exceed the amount of the credit authorized  
154 pursuant to this section in any taxable year, such excess payment  
155 may be recouped from excess credits in succeeding years not to  
156 exceed three (3) years following the date upon which the credit  
157 was earned. The amount of income of the approved company  
158 generated by or arising out of the economic development project  
159 shall be determined by a formula adopted by the Mississippi  
160 Business Finance Corporation.

161       **SECTION 3.** Section 27-7-22.5, Mississippi Code of 1972, is  
162 brought forward as follows:

163       27-7-22.5. (1) (a) For any manufacturer, distributor,  
164 wholesale or retail merchant who pays to a county, municipality,  
165 school district, levee district or any other taxing authority of  
166 the state or a political subdivision thereof, ad valorem taxes  
167 imposed on commodities, raw materials, works-in-process, products,  
168 goods, wares and merchandise held for resale, a credit against the  
169 income taxes imposed under this chapter shall be allowed for the  
170 portion of the ad valorem taxes so paid in the amounts prescribed  
171 in subsection (2).



172           (b) (i) For any person, firm or corporation who pays  
173 to a county, municipality, school district, levee district or any  
174 other taxing authority of the state or a political subdivision  
175 thereof, ad valorem taxes imposed on rental equipment, a credit  
176 against the income taxes imposed under this chapter shall be  
177 allowed for the portion of the ad valorem taxes so paid in the  
178 amounts prescribed in subsection (2).

179           (ii) As used in this paragraph, "rental equipment"  
180 means any rental equipment or other rental items which are held  
181 for short-term rental to the public:

- 182                     1. Under rental agreements with no specific  
183 term;
- 184                     2. Under at-will or open-ended agreements; or
- 185                     3. Under rental agreements with terms  
186 ordinarily of less than three hundred sixty-five (365) days; and
- 187                     4. Is not subject to privilege taxes imposed  
188 in Chapter 19, Title 27, Mississippi Code of 1972.

189           (c) The tax credit allowed by this section may not be  
190 claimed by a taxpayer that is a medical cannabis establishment as  
191 defined in the Mississippi Medical Cannabis Act.

192           (2) The tax credit allowed by this section shall not exceed  
193 the amounts set forth in paragraphs (a) through (g) of this  
194 subsection; and may be claimed for each location where such  
195 commodities, raw material, works-in-process, products, goods,  
196 wares, merchandise and/or rental equipment are found and upon





197 which the ad valorem taxes have been paid. Any tax credit claimed  
198 under this section but not used in any taxable year may be carried  
199 forward for five (5) consecutive years from the close of the tax  
200 year in which the credit was earned.

201 (a) For the 1994 taxable year, the tax credit for each  
202 location of the taxpayer shall not exceed the lesser of Two  
203 Thousand Dollars (\$2,000.00) or the amount of income taxes due the  
204 State of Mississippi that are attributable to such location.

205 (b) For the 1995 taxable year, the tax credit for each  
206 location of the taxpayer shall not exceed the lesser of Three  
207 Thousand Dollars (\$3,000.00) or the amount of income taxes due the  
208 State of Mississippi that are attributable to such location.

209 (c) For the 1996 taxable year, the tax credit for each  
210 location of the taxpayer shall not exceed the lesser of Four  
211 Thousand Dollars (\$4,000.00) or the amount of income taxes due the  
212 State of Mississippi that are attributable to such location.

213 (d) For the 1997 taxable year and each taxable year  
214 thereafter through taxable year 2013, the tax credit for each  
215 location of the taxpayer shall not exceed the lesser of Five  
216 Thousand Dollars (\$5,000.00) or the amount of income taxes due the  
217 State of Mississippi that are attributable to such location.

218 (e) For the 2014 taxable year, the tax credit for each  
219 location of the taxpayer shall not exceed the lesser of Ten  
220 Thousand Dollars (\$10,000.00) or the amount of income taxes due  
221 the State of Mississippi that are attributable to such location.



222 (f) For the 2015 taxable year, the tax credit for each  
223 location of the taxpayer shall not exceed the lesser of Fifteen  
224 Thousand Dollars (\$15,000.00) or the amount of income taxes due  
225 the State of Mississippi that are attributable to such location.

226 (g) For the 2016 taxable year and each taxable year  
227 thereafter, the tax credit of the taxpayer shall be the lesser of  
228 the amount of the ad valorem taxes described in subsection (1)  
229 paid or the amount of income taxes due the State of Mississippi  
230 that are attributable to such location.

231 (3) Any amount of ad valorem taxes paid by a taxpayer that  
232 is applied toward the tax credit allowed in this section may not  
233 be used as a deduction by the taxpayer for state income tax  
234 purposes. In the case of a taxpayer that is a partnership,  
235 limited liability company or S corporation, the credit may be  
236 applied only to the tax attributable to partnership, limited  
237 liability company or S corporation income derived from the  
238 taxpayer.

239 **SECTION 4.** Section 27-7-22.7, Mississippi Code of 1972, is  
240 brought forward as follows:

241 27-7-22.7. (1) As used in this section, the term "port"  
242 means a state, county or municipal port or harbor established  
243 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
244 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
245 59-11-1 through 59-11-7.



246 (2) For any income taxpayer utilizing the port facilities at  
247 any port for the export of cargo that is loaded on a carrier  
248 calling at any such port, a credit against the taxes imposed  
249 pursuant to this chapter shall be allowed in the amounts provided  
250 in this section.

251 (3) Except as otherwise provided by subsection (5) of this  
252 section, the amount of the credit allowed pursuant to this section  
253 shall be the total of the following charges on export cargo paid  
254 by the corporation:

- 255 (a) Receiving into the port;
- 256 (b) Handling to a vessel; and
- 257 (c) Wharfage.

258 (4) The credit provided for in this section shall not exceed  
259 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
260 for the taxable year reduced by the sum of all other credits  
261 allowable to such taxpayer under this chapter, except credit for  
262 tax payments made by or on behalf of the taxpayer. Any unused  
263 portion of the credit may be carried forward for the succeeding  
264 five (5) years. The maximum cumulative credit that may be claimed  
265 by a taxpayer pursuant to this section and for the period of time  
266 beginning on January 1, 1994, and ending on December 31, 2005, is  
267 limited to One Million Two Hundred Thousand Dollars  
268 (\$1,200,000.00).

269 (5) To obtain the credit provided for in this section, a  
270 taxpayer must provide to the Department of Revenue a statement



271 from the governing authority of the port certifying the amount of  
272 charges paid by the taxpayer for which a credit is claimed and any  
273 other information required by the Department of Revenue.

274 (6) The purpose of the tax credit provided for in this  
275 section is to promote the increased use of ports and related  
276 facilities in this state, particularly by those taxpayers which  
277 would not otherwise use such ports and related facilities without  
278 the benefit of such tax credit, and increase the number of port  
279 related jobs and other economic development benefits associated  
280 with the increased use of such ports and related facilities. It  
281 is the intent of the Legislature that in determining whether or  
282 not such tax credit will be continued in future years, the  
283 attainment of the purposes set forth in this subsection must be  
284 demonstrated by the material contained in the reports prepared by  
285 the Mississippi Development Authority under Section 27-7-22.9.

286 **SECTION 5.** Section 27-7-22.13, Mississippi Code of 1972, is  
287 brought forward as follows:

288 27-7-22.13. (1) For the purposes of this section, the term  
289 "financial institution" shall have the meaning set forth in  
290 Section 27-7-24.1(h) (i), (ii), (iii), (iv), or (viii).

291 (2) There shall be allowed to a Mississippi employer which  
292 is a financial institution a credit against the income taxes  
293 imposed under this chapter based upon the net gain, if any, in the  
294 number of employees of the financial institution in connection  
295 with one of the following transactions:



296 (a) The merger or consolidation of a Mississippi  
297 financial institution with an out-of-state financial institution;

298 (b) The purchase by a Mississippi domiciled financial  
299 institution of all or substantially all of the assets (including  
300 all or substantially all of the branches) of an out-of-state  
301 financial institution;

302 (c) The purchase by an out-of-state financial  
303 institution of all or substantially all of the assets (including  
304 all or substantially all of the branches) of a Mississippi  
305 domiciled financial institution;

306 (d) The purchase by a Mississippi domiciled financial  
307 institution of all or substantially all of the assets (including  
308 all or substantially all of the branches) of an out-of-state  
309 financial institution in a state other than the State of  
310 Mississippi even though:

311 (i) Two (2) or more financial institutions are not  
312 merged or consolidated; or

313 (ii) All or substantially all of the assets of the  
314 financial institution are not purchased; or

315 (e) The purchase by an out-of-state financial  
316 institution of all or substantially all of the assets (including  
317 all or substantially all of the branches) in the State of  
318 Mississippi of a financial institution even though:

319 (i) Two (2) or more financial institutions are not  
320 merged or consolidated; or



321 (ii) All or substantially all of the assets of the  
322 financial institution are not purchased.

323 (3) The net gain, if any, in the number of employees shall  
324 be determined by a comparison of:

325 (a) The number of employees listed on the Employer's  
326 Quarterly Contribution Report filed with the Mississippi  
327 Employment Security Commission by the financial institution for  
328 the month the transaction was completed; and

329 (b) The number of employees listed on the Employer's  
330 Quarterly Contribution Report filed with the Mississippi  
331 Employment Security Commission by the financial institution for  
332 the same month one (1) year following completion of the  
333 transaction, exclusive of the number of employees gained in  
334 connection with intervening transactions.

335 (4) The base amount of the credit provided in this section  
336 shall be equal to the net gain in the number of employees  
337 multiplied by One Thousand Five Hundred Dollars (\$1,500.00). The  
338 financial institution may claim as a credit against income tax an  
339 amount equal to one hundred percent (100%) of the base amount in  
340 the tax year the determination is made, eighty percent (80%) in  
341 the next year, sixty percent (60%) in the third year, forty  
342 percent (40%) in the fourth year and twenty percent (20%) in the  
343 fifth year. The credit allowed by this section shall not exceed  
344 the amount of the taxes due to the State of Mississippi by the  
345 financial institution. Any amount allowable as a credit pursuant



346 to this section that exceeds the financial institution's tax  
347 liability shall not be refunded or carried forward to any other  
348 taxable year.

349 (5) The credit authorized by this section shall apply only  
350 to transactions described in this section which are completed  
351 after March 29, 1996.

352 (6) The commission may promulgate regulations to implement  
353 this section.

354 **SECTION 6.** Section 27-7-22.15, Mississippi Code of 1972, is  
355 brought forward as follows:

356 27-7-22.15. (1) As used in this section, the following  
357 words and phrases shall have the meanings ascribed to herein  
358 unless the context clearly indicates otherwise:

359 (a) "Approved reforestation practices" means the  
360 following practices for establishing a crop of trees suitable for  
361 manufacturing into forest products:

362 (i) "Pine and hardwood tree planting practices"  
363 including the cost of seedlings, planting by hand or machine, and  
364 site preparation.

365 (ii) "Mixed-stand regeneration practices" to  
366 establish a mixed-crop of pine and hardwood trees by planting or  
367 direct seeding, or both, including the cost of seedlings,  
368 seed/acorns, planting, seeding and site preparation.

369 (iii) "Direct seeding practices" to establish a  
370 crop of pine or oak trees by directly applying seed/acorns to the



371 site including the cost of seed/acorns, seeding and site  
372 preparation.

373 (iv) "Post-planting site preparation practices" to  
374 reduce or control undesirable competition within the first growing  
375 season of an established crop of trees.

376 Approved reforestation practices shall not include the  
377 establishment of orchards, Christmas trees or ornamental trees.

378 (b) "Eligible tree species" means pine and hardwood  
379 commercial tree species suitable for manufacturing into forest  
380 products.

381 (c) "Cost-share assistance" means partial financial  
382 payment for approved reforestation practices from the state  
383 government as authorized under Sections 49-19-201 through  
384 49-19-227, or the federal government.

385 (d) "Eligible owner" means a private individual, group  
386 or association, but the term shall not mean private corporations  
387 which manufacture products or provide public utility services of  
388 any type or any subsidiary of such corporations.

389 (e) "Eligible lands" means nonindustrial private lands  
390 owned by a private individual, group or association, but shall not  
391 mean lands owned by private corporations which manufacture  
392 products or provide public utility services of any type or any  
393 subsidiary of such corporations.

394 (f) "Reforestation prescription or plan" means a  
395 written description of the approved reforestation practices that





396 the eligible owner plans to use and includes a legal description  
397 and map of the area to be reforested, a list of the tree seedling  
398 or seed species to be used in the reforestation and the site  
399 preparation practices that will be utilized.

400 (2) Subject to the limitations provided in subsection (3) of  
401 this section, upon submission to the State Tax Commission of the  
402 written verification provided for in subsection (5) of this  
403 section and such other documentation as the State Tax Commission  
404 may require, any eligible owner who incurs costs for approved  
405 reforestation practices for eligible tree species on eligible  
406 lands shall be allowed a credit, in an amount equal to the lesser  
407 of fifty percent (50%) of the actual costs of the approved  
408 reforestation practices or fifty percent (50%) of the average cost  
409 of approved practices as established by the Mississippi Forestry  
410 Commission under Section 49-19-219, against the taxes imposed  
411 pursuant to this chapter for the tax year in which the costs are  
412 incurred.

413 (3) The maximum amount of the credit provided for in  
414 subsection (2) of this section that may be utilized in any one (1)  
415 taxable year shall not exceed the lesser of Ten Thousand Dollars  
416 (\$10,000.00) or the amount of income tax imposed upon the eligible  
417 owner for the taxable year reduced by the sum of all other credits  
418 allowable to the eligible owner under this chapter, except credit  
419 for tax payments made by or on behalf of the eligible owner. Any  
420 unused portion of the credit may be carried forward for succeeding



421 tax years. The maximum dollar amount of the credit provided for  
422 in subsection (2) of this section that an eligible owner may  
423 utilize during his lifetime shall be Seventy-five Thousand Dollars  
424 (\$75,000.00) in the aggregate.

425 (4) If an eligible owner receives any state or federal cost  
426 share assistance funds to defray the cost of an approved  
427 reforestation practice, the cost of that practice on the same acre  
428 or acres within the same tax year is not eligible for the credit  
429 provided in this section unless the eligible owner's adjusted  
430 gross income is less than the federal earned income credit level.

431 (5) To be eligible for the tax credit, an eligible owner  
432 must have a reforestation prescription or plan prepared for the  
433 eligible lands by a graduate forester of a college, school or  
434 university accredited by the Society of American Foresters or by a  
435 registered forester under the Foresters Registration Law of 1977.  
436 The forester must verify in writing that the reforestation  
437 practices were completed and that the reforestation prescription  
438 or plan was followed.

439 **SECTION 7.** Section 27-7-22.16, Mississippi Code of 1972, is  
440 brought forward as follows:

441 27-7-22.16. (1) (a) Except as otherwise provided under  
442 this subsection, the words and phrases used in this section shall  
443 have the meanings ascribed to them in Section 49-35-5, Mississippi  
444 Code of 1972.



445 (b) "Remediation costs" means reasonable costs paid for  
446 the assessment, investigation, remediation, monitoring and related  
447 activities at a brownfield agreement site which are consistent  
448 with the remedy selected for the site, and costs paid to the  
449 Department of Environmental Quality for the processing of the  
450 brownfield agreement application and administration of a  
451 brownfield agreement. Remediation costs shall not include (i)  
452 costs incurred before June 24, 1999; (ii) costs incurred after the  
453 issuance of a No Further Action letter under Section 49-35-15,  
454 Mississippi Code of 1972; (iii) costs incurred before the  
455 acceptance of a brownfield agreement site into the Mississippi  
456 Brownfields Voluntary Cleanup and Redevelopment program; (iv)  
457 costs incurred for any legal services or litigation costs; and (v)  
458 any funds provided by any federal, state or local governmental  
459 agency or political subdivision.

460 (2) Subject to the limitations provided in subsection (4) of  
461 this section, upon submission to the State Tax Commission of  
462 information provided for in subsection (5) of this section and any  
463 other documentation as the State Tax Commission may require, any  
464 brownfield party who (a) has conducted remediation at a brownfield  
465 agreement site in accordance with Sections 49-35-1 through  
466 49-35-25 and (b) has incurred remediation costs for activities  
467 under Sections 49-35-1 through 49-35-25, as approved by the  
468 Commission on Environmental Quality, shall be allowed a credit in  
469 an amount equal to twenty-five percent (25%) of the remediation



470 costs at the brownfield agreement site as approved by the  
471 commission, against the taxes imposed under this chapter for the  
472 tax year in which the costs are incurred.

473 (3) (a) Before applying for the tax credit authorized in  
474 this section, a brownfield party shall submit an application to  
475 the Department of Environmental Quality for certification that the  
476 brownfield party has conducted remediation at a brownfield  
477 agreement site in accordance with Sections 49-35-1 through  
478 49-35-25 during the tax year(s) for which the credit is sought.  
479 The application shall be on forms prescribed by the Commission on  
480 Environmental Quality and provided by the Department. The  
481 application shall include the following:

482 (i) A section identifying the brownfield party,  
483 the brownfield agreement site, the date the brownfield agreement  
484 was executed and the tax year for which the credit is sought;

485 (ii) A certification that the costs to be  
486 submitted to the State Tax Commission are remediation costs  
487 incurred by the brownfield party during the tax year(s) for which  
488 the credit is sought. The certification shall include a listing  
489 of all remediation conducted and the associated costs; and

490 (iii) Any other information which the Commission  
491 on Environmental Quality or the State Tax Commission deems  
492 appropriate.

493 (b) Within sixty (60) days after receipt by the  
494 Department of a completed application, the department shall



495 approve or disapprove the application. The Department shall  
496 notify the brownfield party in writing of its decision. If the  
497 department approves the application, the department shall provide  
498 the brownfield party with certification that the brownfield party  
499 has conducted remediation at a brownfield agreement site in  
500 accordance with Sections 49-35-1 through 49-35-25 during the tax  
501 year(s) for which the credit is sought. If the Department  
502 disapproves the application, the Department shall notify the  
503 brownfield party in writing and state the reasons for the  
504 disapproval.

505 (c) Within thirty (30) days after receipt of the  
506 Department's decision, the brownfield party may request a hearing  
507 before the Commission regarding the Department's decision to  
508 disapprove the application. An appeal of the Commission's  
509 decision may be taken as provided under Section 49-17-41.

510 (d) The Department's review of the application under  
511 this section shall be considered a part of the administration of  
512 the brownfield agreement.

513 (e) The department's review of the application for  
514 review of remediation costs under this section shall be considered  
515 a part of the administration of the brownfield agreement.

516 (4) (a) The annual credit provided for in this section  
517 shall not exceed the lesser of Forty Thousand Dollars (\$40,000.00)  
518 or the amount of the income tax imposed upon the brownfield party  
519 at the brownfield agreement site for the taxable year as reduced



520 by the sum of all other credits allowable to the brownfield party  
521 under this chapter, except for credit for tax payments made by or  
522 on behalf of the brownfield party. Any unused portion of the  
523 credit may be carried forward for succeeding tax years.

524 (b) The maximum total credit under this section for a  
525 brownfield agreement site is One Hundred Fifty Thousand Dollars  
526 (\$150,000.00).

527 (5) To be eligible for the tax credit, the brownfield party  
528 must submit a copy of the letter from the commission stating the  
529 amount of remediation costs approved by the commission for the  
530 given tax year.

531 **SECTION 8.** Section 27-7-22.17, Mississippi Code of 1972, is  
532 brought forward as follows:

533 27-7-22.17. (1) Permanent business enterprises engaged in  
534 operating a project and companies that are members of an  
535 affiliated group that includes such permanent business enterprises  
536 are allowed a job tax credit for taxes imposed by Section 27-7-5  
537 equal to Five Thousand Dollars (\$5,000.00) annually for each net  
538 new full-time employee job for a period of twenty (20) years from  
539 the date the credit commences; however, if the permanent business  
540 enterprise is located in an area that has been declared by the  
541 Governor to be a disaster area and as a direct result of the  
542 disaster the business enterprise is unable to maintain the  
543 required number of employees, the commissioner may extend this  
544 time period for not more than two (2) years. The credit shall



545 commence on the date selected by the permanent business  
546 enterprise; however, the commencement date shall not be more than  
547 five (5) years from the date the business enterprise commences  
548 commercial production. For the year in which the commencement  
549 date occurs, the number of new full-time jobs shall be determined  
550 by using the monthly average number of full-time employees subject  
551 to the Mississippi income tax withholding. Thereafter, the number  
552 of new full-time jobs shall be determined by comparing the monthly  
553 average number of full-time employees subject to the Mississippi  
554 income tax withholding for the taxable year with the corresponding  
555 period of the prior taxable year. Once a permanent business  
556 enterprise creates or increases employment three thousand (3,000)  
557 or more, such enterprise and the members of the affiliated group  
558 that include such enterprise, shall be eligible for the credit.  
559 The credit is not allowed for any year of the twenty-year period  
560 in which the overall monthly average number of full-time employees  
561 subject to the Mississippi income tax withholding falls below  
562 three thousand (3,000); however, if the permanent business  
563 enterprise is located in an area that has been declared by the  
564 Governor to be a disaster area and as a direct result of the  
565 disaster the business enterprise is unable to maintain the  
566 required number of employees, the commissioner may waive the  
567 employment requirement for a period of time not to exceed two (2)  
568 years. The State Tax Commission shall adjust the credit allowed



569 each year for the net new employment fluctuations above three  
570 thousand (3,000).

571 (2) Any tax credit claimed under this section but not used  
572 in any taxable year may be carried forward for five (5)  
573 consecutive years from the close of the tax year in which the  
574 credits were earned; however, if the permanent business enterprise  
575 is located in an area that has been declared by the Governor to be  
576 a disaster area and as a direct result of the disaster the  
577 business enterprise is unable to use the existing carryforward,  
578 the commissioner may extend the period that the credit may be  
579 carried forward for a period of time not to exceed two (2) years.  
580 The credit that may be utilized each year shall be limited to an  
581 amount not greater than the total state income tax liability of  
582 the permanent business enterprise and the state income tax  
583 liability of any member of the affiliated group that includes such  
584 enterprise that is generated by, or arises out of, the project.

585 (3) The tax credits provided for in this section shall be in  
586 lieu of the tax credits provided for in Section 57-73-21 and any  
587 permanent business enterprise or any member of the affiliated  
588 group that includes such enterprise utilizing the tax credit  
589 authorized in this section shall not utilize the tax credit  
590 authorized in Section 57-73-21.

591 (4) As used in this section:

592 (a) "Project" means a project as defined in Section  
593 57-75-5(f) (iv).





594 (b) "Affiliated group" means one or more corporations  
595 connected through stock ownership with a common parent corporation  
596 where at least eighty percent (80%) of the voting power of all  
597 classes of stock and at least eighty percent (80%) of each class  
598 of the nonvoting stock of each of the member corporations, except  
599 the common parent corporation, is directly owned by one or more of  
600 the other member corporations; and the common parent corporation  
601 directly owns stock possessing at least eighty percent (80%) of  
602 the voting power of all classes of stock and at least eighty  
603 percent (80%) of each class of the nonvoting stock of at least one  
604 (1) of the other member corporations. As used in this subsection,  
605 the term "stock" does not include nonvoting stock that is limited  
606 and preferred as to dividends.

607 **SECTION 9.** Section 27-7-22.18, Mississippi Code of 1972, is  
608 brought forward as follows:

609 27-7-22.18. (1) Any enterprise owning or operating a  
610 project as defined in Section 57-75-5(f)(xviii) is allowed a job  
611 tax credit for taxes imposed by Section 27-7-5 equal to Five  
612 Thousand Dollars (\$5,000.00) annually for each net new full-time  
613 employee job for a period of ten (10) years from the date the  
614 credit commences. The credit shall commence on the date selected  
615 by the enterprise; provided, however, that the commencement date  
616 shall not be more than two (2) years from the date the project  
617 becomes fully operational. For the year in which the commencement  
618 date occurs, the enterprise must select a date on which it has at



619 least four hundred fifty (450) full-time employees subject to the  
620 Mississippi income tax withholding. From that date to the end of  
621 the year, the credit will be determined based on the remaining  
622 monthly average of full-time employees subject to the Mississippi  
623 income tax withholding. For each year thereafter, the number of  
624 new full-time jobs created shall be determined by calculating the  
625 monthly average number of full-time employees subject to the  
626 Mississippi income tax withholding for the year. For every year  
627 subsequent to the year the commencement date occurs, the credit is  
628 not allowed for any year in which the overall monthly average  
629 number of full-time employees subject to the Mississippi income  
630 tax withholding falls below the minimum jobs requirement provided  
631 in Section 57-75-5(f)(xviii). The State Tax Commission shall  
632 adjust the credit allowed each year for the net new employment  
633 fluctuations.

634 (2) For the first five (5) years in which a tax credit is  
635 claimed under this section, any tax credit claimed but not used in  
636 any taxable year may be carried forward for five (5) consecutive  
637 years from the close of the tax year in which the credits were  
638 earned. For the remainder of the ten-year period, any tax credit  
639 claimed under this section but not used in any taxable year may be  
640 carried forward for three (3) consecutive years from the close of  
641 the tax year in which the credits were earned. The credit that  
642 may be utilized each year shall be limited to an amount not



643 greater than the total state income tax liability of the  
644 enterprise that is generated by, or arises out of, the project.

645 (3) The tax credits provided for in this section shall be in  
646 lieu of the tax credits provided for in Section 57-73-21 and any  
647 enterprise utilizing the tax credit authorized in this section  
648 shall not utilize the tax credit authorized in Section 57-73-21.

649 **SECTION 10.** Section 27-7-22.19, Mississippi Code of 1972, is  
650 brought forward as follows:

651 27-7-22.19. (1) Integrated suppliers are allowed a job tax  
652 credit for taxes imposed by Section 27-7-5 equal to One Thousand  
653 Dollars (\$1,000.00) annually for each net new full-time employee  
654 for five (5) years from the date the credit commences; however, if  
655 the integrated supplier is located in an area that has been  
656 declared by the Governor to be a disaster area and as a direct  
657 result of the disaster the integrated supplier is unable to  
658 maintain the required number of employees, the commissioner may  
659 extend this time period for not more than two (2) years. The  
660 credit shall commence on the date selected by the integrated  
661 supplier; provided, however, that the commencement date shall not  
662 be more than five (5) years from the date the integrated supplier  
663 commences commercial production. For the year in which the  
664 commencement date occurs, the number of new full-time jobs shall  
665 be determined by using the monthly average number of full-time  
666 employees subject to Mississippi income tax withholding.  
667 Thereafter, the number of new full-time jobs shall be determined



668 by comparing the monthly average number of full-time employees  
669 subject to Mississippi income tax withholding for the taxable year  
670 with the corresponding period of the prior taxable year. Only  
671 those integrated suppliers that increase employment by twenty (20)  
672 or more are eligible for the credit. The credit is not allowed  
673 during any of the five (5) years if the net employment increase  
674 falls below twenty (20); however, if the integrated supplier is  
675 located in an area that has been declared by the Governor to be a  
676 disaster area and as a direct result of the disaster the  
677 integrated supplier is unable to maintain the required number of  
678 employees, the commissioner may waive the employment requirement  
679 for a period of time not to exceed two (2) years. The State Tax  
680 Commission shall adjust the credit allowed each year for the net  
681 new employment fluctuations above the minimum level of twenty  
682 (20).

683 (2) Any tax credit claimed under this section but not used  
684 in any taxable year may be carried forward for five (5)  
685 consecutive years from the close of the tax year in which the  
686 credits were earned; however, if the integrated supplier is  
687 located in an area that has been declared by the Governor to be a  
688 disaster area and as a direct result of the disaster the  
689 integrated supplier is unable to use the existing carryforward,  
690 the commissioner may extend the period that the credit may be  
691 carried forward for a period of time not to exceed two (2) years.  
692 The credit that may be utilized each year shall be limited to an



693 amount not greater than fifty percent (50%) of the taxpayer's  
694 state income tax liability which is attributable to income derived  
695 from operation in the state for that year.

696 (3) The tax credits provided for in this section shall be in  
697 lieu of the tax credits provided for in Section 57-73-21, and any  
698 integrated supplier utilizing the tax credit authorized in this  
699 section shall not utilize the tax credit authorized in Section  
700 57-73-21.

701 (4) As used in this section the term "integrated supplier"  
702 means a supplier located on the project site which provides goods  
703 or services on the project site solely for a project as defined in  
704 Section 57-75-5(f)(iv)1.

705 **SECTION 11.** Section 27-7-22.20, Mississippi Code of 1972, is  
706 brought forward as follows:

707 27-7-22.20. (1) An enterprise owning or operating a project  
708 as defined in Section 57-75-5(f)(xviii) is allowed an annual  
709 investment tax credit for taxes imposed by Section 27-7-5 equal to  
710 seven and one-half percent (7-1/2%) of the eligible investments  
711 made by the enterprise. The credit shall commence on the date  
712 selected by the enterprise; provided, however, that the  
713 commencement date shall not be more than two (2) years from the  
714 date the project becomes fully operational. For the purposes of  
715 this section, the term "eligible investment" means the amount of  
716 investment in a project as defined in Section 57-75-5(f)(xviii)  
717 that is greater than Four Hundred Million Dollars



718 (\$400,000,000.00) and used in the initial establishment of the  
719 project.

720 (2) Any tax credit claimed under this section but not used  
721 in any taxable year may be carried forward for ten (10)  
722 consecutive years from the close of the tax year in which the  
723 credits were earned. The credit that may be utilized in any one  
724 tax year shall be limited to an amount not greater than the total  
725 state income tax liability of the enterprise for that year that is  
726 generated by, or arises out of, the project.

727 (3) The credit received under this section is subject to  
728 recapture if the property for which the tax credit was received is  
729 disposed of, or converted to, other than business use. The amount  
730 of the credit subject to recapture is one hundred percent (100%)  
731 of the credit in the first year and fifty percent (50%) of the  
732 credit in the second year. This subsection shall not apply in  
733 cases in which an entire facility is sold.

734 **SECTION 12.** Section 27-7-22.21, Mississippi Code of 1972, is  
735 brought forward as follows:

736 27-7-22.21. (1) As used in this section, the following  
737 words and phrases shall have the following meanings, unless the  
738 context clearly indicates otherwise:

739 (a) "Eligible land" means nonindustrial private lands  
740 in the state that are adjacent to and along a stream which is  
741 fully nominated to the Mississippi Scenic Streams Stewardship  
742 Program, or nonindustrial private lands in the state which are



743 considered to be priority sites for conservation under the  
744 Mississippi Natural Heritage Program.

745 (b) "Eligible owner" means a private individual, group  
746 or association other than a private corporation, or any subsidiary  
747 thereof, which manufactures products or provides public utility  
748 services of any type.

749 (c) "Interest in land" means any right in real  
750 property, including access thereto or improvements thereon, or  
751 water, including, but not limited to, a fee simple easement, a  
752 conservation easement, provided such interest complies with the  
753 requirements of the United States Internal Revenue Code Section  
754 170(h), partial interest, mineral right, remainder or future  
755 interest, or other interest or right in real property.

756 (d) "Land" or "lands" means real property, with or  
757 without improvements thereon, rights-of-way, water and riparian  
758 rights, easements, privileges and all other rights or interests of  
759 any land or description in, relating to, or connected with real  
760 property.

761 (e) "Allowable transaction costs" mean the costs of the  
762 appraisal of the lands or interests in lands, including  
763 conservation easements, that are being donated, of the baseline  
764 survey of the natural features, animals and plants present on the  
765 site, of engineering and surveying fees, of maintenance fees, of  
766 monitoring fees and of legal fees, including the costs of document  
767 preparation, title review and title insurance.



768 (f) "Specified conservation purposes" mean the  
769 preservation of stream bank habitats and the stability of stream  
770 banks, or the protection of land necessary because of high  
771 biodiversity significance or high protection urgency due to the  
772 presence of exemplary natural communities or species of special  
773 concern, including threatened or endangered species.

774 (2) For the taxable years beginning on or after January 1,  
775 2003, for any income taxpayer who is an eligible owner, a credit  
776 against the taxes imposed by this chapter shall be allowed in the  
777 amounts provided in this section upon the donation of land or an  
778 interest in land for specified conservation purposes.

779 (3) The credit provided for in this section shall be fifty  
780 percent (50%) of the allowable transaction costs involved in the  
781 donation for the tax year in which the allowable transaction costs  
782 occur. The aggregate amount of the credit provided in this  
783 section for allowable transaction costs shall not exceed the  
784 lesser of Ten Thousand Dollars (\$10,000.00) or the amount of tax  
785 imposed upon the taxpayer for the taxable year reduced by the sum  
786 of all other credits allowable to such taxpayer under this  
787 chapter, except credit for tax payments made by or on behalf of  
788 the taxpayer. Any unused portion of the credit may be carried  
789 forward for ten (10) succeeding tax years. The maximum dollar  
790 amount of the credit provided for in this section that an eligible  
791 owner may utilize during his lifetime shall be Ten Thousand  
792 Dollars (\$10,000.00) in the aggregate.





793 (4) To be eligible for the credit provided for in this  
794 section, an eligible owner must demonstrate that the donation  
795 qualifies as a conservation contribution under Section 170(h) of  
796 the United States Internal Revenue Code of 1986, by means of being  
797 a donation in perpetuity, for conservation purposes and made to a  
798 qualified holder or donee. A letter from the donee indicating  
799 acceptance and a completed copy of the appropriate United States  
800 Internal Revenue Service form shall constitute proof of  
801 acceptance. The eligible owner also must submit any other  
802 documentation that the State Tax Commission may require.

803 **SECTION 13.** Section 27-7-22.22, Mississippi Code of 1972, is  
804 brought forward as follows:

805 27-7-22.22. (1) A credit is allowed against the taxes  
806 imposed by this chapter to a taxpayer for allowing land owned by  
807 the taxpayer to be used as a natural area preserve, a wildlife  
808 refuge or habitat area, a wildlife management area, or for the  
809 purpose of providing public outdoor recreational opportunities, as  
810 authorized under Section 49-1-29, 49-5-71 or 49-5-155, subject to  
811 the following conditions and limitations:

812 (a) The land may not be under lease to the Mississippi  
813 Commission on Wildlife, Fisheries and Parks, and the commission  
814 must approve the land as being suitable for the uses described in  
815 this section.



816 (b) The amount of the tax credit allowed by this  
817 section shall be Five Dollars and Fifty Cents (\$5.50) per acre of  
818 land in each taxable year.

819 (c) In no event shall the amount of the tax credits  
820 allowed by this section for a taxable year exceed the taxpayer's  
821 liability for those taxes. Any unused credit amount shall be  
822 allowed to be carried forward for five (5) years from the close of  
823 the taxable year in which the land was approved for such a use.  
824 No such credit shall be allowed the taxpayer against prior years'  
825 tax liability.

826 (2) To claim a credit allowed by this section, the taxpayer  
827 shall provide any information required by the Mississippi  
828 Commission on Wildlife, Fisheries and Parks or the Mississippi  
829 Commissioner of Revenue. Every taxpayer claiming a credit under  
830 this section shall maintain and make available for inspection by  
831 the Mississippi Commission on Wildlife, Fisheries and Parks or the  
832 Mississippi Commissioner of Revenue any records that either entity  
833 considers necessary to determine and verify the amount of the  
834 credit to which the taxpayer is entitled. The burden of proving  
835 eligibility for a credit and the amount of the credit rests upon  
836 the taxpayer, and no credit may be allowed to a taxpayer that  
837 fails to maintain adequate records or to make them available for  
838 inspection.

839 (3) Upon approval of the Commission on Wildlife, Fisheries  
840 and Parks under subsection (1) (a), a taxpayer seeking to claim any



841 tax credit provided for under this section must submit an  
842 application to the Mississippi Commissioner of Revenue for  
843 approval of the tax credit. The Mississippi Commissioner of  
844 Revenue shall promulgate the rules and forms on which the  
845 application is to be submitted. The Mississippi Commissioner of  
846 Revenue shall review the application and may approve such  
847 application upon determining that it meets the requirements of  
848 this section within sixty (60) days after receiving the  
849 application.

850       **SECTION 14.** Section 27-7-22.23, Mississippi Code of 1972, is  
851 brought forward as follows:

852       27-7-22.23. (1) As used in this section, the term "port"  
853 means a state, county or municipal port or harbor established  
854 pursuant to Sections 59-5-1 through 59-5-69, Sections 59-7-1  
855 through 59-7-519, Sections 59-9-1 through 59-9-85 or Sections  
856 59-11-1 through 59-11-7.

857       (2) Subject to the provisions of this section, for any  
858 income taxpayer utilizing the port facilities at any port for the  
859 import of cargo that is unloaded from a carrier calling at any  
860 such port, a credit against the taxes imposed pursuant to this  
861 chapter shall be allowed in the amounts provided in this section.  
862 In order to be eligible for the credit authorized under this  
863 section, a taxpayer must locate its United States headquarters in  
864 Mississippi on or after July 1, 2004, employ at least five (5)  
865 permanent full-time employees who actually work at such



866 headquarters and have a minimum capital investment of Two Million  
867 Dollars (\$2,000,000.00) in Mississippi. For the purposes of this  
868 section, "full-time employee" shall mean an employee who works at  
869 least thirty-five (35) hours per week.

870 (3) (a) Except as otherwise provided by subsection (4) of  
871 this section, the amount of the credit allowed pursuant to this  
872 section shall be the total of the following charges on import of  
873 cargo paid by the corporation:

- 874 (i) Receiving into the port;
- 875 (ii) Handling from a vessel; and
- 876 (iii) Wharfage.

877 (b) The credit allowed pursuant to this section shall  
878 not include charges paid by a corporation on the import of forest  
879 products.

880 (4) The credit provided for in this section shall not exceed  
881 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
882 for the taxable year reduced by the sum of all other credits  
883 allowable to such taxpayer under this chapter, except credit for  
884 tax payments made by or on behalf of the taxpayer. Any unused  
885 portion of the credit may be carried forward for the succeeding  
886 five (5) years. The maximum cumulative credit that may be claimed  
887 by a taxpayer under this section is limited to One Million Dollars  
888 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
889 more than twenty-five (25) permanent full-time employees at its  
890 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)



891 if the taxpayer employs more than twenty-five (25), but not more  
892 than one hundred (100) permanent full-time employees at its  
893 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
894 if the taxpayer employs more than one hundred (100), but not more  
895 than two hundred (200) permanent full-time employees at its  
896 headquarters in Mississippi; and Four Million Dollars  
897 (\$4,000,000.00) if the taxpayer employs more than two hundred  
898 (200) permanent full-time employees at its headquarters in  
899 Mississippi.

900 (5) To obtain the credit provided for in this section, a  
901 taxpayer must provide to the Department of Revenue a statement  
902 from the governing authority of the port certifying the amount of  
903 charges paid by the taxpayer for which a credit is claimed and any  
904 other information required by the Department of Revenue.

905 **SECTION 15.** Section 27-7-22.25, Mississippi Code of 1972, is  
906 brought forward as follows:

907 27-7-22.25. (1) As used in this section, the term "airport"  
908 means an airport established pursuant to Chapters 3 and 5, Title  
909 61, Mississippi Code of 1972.

910 (2) Subject to the provisions of this section, for any  
911 income taxpayer utilizing the facilities at any airport for the  
912 export or import of cargo that is unloaded from a carrier at any  
913 such airport, a credit against the taxes imposed pursuant to this  
914 chapter shall be allowed in the amounts provided in this section.  
915 In order to be eligible for the credit authorized under this



916 section, a taxpayer must locate its United States headquarters in  
917 Mississippi on or after July 1, 2005, employ at least five (5) new  
918 permanent full-time employees who actually work at such  
919 headquarters and, after July 1, 2005, invest a minimum of Two  
920 Million Dollars (\$2,000,000.00), in the aggregate, in real  
921 property and/or personal property in Mississippi. For the  
922 purposes of this section, "full-time employee" shall mean an  
923 employee who works at least thirty-five (35) hours per week.

924 (3) Except as otherwise provided by subsection (4) of this  
925 section, the amount of the credit allowed pursuant to this section  
926 shall be the total of the following charges on import or export of  
927 cargo paid by the corporation:

- 928 (a) Receiving into the airport;
- 929 (b) Aircraft marshalling or handling fees; and
- 930 (c) Aircraft landing fees.

931 (4) The credit provided for in this section shall not exceed  
932 fifty percent (50%) of the amount of tax imposed upon the taxpayer  
933 for the taxable year reduced by the sum of all other credits  
934 allowable to such taxpayer under this chapter, except credit for  
935 tax payments made by or on behalf of the taxpayer. Any unused  
936 portion of the credit may be carried forward for the succeeding  
937 five (5) years. The maximum cumulative credit that may be claimed  
938 by a taxpayer under this section is limited to One Million Dollars  
939 (\$1,000,000.00) if the taxpayer employs at least five (5), but not  
940 more than twenty-five (25) permanent full-time employees at its



941 headquarters in Mississippi; Two Million Dollars (\$2,000,000.00)  
942 if the taxpayer employs more than twenty-five (25), but not more  
943 than one hundred (100) permanent full-time employees at its  
944 headquarters in Mississippi; Three Million Dollars (\$3,000,000.00)  
945 if the taxpayer employs more than one hundred (100), but not more  
946 than two hundred (200) permanent full-time employees at its  
947 headquarters in Mississippi; and Four Million Dollars  
948 (\$4,000,000.00) if the taxpayer employs more than two hundred  
949 (200) permanent full-time employees at its headquarters in  
950 Mississippi.

951 (5) To obtain the credit provided for in this section, a  
952 taxpayer must provide to the Department of Revenue a statement  
953 from the governing authority of the airport certifying the amount  
954 of charges paid by the taxpayer for which a credit is claimed and  
955 any other information required by the Department of Revenue.

956 (6) Any taxpayer who is eligible, before July 1, 2025, for  
957 the credit provided for in this section, shall remain eligible for  
958 such credit after July 1, 2025, notwithstanding the repeal of this  
959 section.

960 **SECTION 16.** Section 27-7-22.27, Mississippi Code of 1972, is  
961 brought forward as follows:

962 27-7-22.27. (1) As used in this section:

963 (a) "Business enterprises" means entities primarily  
964 engaged in:



965 (i) Manufacturing, processing, warehousing,  
966 distribution, wholesaling and research and development, or  
967 (ii) Permanent business enterprises designated by  
968 rule and regulation of the Mississippi Development Authority as  
969 air transportation and maintenance facilities, final destination  
970 or resort hotels having a minimum of one hundred fifty (150) guest  
971 rooms, recreational facilities that impact tourism, movie industry  
972 studios, telecommunications enterprises, data or information  
973 processing enterprises or computer software development  
974 enterprises or any technology intensive facility or enterprise.

975 (b) "Economically distressed community" means an area  
976 within a municipality that contains groupings of census tracts  
977 that include and are contiguous to the central business district,  
978 where within such census tract groupings at least thirty percent  
979 (30%) of the residents have incomes that are less than the  
980 national poverty level as published by the United States Bureau of  
981 the Census in the most recent decennial census for which data is  
982 available; in which the unemployment rate is at least one and  
983 one-half (1-1/2) times greater than the national average, as  
984 determined by the most recent data from the United States Bureau  
985 of Labor Statistics, including estimates of unemployment developed  
986 using the calculation method of the United States Bureau of Labor  
987 Statistics Census Share; and

988 (i) The municipal population of which is at least  
989 four thousand (4,000) if any portion of the municipality is





990 located within a metropolitan area with a population of fifty  
991 thousand (50,000), or more; or

992 (ii) The municipal population of which is at least  
993 one thousand (1,000) if no portion of the municipality is located  
994 within a metropolitan area with a population of fifty thousand  
995 (50,000), or more.

996 (c) "Telecommunications enterprises" means entities  
997 engaged in the creation, display, management, storage, processing,  
998 transmission or distribution for compensation of images, text,  
999 voice, video or data by wire or by wireless means, or entities  
1000 engaged in the construction, design, development, manufacture,  
1001 maintenance or distribution for compensation of devices, products,  
1002 software or structures used in the above activities. Companies  
1003 organized to do business as commercial broadcast radio stations,  
1004 television stations or news organizations primarily serving  
1005 in-state markets shall not be included within the definition of  
1006 the term "telecommunications enterprises."

1007 (2) The governing authorities of a municipality may  
1008 designate an area within such municipality as an economically  
1009 distressed community.

1010 (3) Upon designation of an area within a municipality as an  
1011 economically distressed community, the governing authorities of a  
1012 municipality shall apply to the State Tax Commission for  
1013 certification of the area as an economically distressed community.  
1014 Such application shall provide the information necessary to



1015 establish certification as an economically distressed community.  
1016 The State Tax Commission shall certify an area within a  
1017 municipality as an economically distressed community if it finds  
1018 that the designation meets the criteria provided for in subsection  
1019 (1)(b) of this section.

1020 (4) Permanent business enterprises in areas within  
1021 municipalities certified by the State Tax Commission as  
1022 economically distressed communities are allowed a job tax credit  
1023 for taxes imposed by Section 27-7-5 equal to ten percent (10%) of  
1024 the payroll of the enterprise for net new full-time employee jobs  
1025 for five (5) years beginning with years two (2) through six (6)  
1026 after the creation of the minimum number of jobs required by this  
1027 subsection. The number of new full-time jobs must be determined  
1028 by comparing the monthly average number of full-time employees  
1029 subject to the Mississippi income tax withholding for the taxable  
1030 year with the corresponding period of the prior taxable year.  
1031 Only those permanent business enterprises that increase employment  
1032 by ten (10) or more in an economically distressed community are  
1033 eligible for the credit. Credit is not allowed during any of the  
1034 five (5) years if the net employment increase falls below ten  
1035 (10). The State Tax Commission shall adjust the credit allowed  
1036 each year for the net new employment fluctuations above the  
1037 minimum level of ten (10).

1038 (5) Tax credits for five (5) years for the taxes imposed by  
1039 Section 27-7-5 shall be awarded for additional net new full-time



1040 jobs created by business enterprises qualified under this section.  
1041 The State Tax Commission shall adjust the credit allowed in the  
1042 event of payroll fluctuations during the additional five (5) years  
1043 of credit.

1044 (6) The sale, merger, acquisition, reorganization,  
1045 bankruptcy or relocation from one (1) county to another county  
1046 within the state of any business enterprise may not create new  
1047 eligibility in any succeeding business entity, but any unused job  
1048 tax credit may be transferred and continued by any transferee of  
1049 the business enterprise. The State Tax Commission shall determine  
1050 whether or not qualifying net increases or decreases have occurred  
1051 or proper transfers of credit have been made and may require  
1052 reports, promulgate regulations, and hold hearings as needed for  
1053 substantiation and qualification.

1054 (7) Any tax credit claimed under this section but not used  
1055 in any taxable year may be carried forward for five (5) years from  
1056 the close of the tax year in which the qualified jobs were  
1057 established but the credit established by this section taken in  
1058 any one (1) tax year must be limited to an amount not greater than  
1059 fifty percent (50%) of the taxpayer's state income tax liability  
1060 which is attributable to income derived from operations in the  
1061 state for that year.

1062 (8) No business enterprise for the transportation, handling,  
1063 storage, processing or disposal of hazardous waste is eligible to  
1064 receive the tax credits provided in this section.



1065 (9) The credits allowed under this section shall not be used  
1066 by any business enterprise or corporation other than the business  
1067 enterprise actually qualifying for the credits.

1068 (10) A business enterprise that receives a tax credit under  
1069 this section shall not be eligible for the tax credit authorized  
1070 in Section 57-73-21(2), (3) and (4).

1071 **SECTION 17.** Section 27-7-22.28, Mississippi Code of 1972, is  
1072 brought forward as follows:

1073 27-7-22.28. As used in Sections 27-7-22.28 and 27-7-22.29,  
1074 the following terms and phrases shall have the meanings ascribed  
1075 in this section unless the context clearly indicates otherwise:

1076 (a) "Alternative energy project" means a business  
1077 enterprise engaged in manufacturing or producing alternative  
1078 energy in this state with not less than fifty percent (50%) of the  
1079 finished product being derived from resources or products from  
1080 this state.

1081 (b) "Authority" means the Mississippi Development  
1082 Authority.

1083 (c) "Producer" means a manufacturer or producer of  
1084 alternative energy through an alternative fuels project.

1085 (d) "State" means the State of Mississippi.

1086 **SECTION 18.** Section 27-7-22.29, Mississippi Code of 1972, is  
1087 brought forward as follows:

1088 27-7-22.29. (1) Producers are allowed a job tax credit for  
1089 taxes imposed by Section 27-7-5 equal to One Thousand Dollars



1090 (\$1,000.00) annually for each net new full-time employee job for a  
1091 period of twenty (20) years from the date the credit begins;  
1092 however, if the producer is located in an area that has been  
1093 declared by the Governor to be a disaster area and as a direct  
1094 result of the disaster the producer is unable to maintain the  
1095 required number of employees, the commissioner may extend this  
1096 time period for not more two (2) years. The credit shall begin on  
1097 the date selected by the producer; however, the beginning date  
1098 shall not be more than five (5) years from the date the producer  
1099 begins manufacturing or producing alternative energy. For the  
1100 year in which the beginning date occurs, the number of new  
1101 full-time jobs shall be determined by using the monthly average  
1102 number of full-time employees subject to the Mississippi income  
1103 tax withholding. Thereafter, the number of new full-time jobs  
1104 shall be determined by comparing the monthly average number of  
1105 full-time employees subject to the Mississippi income tax  
1106 withholding for the taxable year with the corresponding period of  
1107 the prior taxable year. Once a producer creates twenty-five (25)  
1108 or more new full-time employee jobs, the producer shall be  
1109 eligible for the credit; however, if the producer is located in an  
1110 area that has been declared by the Governor to be a disaster area  
1111 and as a direct result of the disaster the producer is unable to  
1112 maintain the required number of employees, the commissioner may  
1113 waive the employment requirement for a period of time not to  
1114 exceed two (2) years. The credit is not allowed for any year of



1115 the twenty-year period in which the overall monthly average number  
1116 of full-time employees subject to the Mississippi income tax  
1117 withholding falls below twenty-five (25). The State Tax  
1118 Commission shall adjust the credit allowed each year for the net  
1119 new employment fluctuations above twenty-five (25).

1120 (2) Any tax credit claimed under this section but not used  
1121 in any taxable year may be carried forward for five (5)  
1122 consecutive years from the close of the tax year in which the  
1123 credits were earned; however, if the producer is located in an  
1124 area that has been declared by the Governor to be a disaster area  
1125 and as a direct result of the disaster the producer is unable to  
1126 use the existing carryforward, the commissioner may extend the  
1127 period that the credit may be carried forward for a period of time  
1128 not to exceed two (2) years. The credit that may be utilized each  
1129 year shall be limited to an amount not greater than the total  
1130 state income tax liability of the producer that is generated by,  
1131 or arises out of, the alternative energy project.

1132 (3) The tax credits provided for in this section shall be in  
1133 lieu of the tax credits provided for in Section 57-73-21 and any  
1134 producer utilizing the tax credit authorized in this section shall  
1135 not utilize the tax credit authorized in Section 57-73-21.

1136 **SECTION 19.** Section 27-7-22.30, Mississippi Code of 1972, is  
1137 brought forward as follows:

1138 27-7-22.30. (1) As used in this section:



1139           (a) "Manufacturing enterprise" means an enterprise  
1140 that:

1141                   (i) Falls within the definition of the term  
1142 "manufacturer" in Section 27-65-11; and

1143                   (ii) Has operated in this state for not less than  
1144 two (2) years prior to application for the credit authorized by  
1145 this section.

1146           The term "manufacturing enterprise" does not include any  
1147 medical cannabis establishment as defined in the Mississippi  
1148 Medical Cannabis Act.

1149           (b) "Eligible investment" means an investment of at  
1150 least One Million Dollars (\$1,000,000.00) in buildings and/or  
1151 equipment for the manufacturing enterprise.

1152           (2) A manufacturing enterprise is allowed a manufacturing  
1153 investment tax credit for taxes imposed by Section 27-7-5 equal to  
1154 five percent (5%) of the eligible investments made by the  
1155 manufacturing enterprise.

1156           (3) Any tax credit claimed under this section but not used  
1157 in any taxable year may be carried forward for five (5) years from  
1158 the close of the tax year in which the eligible investment was  
1159 made, but the credit established by this section taken in any one  
1160 tax year shall not exceed fifty percent (50%) of the taxpayer's  
1161 state income tax liability which is attributable to income derived  
1162 from operations in the state for that year reduced by the sum of



1163 all other income tax credits allowable to the taxpayer, except  
1164 credit for tax payments made by or on behalf of the taxpayer.

1165 (4) The maximum credit that may be claimed by a taxpayer on  
1166 any project shall be limited to One Million Dollars  
1167 (\$1,000,000.00).

1168 (5) The credit received under this section is subject to  
1169 recapture if the property for which the tax credit was received is  
1170 disposed of, or converted to, other than business use. The amount  
1171 of the credit subject to recapture is one hundred percent (100%)  
1172 of the credit in the first year and fifty percent (50%) of the  
1173 credit in the second year. This subsection shall not apply in  
1174 cases in which an entire facility is sold.

1175 (6) The sale, merger, acquisition, reorganization,  
1176 bankruptcy or relocation from one (1) county to another county  
1177 within the state of any manufacturing enterprise may not create  
1178 new eligibility in any succeeding business entity, but any unused  
1179 manufacturing investment tax credit may be transferred and  
1180 continued by any transferee of the enterprise. The department  
1181 shall determine whether or not qualifying net increases or  
1182 decreases have occurred or proper transfers of credit have been  
1183 made and may require reports, promulgate regulations, and hold  
1184 hearings as needed for substantiation and qualification.

1185 (7) No manufacturing enterprise for the transportation,  
1186 handling, storage, processing or disposal of hazardous waste is  
1187 eligible to receive the tax credits provided in this section.





1188 (8) The credits allowed under this section shall not be used  
1189 by any business enterprise or corporation other than the  
1190 manufacturing enterprise actually qualifying for the credits.

1191 **SECTION 20.** Section 27-7-22.31, Mississippi Code of 1972, is  
1192 brought forward as follows:

1193 27-7-22.31. (1) As used in this section:

1194 (a) "Certified historic structure" means a property  
1195 located in Mississippi that has been:

1196 (i) Listed individually on the National Register  
1197 of Historic Places; or

1198 (ii) Determined eligible for the National Register  
1199 of Historic Places by the Secretary of the United States  
1200 Department of the Interior and will be listed within thirty (30)  
1201 months of claiming the rebate or credit authorized by this  
1202 section; or

1203 (iii) Property designated a Mississippi Landmark  
1204 by the Department of Archives and History pursuant to Section  
1205 39-7-3 et seq.

1206 (b) "Eligible property" means property located in  
1207 Mississippi and offered or used for residential or business  
1208 purposes.

1209 (c) "Structure in a certified historic district" means  
1210 a structure (and its structural components) located in Mississippi  
1211 which:



1212 (i) Is listed in the National Register of Historic  
1213 Places; or

1214 (ii) Has been determined eligible for the National  
1215 Register of Historic Places by the Secretary of the United States  
1216 Department of the Interior and will be listed within thirty (30)  
1217 months of claiming the rebate or credit authorized by this  
1218 section; or

1219 (iii) Is located in a registered historic district  
1220 listed on the National Register of Historic Places or located in a  
1221 potential district that has been determined eligible for the  
1222 National Register of Historic Places by the Secretary of the  
1223 United States Department of the Interior and will be listed within  
1224 thirty (30) months of claiming the rebate or credit authorized by  
1225 this section, and is certified by the Secretary of the United  
1226 States Department of the Interior as being of historic  
1227 significance to the district; or

1228 (iv) Is certified by the Mississippi Department of  
1229 Archives and History as contributing to the historic significance  
1230 of:

1231 1. A certified historic district listed on  
1232 the National Register of Historic Places; or

1233 2. A potential district that has been  
1234 determined eligible for the National Register of Historic Places  
1235 by the Secretary of the United States Department of the Interior



1236 and will be listed within thirty (30) months of claiming the  
1237 rebate or credit authorized by this section; or

1238                   3. A local district that has been certified  
1239 by the United States Department of the Interior.

1240                   (d) "Department" means the Department of Archives and  
1241 History.

1242                   (2) Any taxpayer incurring costs and expenses for the  
1243 rehabilitation of eligible property, which is a certified historic  
1244 structure or a structure in a certified historic district, shall  
1245 be entitled to a rebate or credit against the taxes imposed  
1246 pursuant to this chapter in an amount equal to twenty-five percent  
1247 (25%) of the total costs and expenses of rehabilitation incurred  
1248 after January 1, 2006, which shall include, but not be limited to,  
1249 qualified rehabilitation expenditures as defined under Section  
1250 47(c) (2) (A) of the Internal Revenue Code of 1986, as amended, and  
1251 the related regulations thereunder:

1252                   (a) If the costs and expenses associated with  
1253 rehabilitation exceed:

1254                   (i) Five Thousand Dollars (\$5,000.00) in the case  
1255 of an owner-occupied dwelling; or

1256                   (ii) Fifty percent (50%) of the adjusted basis in  
1257 the property in the case of all other properties; and

1258                   (b) The rehabilitation is consistent with the standards  
1259 of the Secretary of the United States Department of the Interior  
1260 as determined by the department.



1261 (3) Any taxpayer eligible for the rebate or credit  
1262 authorized by this section may claim the rebate or credit in  
1263 phases if:

1264 (a) There is a written set of architectural plans and  
1265 specifications for all phases of the rehabilitation (written plans  
1266 outlining and describing all phases of the rehabilitation shall be  
1267 accepted as written plans and specifications);

1268 (b) The written set of architectural plans and  
1269 specifications are completed before the physical work on the  
1270 rehabilitation begins; and

1271 (c) The project receives final certification by the  
1272 department within sixty (60) months of the project start date  
1273 certified in the first phase.

1274 (4) (a) (i) If the amount of the tax credit established by  
1275 this section exceeds the total state income tax liability for the  
1276 credit year, the amount that exceeds the total state income tax  
1277 liability may be carried forward for the ten (10) succeeding tax  
1278 years.

1279 (ii) In lieu of claiming a tax credit, the  
1280 taxpayer may elect to claim a rebate in the amount of seventy-five  
1281 percent (75%) of the amount that would be eligible to claim as a  
1282 credit. The election may be made at any time after the  
1283 certification of the rebate. If the taxpayer has utilized a tax  
1284 credit on an income tax return prior to making an election to



1285 claim a rebate, then the available rebate will be reduced by the  
1286 amount of credit utilized.

1287 (iii) Rebate requests shall be submitted to the  
1288 department on forms prescribed by the department. The department  
1289 will then provide the taxpayer with a voucher for the approved  
1290 amount. Within twelve (12) months of the issuance of the voucher  
1291 by the department, the taxpayer may submit the voucher to the  
1292 Department of Revenue to receive payment. Rebates shall be made  
1293 from current tax collections.

1294 (b) Not-for-profit entities, including, but not limited  
1295 to, nonprofit corporations organized under Section 79-11-101 et  
1296 seq., shall be ineligible for the rebate or credit authorized by  
1297 this section. Credits granted to a partnership, a limited  
1298 liability company taxed as a partnership or multiple owners of  
1299 property shall be passed through to the partners, members or  
1300 owners on a pro rata basis or pursuant to an executed agreement  
1301 among the partners, members or owners documenting an alternative  
1302 distribution method. Partners, members or other owners of a  
1303 pass-through entity are not eligible to elect a refund of excess  
1304 credit in lieu of a carryforward of the credit. However, a  
1305 partnership or limited liability company taxed as a partnership  
1306 may elect to claim a rebate at the entity level on a form  
1307 prescribed by the department. Additionally, excess tax credits  
1308 that are attributable to rehabilitated property that was placed in  
1309 service by a pass-through entity prior to January 1, 2011, and



1310 that have previously been allocated to and are held by another  
1311 pass-through entity prior to January 1, 2011, may be refunded to  
1312 such other pass-through entity.

1313 (5) (a) (i) To claim the rebate or credit authorized  
1314 pursuant to this section, the taxpayer shall apply to the  
1315 department which shall determine the amount of eligible  
1316 rehabilitation costs and expenses and whether the rehabilitation  
1317 is consistent with the standards of the Secretary of the United  
1318 States Department of the Interior. The department shall issue a  
1319 certificate evidencing the date of the rebate or credit and amount  
1320 of eligible rebate or credit if the taxpayer is found to be  
1321 eligible for the tax rebate or credit. The taxpayer shall attach  
1322 the certificate to all income tax returns on which the credit is  
1323 claimed. Except as otherwise provided in this paragraph (a), the  
1324 department shall not issue certificates evidencing the eligible  
1325 rebate or credit which will result in rebates or credits being  
1326 awarded in excess of Twelve Million Dollars (\$12,000,000.00) in  
1327 any one (1) calendar year for projects with total qualified  
1328 rehabilitation costs and expenses of One Million Seven Hundred  
1329 Fifty Thousand Dollars (\$1,750,000.00) or more. The department  
1330 shall also not issue certificates evidencing the eligible rebate  
1331 or credit which will result in rebates or credits being awarded in  
1332 excess of Twelve Million Dollars (\$12,000,000.00) in any one (1)  
1333 calendar year for projects with total qualified rehabilitation



1334 costs and expenses of less than One Million Seven Hundred Fifty  
1335 Thousand Dollars (\$1,750,000.00).

1336 (ii) If claiming a credit instead of a rebate, the  
1337 taxpayer shall claim such credit on the income tax return for the  
1338 tax year for which the credit is certified.

1339 (b) The date of the rebate or credit shall be certified  
1340 in the following order:

1341 (i) The rebate or credit shall be certified based  
1342 on the date of project completion.

1343 (ii) If the eligible rebate or credit exceeds the  
1344 available limit in the year in which the project is completed, the  
1345 rebate or credit shall be certified based on the date the  
1346 certification is issued by the department. The department shall  
1347 issue the certification in the first calendar year in which the  
1348 requested rebate or credit would not exceed the calendar year  
1349 limit.

1350 (c) The aggregate amount of tax rebates or credits that  
1351 may be awarded under this section shall not exceed One Hundred  
1352 Eighty Million Dollars (\$180,000,000.00).

1353 (6) (a) The rebate or credit received by a taxpayer  
1354 pursuant to this section is subject to recapture if:

1355 (i) The property is one that has been determined  
1356 eligible for the National Register of Historic Places but is not  
1357 listed on the National Register of Historic Places within thirty



1358 (30) months of claiming the rebate or credit authorized by this  
1359 section;

1360 (ii) The potential district in which the property  
1361 is located is not listed on the National Register of Historic  
1362 Places within thirty (30) months of claiming the rebate or credit  
1363 authorized by this section; or

1364 (iii) The project has not received final  
1365 certification by the department within sixty (60) months of the  
1366 project start date certified in the first phase.

1367 (b) The taxpayer shall notify the department and the  
1368 Department of Revenue if any of the situations that subject the  
1369 credit to recapture occur.

1370 (7) (a) The board of trustees of the department shall  
1371 establish fees to be charged for the services performed by the  
1372 department under this section and shall publish the fee schedule.  
1373 The fees contained in the schedule shall be in amounts reasonably  
1374 calculated to recover the costs incurred by the department for the  
1375 administration of this section. Any taxpayer desiring to  
1376 participate in the tax credits authorized by this section shall  
1377 pay the appropriate fee as contained in the fee schedule to the  
1378 department, which shall be used by the department, without  
1379 appropriation, to offset the administrative costs of the  
1380 department associated with its duties under this section.

1381 (b) There is hereby created within the State Treasury a  
1382 special fund into which shall be deposited all the fees collected





1383 by the department pursuant to this section. Money deposited into  
1384 the fund shall not lapse at the end of any fiscal year and  
1385 investment earnings on the proceeds in such special fund shall be  
1386 deposited into such fund. Money from the fund shall be disbursed  
1387 upon warrants issued by the State Fiscal Officer upon requisitions  
1388 signed by the executive director of the department to assist the  
1389 department in carrying out its duties under this section.

1390 (8) This section shall only apply to taxpayers:

1391 (a) Who have been issued a certificate evidencing the  
1392 eligible credit before December 31, 2030; or

1393 (b) Who, before December 31, 2030, have received a  
1394 determination in writing from the Mississippi Department of  
1395 Archives and History, in accordance with the department's Historic  
1396 Preservation Certificate Application, Part 2, that the  
1397 rehabilitation is consistent with the historic character of the  
1398 property and that the property meets the United States Secretary  
1399 of the Interior's Standards for Rehabilitation, or will meet the  
1400 standards if certain specified conditions are met, and, who are  
1401 issued a certificate evidencing the eligible credit on or after  
1402 December 31, 2030.

1403 **SECTION 21.** Section 27-7-22.32, Mississippi Code of 1972, is  
1404 brought forward as follows:

1405 27-7-22.32. (1) (a) There shall be allowed as a credit  
1406 against the tax imposed by this chapter the amount of the  
1407 qualified adoption expenses paid or incurred, not to exceed Five



1408 Thousand Dollars (\$5,000.00), for each dependent child residing  
1409 outside Mississippi but legally adopted by a taxpayer under the  
1410 laws of this state during calendar year 2023 or during any  
1411 calendar year thereafter. A taxpayer claiming a credit under this  
1412 paragraph (a) may not claim a credit under paragraph (b) of this  
1413 subsection for the adoption of the same child.

1414 (b) There shall be allowed as a credit against the tax  
1415 imposed by this chapter the amount of Ten Thousand Dollars  
1416 (\$10,000.00) for each dependent child residing in Mississippi and  
1417 legally adopted by a taxpayer under the laws of this state during  
1418 calendar year 2023 or during any calendar year thereafter. A  
1419 taxpayer claiming a credit under this paragraph (b) may not claim  
1420 a credit under paragraph (a) of this subsection for the adoption  
1421 of the same child.

1422 (2) The tax credit under this section may be claimed for the  
1423 taxable year in which the adoption becomes final under the laws of  
1424 this state. Any tax credit claimed under this section but not  
1425 used in any taxable year may be carried forward for the five (5)  
1426 succeeding tax years. A tax credit is allowed under this section  
1427 for any child for which an exemption is claimed during the same  
1428 taxable year under Section 27-7-21(e). For the purposes of this  
1429 section, the term "qualified adoption expenses" means and has the  
1430 same definition as that term has in 26 USCA 23.

1431 **SECTION 22.** Section 27-7-22.33, Mississippi Code of 1972, is  
1432 brought forward as follows:



1433           27-7-22.33. (1) A taxpayer shall be allowed a credit  
1434 against the income taxes imposed under this chapter in an amount  
1435 equal to twenty-five percent (25%) of the premium costs paid  
1436 during the taxable year for a qualified long-term care insurance  
1437 policy as defined in Section 7702B of the Internal Revenue Code  
1438 that offers coverage to either the individual, the individual's  
1439 spouse, the individual's parent or parent-in-law, or the  
1440 individual's dependent as defined in Section 152 of the Internal  
1441 Revenue Code.

1442           (2) No taxpayer shall be entitled to the credit with respect  
1443 to the same expended amounts for qualified long-term care  
1444 insurance which are claimed by another taxpayer.

1445           (3) The credit allowed by this section shall not exceed Five  
1446 Hundred Dollars (\$500.00) or the taxpayer's income tax liability,  
1447 whichever is less, for each qualified long-term care insurance  
1448 policy. Any unused tax credit shall not be allowed to be carried  
1449 forward to apply to the taxpayer's succeeding year's tax  
1450 liability.

1451           (4) No credit shall be allowed under this section with  
1452 respect to any premium for qualified long-term care insurance  
1453 either deducted or subtracted by the taxpayer in arriving at his  
1454 net taxable income under this section or with respect to any  
1455 premiums for qualified long-term care insurance which were  
1456 excluded from his net taxable income.



1457           **SECTION 23.** Section 27-7-22.34, Mississippi Code of 1972, is  
1458 brought forward as follows:

1459           27-7-22.34. (1) As used in this section, "qualified  
1460 business or industry" means any company that has been certified by  
1461 the Mississippi Major Economic Impact Authority as a project as  
1462 defined in Section 57-75-5(f)(xxii).

1463           (2) A qualified business or industry shall be allowed a job  
1464 tax credit for taxes imposed by Section 27-7-5 equal to Five  
1465 Thousand Dollars (\$5,000.00) annually for each net new full-time  
1466 employee job for a period of twenty (20) years from the date the  
1467 credit commences; however, if the qualified business or industry  
1468 is located in an area that has been declared by the Governor to be  
1469 a disaster area and as a direct result of the disaster the  
1470 business or industry is unable to maintain the required number of  
1471 employees, the commissioner may extend this time period for not  
1472 more than two (2) years. The credit shall commence on the date  
1473 selected by the business or industry; however, the commencement  
1474 date shall not be more than six (6) years from the date the  
1475 business or industry commences commercial production. For the  
1476 year in which the commencement date occurs, the number of new  
1477 full-time jobs shall be determined by using the monthly average  
1478 number of full-time employees subject to the Mississippi income  
1479 tax withholding. Thereafter, the number of new full-time jobs  
1480 shall be determined by comparing the monthly average number of  
1481 full-time employees subject to the Mississippi income tax



1482 withholding for the taxable year with the corresponding period of  
1483 the prior taxable year. Once a qualified business or industry  
1484 creates or increases employment by five hundred (500) or more,  
1485 such business or industry shall be eligible for the credit. The  
1486 credit is not allowed for any year of the twenty-year period in  
1487 which the overall monthly average number of full-time employees  
1488 subject to the Mississippi income tax withholding falls below five  
1489 hundred (500); however, if the qualified business or industry is  
1490 located in an area that has been declared by the Governor to be a  
1491 disaster area and as a direct result of the disaster the business  
1492 or industry is unable to maintain the required number of  
1493 employees, the commissioner may waive the employment requirement  
1494 for a period of time not to exceed two (2) years. The State Tax  
1495 Commission shall adjust the credit allowed each year for the net  
1496 new employment fluctuations above five hundred (500).

1497 (3) Any tax credit claimed under this section but not used  
1498 in any taxable year may be carried forward for five (5)  
1499 consecutive years from the close of the tax year in which the  
1500 credits were earned; however, if the qualified business or  
1501 industry is located in an area that has been declared by the  
1502 Governor to be a disaster area and as a direct result of the  
1503 disaster the business or industry is unable to use the existing  
1504 carryforward, the commissioner may extend the period that the  
1505 credit may be carried forward for a period of time not to exceed  
1506 two (2) years. The credit that may be utilized each year shall be



1507 limited to an amount not greater than the total state income tax  
1508 liability of the qualified business or industry that is generated  
1509 by, or arises out of, the project.

1510 (4) The tax credits provided for in this section shall be in  
1511 lieu of the tax credits provided for in Section 57-73-21 and any  
1512 qualified business or industry utilizing the tax credit authorized  
1513 in this section shall not utilize the tax credit authorized in  
1514 Section 57-73-21.

1515 **SECTION 24.** Section 27-7-22.35, Mississippi Code of 1972, is  
1516 brought forward as follows:

1517 27-7-22.35. (1) As used in this section:

1518 (a) "Eligible facility" means and includes a new  
1519 facility that creates at least twenty (20) full-time jobs with a  
1520 minimum capital investment from private sources of Fifty Million  
1521 Dollars (\$50,000,000.00), that:

1522 (i) Consists of all components necessary for the  
1523 production of electric energy from the direct firing or co-firing  
1524 of biomass or waste heat recovery, and if applicable, other energy  
1525 sources;

1526 (ii) Produces both electric energy and useful  
1527 thermal energy, such as heat or steam, through the sequential use  
1528 of energy (cogeneration); and

1529 (iii) Consists of all components necessary for the  
1530 production of synfuel.



1531 An eligible facility includes all burners and boilers, any  
1532 handling and delivery equipment that supplies fuel directly to and  
1533 is integrated with such burners and boilers, steam headers,  
1534 turbines, generators, property used for the collection, processing  
1535 or storage of biomass or synfuel, transformers, pipelines and all  
1536 other property used in the transmission of electricity or synfuel  
1537 and related depreciable property.

1538 (b) "Biomass" means and includes any of the following:

1539 (i) Forest-related mill residues, pulping  
1540 by-product and other by-products of wood processing, thinnings,  
1541 slash, limbs, bark, brush and other cellulosic plant material or  
1542 nonmerchantable forest-related products;

1543 (ii) Solid wood waste materials, including  
1544 dunnage, manufacturing and construction wood wastes, demolition  
1545 and storm debris and landscape or right-of-way trimmings;

1546 (iii) Agriculture wastes, including orchard tree  
1547 crops, vineyard, grain, legumes, sugar and other crop by-products  
1548 or residues and livestock waste nutrients;

1549 (iv) All plant and grass material that is grown  
1550 exclusively as a fuel for the production of electricity;

1551 (v) Refuse derived fuels consisting of organic  
1552 components and fibers of waste water treatment solids; or

1553 (vi) Whole trees.

1554 (c) "Synfuel" means any liquid or gaseous fuel obtained  
1555 from biomass.



1556 (d) "Waste heat recovery" means systems that produce  
1557 electricity from currently unused waste heat resulting from  
1558 combustion or other processes and which do not use an additional  
1559 combustion process. The term does not include any system whose  
1560 primary purpose is the generation of electricity.

1561 (2) An enterprise owning or operating an eligible facility  
1562 is allowed an annual investment tax credit for taxes imposed by  
1563 Section 27-7-5 equal to five percent (5%) of investments made by  
1564 the enterprise in the initial establishment of an eligible  
1565 facility. The credit shall commence on the date selected by the  
1566 enterprise; provided, however, that the commencement date shall  
1567 not be more than two (2) years from the date the eligible facility  
1568 becomes fully operational.

1569 (3) Any tax credit claimed under this section but not used  
1570 in any taxable year may be carried forward for five (5)  
1571 consecutive years from the close of the tax year in which the  
1572 credits were earned. The credit that may be utilized in any one  
1573 (1) tax year shall be limited to an amount not greater than fifty  
1574 percent (50%) of the total state income tax liability of the  
1575 enterprise for that year that is generated by, or arises out of,  
1576 the eligible facility.

1577 **SECTION 25.** Section 27-7-22.36, Mississippi Code of 1972, is  
1578 brought forward as follows:

1579 27-7-22.36. (1) As used in this section:





1580           (a) "Full-time employee" means an employee who works at  
1581 least thirty-five (35) hours per week.

1582           (b) "New cut and sew job" means a job in which the  
1583 employee cuts and sews upholstery for upholstered household  
1584 furniture and which job did not exist in this state before January  
1585 1, 2010.

1586           (2) Any enterprise owning or operating an upholstered  
1587 household furniture manufacturing facility is allowed a job tax  
1588 credit for taxes imposed by this chapter equal to Two Thousand  
1589 Dollars (\$2,000.00) annually for each full-time employee employed  
1590 in a new cut and sew job for a period of five (5) years from the  
1591 date the credit commences. The credit shall commence on the date  
1592 selected by the enterprise. For the year in which the  
1593 commencement date occurs, the credit will be determined based on  
1594 the monthly average number of full-time employees employed in new  
1595 cut and sew jobs subject to the Mississippi income tax withholding  
1596 who are employed by the enterprise. For each year thereafter, the  
1597 number of new cut and sew jobs shall be determined by comparing  
1598 the monthly average number of full-time employees employed in new  
1599 cut and sew jobs subject to the Mississippi income tax withholding  
1600 for the taxable year with the corresponding period of the prior  
1601 taxable year. The Department of Revenue shall verify that the  
1602 jobs claimed by enterprises to obtain the credit meet the  
1603 definition of the term "new cut and sew job." The Department of



1604 Revenue shall adjust the credit allowed each year for employment  
1605 fluctuations.

1606 (3) The credit that may be used each year shall be limited  
1607 to an amount not greater than the total state income tax liability  
1608 of the enterprise. Any tax credit claimed under this section but  
1609 not used in any taxable year may be carried forward for five (5)  
1610 consecutive years from the close of the tax year in which the  
1611 credits were earned.

1612 (4) The tax credits provided for in this section shall be in  
1613 lieu of the tax credits provided for in Section 57-73-21 and any  
1614 enterprise using the tax credit authorized in this section shall  
1615 not use the tax credit authorized in Section 57-73-21.

1616 (5) Any taxpayer who is eligible for the credit authorized  
1617 in this section prior to January 1, 2026, shall be eligible for  
1618 the credit authorized in this section, notwithstanding the repeal  
1619 of this section, and shall be allowed to carry forward the credit  
1620 after January 1, 2026, as provided for in subsection (3) of this  
1621 section.

1622 (6) This section shall be repealed from and after January 1,  
1623 2026.

1624 **SECTION 26.** Section 27-7-22.37, Mississippi Code of 1972, is  
1625 brought forward as follows:

1626 27-7-22.37. (1) There shall be allowed as a credit against  
1627 the tax imposed by Section 27-7-5 the amount of the qualified  
1628 prekindergarten program support contributions paid to approved



1629 providers, lead partners or collaboratives, not to exceed One  
1630 Million Dollars (\$1,000,000.00), by any individual, corporation or  
1631 other entity having taxable income under the laws of this state  
1632 during calendar year 2013 or during any calendar year thereafter.  
1633 In order to qualify for a tax credit, such contributions may  
1634 support the local match requirement of approved providers, lead  
1635 partners or collaboratives as is necessary to match  
1636 state-appropriated funds, and any such providers, lead partners or  
1637 collaboratives shall be approved by the State Department of  
1638 Education.

1639 (2) Any unused portion of the credit may be carried forward  
1640 for three (3) tax years.

1641 (3) Any prekindergarten program support contribution shall  
1642 be verified by submission to the Mississippi Department of Revenue  
1643 of a copy of the receipt provided to the donor taxpayer by the  
1644 prekindergarten program recipient or such other written  
1645 verification as may be required by the Department of Revenue.

1646 (4) The maximum amount of donations accepted by the  
1647 Department of Revenue in calendar year 2014 shall not exceed Eight  
1648 Million Dollars (\$8,000,000.00), in calendar year 2015 shall not  
1649 exceed Fifteen Million Dollars (\$15,000,000.00), and in calendar  
1650 year 2016 and calendar years thereafter shall not exceed  
1651 Thirty-two Million Dollars (\$32,000,000.00), or what is  
1652 appropriated by the Legislature to fund Chapter 493, Laws of 2013  
1653 each year.



1654 (5) The Mississippi Department of Revenue shall promulgate  
1655 rules necessary to effectuate the purposes of Chapter 493, Laws of  
1656 2013. Such rules shall include a means of informing the public of  
1657 the existence of the prekindergarten support program and the  
1658 application process for provider, lead partner and collaborative  
1659 candidates.

1660 **SECTION 27.** Section 27-7-22.39, Mississippi Code of 1972, is  
1661 brought forward as follows:

1662 27-7-22.39. (1) As used in this section:

1663 (a) "Low-income residents" means persons whose  
1664 household income is less than one hundred fifty percent (150%) of  
1665 the federal poverty level.

1666 (b) "Qualifying charitable organization" means a  
1667 charitable organization that is exempt from federal income  
1668 taxation under Section 501(c)(3) of the Internal Revenue Code or  
1669 is a designated community action agency that receives community  
1670 services block grant program monies pursuant to 42 USC 9901. The  
1671 organization must spend at least fifty percent (50%) of its budget  
1672 on services to residents of this state who receive temporary  
1673 assistance for needy families benefits or low-income residents of  
1674 this state and their households or to children who have a chronic  
1675 illness or physical, intellectual, developmental or emotional  
1676 disability who are residents of this state. A charitable  
1677 organization that is exempt from federal income tax under Section  
1678 501(c)(3) of the Internal Revenue Code and that meets all other



1679 requirements of this paragraph except that it does not spend at  
1680 least fifty percent (50%) of its overall budget in Mississippi may  
1681 be a qualifying charitable organization if it spends at least  
1682 fifty percent (50%) of its Mississippi budget on services to  
1683 qualified individuals in Mississippi and it certifies to the  
1684 department that one hundred percent (100%) of the voluntary cash  
1685 contributions from the taxpayer will be spent on services to  
1686 qualified individuals in Mississippi. Taxpayers choosing to make  
1687 donations through an umbrella charitable organization that  
1688 collects donations on behalf of member charities shall designate  
1689 that the donation be directed to a member charitable organization  
1690 that would qualify under this section on a stand-alone basis.  
1691 Qualifying charitable organization does not include any entity  
1692 that provides, pays for or provides coverage of abortions or that  
1693 financially supports any other entity that provides, pays for or  
1694 provides coverage of abortions.

1695 (c) "Qualifying foster care charitable organization"  
1696 means a qualifying charitable organization that each operating  
1697 year provides services to at least one hundred (100) qualified  
1698 individuals in this state and spends at least fifty percent (50%)  
1699 of its budget on services to qualified individuals in this state.  
1700 A charitable organization that is exempt from federal income tax  
1701 under Section 501(c)(3) of the Internal Revenue Code and that  
1702 meets all other requirements of this paragraph except that it does  
1703 not spend at least fifty percent (50%) of its overall budget in



1704 Mississippi may be a qualifying foster care charitable  
1705 organization if it spends at least fifty percent (50%) of its  
1706 Mississippi budget on services to qualified individuals in  
1707 Mississippi and it certifies to the department that one hundred  
1708 percent (100%) of the voluntary cash contributions from the  
1709 taxpayer will be spent on services to qualified individuals in  
1710 Mississippi. For the purposes of this paragraph, "qualified  
1711 individual" means a child in a foster care placement program  
1712 established by the Department of Child Protection Services, a  
1713 child placed under the Safe Families for Children model, or a  
1714 child at significant risk of entering a foster care placement  
1715 program established by the Department of Child Protection  
1716 Services.

1717 (d) "Services" means:

1718 (i) Cash assistance, medical care, child care,  
1719 food, clothing, shelter, and job-placement services or any other  
1720 assistance that is reasonably necessary to meet immediate basic  
1721 needs and that is provided and used in this state;

1722 (ii) Job-training or education services or funding  
1723 for parents, foster parents or guardians; or

1724 (iii) Job-training or education services or  
1725 funding provided as part of a foster care independent living  
1726 program.

1727 (2) (a) Except as provided in subsections (3) and (4) of  
1728 this section, a credit is allowed against the taxes imposed by



1729 this chapter for voluntary cash contributions by the taxpayer  
1730 during the taxable year to a qualifying charitable organization,  
1731 other than a qualifying foster care charitable organization, not  
1732 to exceed:

1733 (i) Through calendar year 2022, the lesser of Four  
1734 Hundred Dollars (\$400.00) or the amount of the contribution in any  
1735 taxable year for a single individual or a head of household; and  
1736 for calendar year 2023 and each calendar year thereafter, the  
1737 lesser of One Thousand Two Hundred Dollars (\$1,200.00) or the  
1738 amount of the contribution in any taxable year for a single  
1739 individual or a head of household.

1740 (ii) Through calendar year 2022, the lesser of  
1741 Eight Hundred Dollars (\$800.00) or the amount of the contribution  
1742 in any taxable year for a married couple filing a joint return;  
1743 and for calendar year 2023 and each calendar year thereafter, the  
1744 lesser of Two Thousand Four Hundred Dollars (\$2,400.00) or the  
1745 amount of the contribution in any taxable year for a married  
1746 couple filing a joint return.

1747 (b) From and after January 1, 2023, a credit is also  
1748 allowed against ad valorem taxes assessed and levied on real  
1749 property for voluntary cash contributions made by the individual  
1750 taxpayer during the taxable year to a qualifying charitable  
1751 organization, other than a qualifying foster care charitable  
1752 organization. The amount of credit that may be utilized by a  
1753 taxpayer in a taxable year shall be limited to an amount not to



1754 exceed fifty percent (50%) of the total tax liability of the  
1755 taxpayer for ad valorem taxes assessed and levied on real  
1756 property. Any tax credit claimed under this paragraph but not  
1757 used in any taxable year may be carried forward for five (5)  
1758 consecutive years from the close of the tax year in which the  
1759 credits were earned.

1760 (3) (a) A separate credit is allowed against the taxes  
1761 imposed by this chapter for voluntary cash contributions during  
1762 the taxable year to a qualifying foster care charitable  
1763 organization. A contribution to a qualifying foster care  
1764 charitable organization does not qualify for, and shall not be  
1765 included in, any credit amount under subsection (2) of this  
1766 section. If the voluntary cash contribution by the taxpayer is to  
1767 a qualifying foster care charitable organization, the credit shall  
1768 not exceed:

1769 (i) Through calendar year 2022, the lesser of Five  
1770 Hundred Dollars (\$500.00) or the amount of the contribution in any  
1771 taxable year for a single individual or a head of household; and  
1772 for calendar year 2023 and each calendar year thereafter, the  
1773 lesser of One Thousand Five Hundred Dollars (\$1,500.00) or the  
1774 amount of the contribution in any taxable year for a single  
1775 individual or a head of household.

1776 (ii) Through calendar year 2022, the lesser of One  
1777 Thousand Dollars (\$1,000.00) or the amount of the contribution in  
1778 any taxable year for a married couple filing a joint return; and





1779 for calendar year 2023 and each calendar year thereafter, the  
1780 lesser of Three Thousand Dollars (\$3,000.00) or the amount of the  
1781 contribution in any taxable year for a married couple filing a  
1782 joint return.

1783 (b) From and after January 1, 2023, a credit is also  
1784 allowed against ad valorem taxes assessed and levied on real  
1785 property for voluntary cash contributions made by the individual  
1786 taxpayer during the taxable year to a qualifying foster care  
1787 charitable organization. The amount of credit that may be  
1788 utilized by a taxpayer in a taxable year shall be limited to an  
1789 amount not to exceed fifty percent (50%) of the total tax  
1790 liability of the taxpayer for ad valorem taxes assessed and levied  
1791 on real property. Any tax credit claimed under this paragraph but  
1792 not used in any taxable year may be carried forward for five (5)  
1793 consecutive years from the close of the tax year in which the  
1794 credits were earned.

1795 (4) Subsections (2) and (3) of this section provide separate  
1796 credits against taxes imposed by this chapter depending on the  
1797 recipients of the contributions. A taxpayer, including a married  
1798 couple filing a joint return, in the same taxable year, may either  
1799 or both:

1800 (a) Contribute to a qualifying charitable organization,  
1801 other than a qualifying foster care charitable organization, and  
1802 claim a credit under subsection (2) of this section.



1803           (b) Contribute to a qualifying foster care charitable  
1804 organization and claim a credit under subsection (3) of this  
1805 section.

1806           (5) A husband and wife who file separate returns for a  
1807 taxable year in which they could have filed a joint return may  
1808 each claim only one-half (1/2) of the tax credit that would have  
1809 been allowed for a joint return.

1810           (6) Except as otherwise provided in subsections (2) and (3)  
1811 of this section, if the allowable tax credit exceeds the taxes  
1812 otherwise due under this chapter on the claimant's income, or if  
1813 there are no taxes due under this chapter, the taxpayer may carry  
1814 forward the amount of the claim not used to offset the taxes under  
1815 this chapter for not more than five (5) consecutive taxable years'  
1816 income tax liability.

1817           (7) The credit allowed by this section is in lieu of a  
1818 deduction pursuant to Section 170 of the Internal Revenue Code and  
1819 taken for state tax purposes.

1820           (8) Taxpayers taking a credit authorized by this section  
1821 shall provide the name of the qualifying charitable organization  
1822 and the amount of the contribution to the department on forms  
1823 provided by the department.

1824           (9) A qualifying charitable organization shall provide the  
1825 department with a written certification that it meets all criteria  
1826 to be considered a qualifying charitable organization. The



1827 organization shall also notify the department of any changes that  
1828 may affect the qualifications under this section.

1829 (10) The charitable organization's written certification  
1830 must be signed by an officer of the organization under penalty of  
1831 perjury. The written certification shall include the following:

1832 (a) Verification of the organization's status under  
1833 Section 501(c)(3) of the Internal Revenue Code or verification  
1834 that the organization is a designated community action agency that  
1835 receives community services block grant program monies pursuant to  
1836 42 USC 9901.

1837 (b) Financial data indicating the organization's budget  
1838 for the organization's prior operating year and the amount of that  
1839 budget spent on services to residents of this state who either:

1840 (i) Receive temporary assistance for needy  
1841 families benefits;

1842 (ii) Are low-income residents of this state;

1843 (iii) Are children who have a chronic illness or  
1844 physical, intellectual, developmental or emotional disability; or

1845 (iv) Are children in a foster care placement  
1846 program established by the Department of Child Protection  
1847 Services, children placed under the Safe Families for Children  
1848 model or children at significant risk of entering a foster care  
1849 placement program established by the Department of Child  
1850 Protection Services.



1851 (c) A statement that the organization plans to continue  
1852 spending at least fifty percent (50%) of its budget on services to  
1853 residents of this state who receive temporary assistance for needy  
1854 families benefits, who are low-income residents of this state, who  
1855 are children who have a chronic illness or physical, intellectual,  
1856 developmental or emotional disability or who are children in a  
1857 foster care placement program established by the Department of  
1858 Child Protection Services, children placed under the Safe Families  
1859 for Children model or children at significant risk of entering a  
1860 foster care placement program established by the Department of  
1861 Child Protection Services. A charitable organization that is  
1862 exempt from federal income tax under Section 501(c)(3) of the  
1863 Internal Revenue Code and that meets all other requirements for a  
1864 qualifying charitable organization or qualifying foster care  
1865 charitable organization except that it does not spend at least  
1866 fifty percent (50%) of its overall budget in Mississippi shall  
1867 submit a statement that it spends at least fifty percent (50%) of  
1868 its Mississippi budget on services to qualified individuals in  
1869 Mississippi and that one hundred percent (100%) of the voluntary  
1870 cash contributions it receives from Mississippi taxpayers will be  
1871 spent on services to qualified individuals in Mississippi.

1872 (d) In the case of a foster care charitable  
1873 organization, a statement that each operating year it provides  
1874 services to at least one hundred (100) qualified individuals in  
1875 this state.



1876           (e) A statement that the organization does not provide,  
1877 pay for or provide coverage of abortions and does not financially  
1878 support any other entity that provides, pays for or provides  
1879 coverage of abortions.

1880           (f) Any other information that the department requires  
1881 to administer this section.

1882           (11) The department shall review each written certification  
1883 and determine whether the organization meets all the criteria to  
1884 be considered a qualifying charitable organization and notify the  
1885 organization of its determination. The department may also  
1886 periodically request recertification from the organization. The  
1887 department shall compile and make available to the public a list  
1888 of the qualifying charitable organizations.

1889           (12) The aggregate amount of tax credits that may be awarded  
1890 under this section in any calendar year shall not exceed Three  
1891 Million Dollars (\$3,000,000.00). However, for calendar year 2021,  
1892 and for each calendar year thereafter, the aggregate amount of tax  
1893 credits that may be awarded under this section in any calendar  
1894 year shall not exceed One Million Dollars (\$1,000,000.00). In  
1895 addition, any tax credits not awarded under this section before  
1896 June 1, 2020, may be allocated during calendar year 2020 under  
1897 Section 27-7-22.41 for contributions by taxpayers to eligible  
1898 charitable organizations described in Section



1899 27-7-22.41(1)(b)(ii) as provided under such section,  
1900 notwithstanding any limitation on the percentage of tax credits  
1901 that may be allocated for such contributions.

1902 (13) A taxpayer shall apply for credits with the department  
1903 on forms prescribed by the department. In the application the  
1904 taxpayer shall certify to the department the dollar amount of the  
1905 contributions made or to be made during the calendar year. Within  
1906 thirty (30) days after the receipt of an application, the  
1907 department shall allocate credits based on the dollar amount of  
1908 contributions as certified in the application. However, if the  
1909 department cannot allocate the full amount of credits certified in  
1910 the application due to the limit on the aggregate amount of  
1911 credits that may be awarded under this section in a calendar year,  
1912 the department shall so notify the applicant within thirty (30)  
1913 days with the amount of credits, if any, that may be allocated to  
1914 the applicant in the calendar year. Once the department has  
1915 allocated credits to a taxpayer, if the contribution for which a  
1916 credit is allocated has not been made as of the date of the  
1917 allocation, then the contribution must be made not later than  
1918 sixty (60) days from the date of the allocation. If the  
1919 contribution is not made within such time period, the allocation  
1920 shall be cancelled and returned to the department for  
1921 reallocation. Upon final documentation of the contributions, if  
1922 the actual dollar amount of the contributions is lower than the



1923 amount estimated, the department shall adjust the tax credit  
1924 allowed under this section.

1925 (14) This section shall be repealed from and after January  
1926 1, 2025.

1927 **SECTION 28.** Section 27-7-22.40, Mississippi Code of 1972, is  
1928 brought forward as follows:

1929 27-7-22.40. (1) The following words and phrases shall have  
1930 the meanings ascribed in this section unless the context clearly  
1931 indicates:

1932 (a) "Water transportation enterprise" means an  
1933 enterprise or establishment primarily engaged in providing inland  
1934 water transportation of cargo on lakes, rivers and/or intracoastal  
1935 waterways, except on the Great Lakes System.

1936 (b) "Mississippi full-time job" means a job created in  
1937 the State of Mississippi on or after January 1, 2019, and filled  
1938 by a Mississippi resident who works at least thirty-five (35)  
1939 hours per week.

1940 (2) Subject to the provisions of this section, any water  
1941 transportation enterprise is allowed a job tax credit for taxes  
1942 imposed by this chapter equal to Two Thousand Dollars (\$2,000.00)  
1943 annually for each Mississippi full-time job created for a period  
1944 of five (5) years from the date the credit commences. A water  
1945 transportation enterprise may not claim a tax credit for the  
1946 reemployment of a person whose employment with the enterprise is  
1947 terminated by the enterprise if the reemployment by the enterprise



1948 occurs within twelve (12) months from the date of the termination.  
1949 The credit shall commence on the date selected by the enterprise.  
1950 For the year in which the commencement date occurs, the credit  
1951 will be determined based on the monthly average number of  
1952 full-time employees employed by the water transportation  
1953 enterprise in Mississippi full-time jobs subject to the  
1954 Mississippi income tax withholding. For each year thereafter, the  
1955 number of Mississippi full-time jobs shall be determined by  
1956 comparing the monthly average number of full-time employees  
1957 employed at the water transportation enterprise in Mississippi  
1958 full-time jobs subject to the Mississippi income tax withholding  
1959 for the taxable year with the corresponding period of the prior  
1960 taxable year. The Department of Revenue shall adjust the credit  
1961 allowed each year for employment fluctuations.

1962 (3) The credit that may be used each year shall be limited  
1963 to an amount not greater than the total state income tax liability  
1964 of the water transportation enterprise. Any tax credit claimed  
1965 under this section but not used in any taxable year may be carried  
1966 forward for five (5) consecutive years from the close of the tax  
1967 year in which the credits were earned.

1968 (4) The sale, merger, acquisition, reorganization,  
1969 bankruptcy or relocation from one (1) county to another county  
1970 within the state of any water transportation enterprise may not  
1971 create new eligibility in any succeeding business entity, but any  
1972 unused job tax credit may be transferred and continued by any





1973 transferee of the water transportation enterprise. The Department  
1974 of Revenue shall determine whether or not qualifying net increases  
1975 or decreases have occurred or proper transfers of credit have been  
1976 made and may require reports, promulgate regulations, and hold  
1977 hearings as needed for substantiation and qualification.

1978 (5) The credits allowed under this section shall not be used  
1979 by any business enterprise or corporation other than the water  
1980 transportation enterprise actually qualifying for the credits.

1981 (6) The maximum aggregate amount of tax credits that may be  
1982 claimed by all taxpayers claiming a credit under this section in a  
1983 taxable year shall not exceed Two Million Dollars (\$2,000,000.00).

1984 (7) Any water transportation enterprise that is eligible for  
1985 the credit authorized in this section before January 1, 2026,  
1986 shall be eligible for the credit authorized in this section,  
1987 notwithstanding the repeal of this section, and shall be allowed  
1988 to carry forward the credit after January 1, 2026, as provided  
1989 for in subsection (3) of this section.

1990 (8) This section shall be repealed from and after January 1,  
1991 2026.

1992 **SECTION 29.** Section 27-7-22.41, Mississippi Code of 1972, is  
1993 brought forward as follows:

1994 27-7-22.41. (1) For the purposes of this section, the  
1995 following words and phrases shall have the meanings ascribed in  
1996 this section unless the context clearly indicates otherwise:

1997 (a) "Department" means the Department of Revenue.



1998                   (b) "Eligible charitable organization" means an  
1999 organization that is exempt from federal income taxation under  
2000 Section 501(c) (3) of the Internal Revenue Code and is:

2001                   (i) Licensed by or under contract with the  
2002 Mississippi Department of Child Protection Services and provides  
2003 services for:

2004                   1. The prevention and diversion of children  
2005 from custody with the Department of Child Protection Services,

2006                   2. The safety, care and well-being of  
2007 children in custody with the Department of Child Protection  
2008 Services, or

2009                   3. The express purpose of creating permanency  
2010 for children through adoption; or

2011                   (ii) Certified by the department as an educational  
2012 services charitable organization that is accredited by a regional  
2013 accrediting organization and provides services to:

2014                   1. Children in a foster care placement  
2015 program established by the Department of Child Protection  
2016 Services, children placed under the Safe Families for Children  
2017 model, or children at significant risk of entering a foster care  
2018 placement program established by the Department of Child  
2019 Protection Services,

2020                   2. Children who have a chronic illness or  
2021 physical, intellectual, developmental or emotional disability, or



2022                                   3. Children eligible for free or reduced  
2023 price meals programs under Section 37-11-7, or selected for  
2024 participation in the Promise Neighborhoods Program sponsored by  
2025 the U.S. Department of Education.

2026           (2) (a) The tax credit authorized in this section shall be  
2027 available only to a taxpayer who is a business enterprise engaged  
2028 in commercial, industrial or professional activities and operating  
2029 as a corporation, limited liability company, partnership or sole  
2030 proprietorship. Except as otherwise provided in this section, a  
2031 credit is allowed against the taxes imposed by Sections 27-7-5,  
2032 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2033 contributions made by a taxpayer during the taxable year to an  
2034 eligible charitable organization. From and after January 1, 2022,  
2035 for a taxpayer that is not operating as a corporation, a credit is  
2036 also allowed against ad valorem taxes assessed and levied on real  
2037 property for voluntary cash contributions made by the taxpayer  
2038 during the taxable year to an eligible charitable organization.  
2039 The amount of credit that may be utilized by a taxpayer in a  
2040 taxable year shall be limited to (i) an amount not to exceed fifty  
2041 percent (50%) of the total tax liability of the taxpayer for the  
2042 taxes imposed by such sections of law and (ii) an amount not to  
2043 exceed fifty percent (50%) of the total tax liability of the  
2044 taxpayer for ad valorem taxes assessed and levied on real  
2045 property. Any tax credit claimed under this section but not used  
2046 in any taxable year may be carried forward for five (5)



2047 consecutive years from the close of the tax year in which the  
2048 credits were earned.

2049 (b) A contribution to an eligible charitable  
2050 organization for which a credit is claimed under this section does  
2051 not qualify for and shall not be included in any credit that may  
2052 be claimed under Section 27-7-22.39.

2053 (c) A contribution for which a credit is claimed under  
2054 this section may not be used as a deduction by the taxpayer for  
2055 state income tax purposes.

2056 (3) Taxpayers taking a credit authorized by this section  
2057 shall provide the name of the eligible charitable organization and  
2058 the amount of the contribution to the department on forms provided  
2059 by the department.

2060 (4) An eligible charitable organization shall provide the  
2061 department with a written certification that it meets all criteria  
2062 to be considered an eligible charitable organization. An eligible  
2063 charitable organization must also provide the department with  
2064 written documented proof of its license and/or written contract  
2065 with the Mississippi Department of Child Protection Services. The  
2066 organization shall also notify the department of any changes that  
2067 may affect eligibility under this section.

2068 (5) The eligible charitable organization's written  
2069 certification must be signed by an officer of the organization  
2070 under penalty of perjury. The written certification shall include  
2071 the following:



2072 (a) Verification of the organization's status under  
2073 Section 501(c) (3) of the Internal Revenue Code;

2074 (b) A statement that the organization does not provide,  
2075 pay for or provide coverage of abortions and does not financially  
2076 support any other entity that provides, pays for or provides  
2077 coverage of abortions;

2078 (c) A statement that the funds generated from the tax  
2079 credit shall be used for educational resources, staff and  
2080 expenditures and/or other purposes described in this section.

2081 (d) Any other information that the department requires  
2082 to administer this section.

2083 (6) The department shall review each written certification  
2084 and determine whether the organization meets all the criteria to  
2085 be considered an eligible charitable organization and notify the  
2086 organization of its determination. The department may also  
2087 periodically request recertification from the organization. The  
2088 department shall compile and make available to the public a list  
2089 of eligible charitable organizations.

2090 (7) Tax credits authorized by this section that are earned  
2091 by a partnership, limited liability company, S corporation or  
2092 other similar pass-through entity, shall be allocated among all  
2093 partners, members or shareholders, respectively, either in  
2094 proportion to their ownership interest in such entity or as the  
2095 partners, members or shareholders mutually agree as provided in an  
2096 executed document.



2097           (8) (a) A taxpayer shall apply for credits with the  
2098 department on forms prescribed by the department. In the  
2099 application the taxpayer shall certify to the department the  
2100 dollar amount of the contributions made or to be made during the  
2101 calendar year. Within thirty (30) days after the receipt of an  
2102 application, the department shall allocate credits based on the  
2103 dollar amount of contributions as certified in the application.  
2104 However, if the department cannot allocate the full amount of  
2105 credits certified in the application due to the limit on the  
2106 aggregate amount of credits that may be awarded under this section  
2107 in a calendar year, the department shall so notify the applicant  
2108 within thirty (30) days with the amount of credits, if any, that  
2109 may be allocated to the applicant in the calendar year. Once the  
2110 department has allocated credits to a taxpayer, if the  
2111 contribution for which a credit is allocated has not been made as  
2112 of the date of the allocation, then the contribution must be made  
2113 not later than sixty (60) days from the date of the allocation.  
2114 If the contribution is not made within such time period, the  
2115 allocation shall be cancelled and returned to the department for  
2116 reallocation. Upon final documentation of the contributions, if  
2117 the actual dollar amount of the contributions is lower than the  
2118 amount estimated, the department shall adjust the tax credit  
2119 allowed under this section.

2120           (b) A taxpayer who applied for a tax credit under this  
2121 section during calendar year 2020, but who was unable to be



2122 awarded the credit due to the limit on the aggregate amount of  
2123 credits authorized for calendar year 2020, shall be given priority  
2124 for tax credits authorized to be allocated to taxpayers under this  
2125 section by Section 27-7-22.39.

2126 (c) For the purposes of using a tax credit against ad  
2127 valorem taxes assessed and levied on real property, a taxpayer  
2128 shall present to the appropriate tax collector the tax credit  
2129 documentation provided to the taxpayer by the Department of  
2130 Revenue, and the tax collector shall apply the tax credit against  
2131 such ad valorem taxes. The tax collector shall forward the tax  
2132 credit documentation to the Department of Revenue along with the  
2133 amount of the tax credit applied against ad valorem taxes, and the  
2134 department shall disburse funds to the tax collector for the  
2135 amount of the tax credit applied against ad valorem taxes. Such  
2136 payments by the Department of Revenue shall be made from current  
2137 tax collections.

2138 (9) The aggregate amount of tax credits that may be  
2139 allocated by the department under this section during a calendar  
2140 year shall not exceed Five Million Dollars (\$5,000,000.00), and  
2141 not more than fifty percent (50%) of tax credits allocated during  
2142 a calendar year may be allocated for contributions to eligible  
2143 charitable organizations described in subsection (1)(b)(ii) of  
2144 this section. However, for calendar year 2021, the aggregate  
2145 amount of tax credits that may be allocated by the department  
2146 under this section during a calendar year shall not exceed Ten



2147 Million Dollars (\$10,000,000.00), for calendar year 2022, the  
2148 aggregate amount of tax credits that may be allocated by the  
2149 department under this section during a calendar year shall not  
2150 exceed Sixteen Million Dollars (\$16,000,000.00), and for calendar  
2151 year 2023, and for each calendar year thereafter, the aggregate  
2152 amount of tax credits that may be allocated by the department  
2153 under this section during a calendar year shall not exceed  
2154 Eighteen Million Dollars (\$18,000,000.00). For calendar year  
2155 2021, and for each calendar year thereafter, fifty percent (50%)  
2156 of the tax credits allocated during a calendar year shall be  
2157 allocated for contributions to eligible charitable organizations  
2158 described in subsection (1)(b)(i) of this section and fifty  
2159 percent (50%) of the tax credits allocated during a calendar year  
2160 shall be allocated for contributions to eligible charitable  
2161 organizations described in subsection (1)(b)(ii) of this section.  
2162 For calendar year 2021, and for each calendar year thereafter, for  
2163 credits allocated during a calendar year for contributions to  
2164 eligible charitable organizations described in subsection  
2165 (1)(b)(i) of this section, no more than twenty-five percent (25%)  
2166 of such credits may be allocated for contributions to a single  
2167 eligible charitable organization. Except as otherwise provided in  
2168 this section, for calendar year 2021, and for each calendar year  
2169 thereafter, for credits allocated during a calendar year for  
2170 contributions to eligible charitable organizations described in  
2171 subsection (1)(b)(ii) of this section, no more than four and





2172 one-half percent (4-1/2%) of such credits may be allocated for  
2173 contributions to a single eligible charitable organization.

2174 **SECTION 30.** Section 27-7-22.42, Mississippi Code of 1972, is  
2175 brought forward as follows:

2176 27-7-22.42. (1) The following words and phrases shall have  
2177 the meanings as defined in this section unless the context clearly  
2178 indicates otherwise:

2179 (a) "Eligible taxpayer" means any railroad that is  
2180 classified by the United States Surface Transportation Board as a  
2181 Class II or Class III railroad.

2182 (b) "Eligible transferee" means any taxpayer having a  
2183 liability for taxes under this chapter.

2184 (c) "Qualified railroad reconstruction or replacement  
2185 expenditures" means gross expenditures for maintenance,  
2186 reconstruction or replacement of railroad infrastructure,  
2187 including track, roadbed, bridges, industrial leads and sidings,  
2188 and track-related structures owned or leased by a Class II or  
2189 Class III railroad in Mississippi as of January 1, 2022.

2190 (d) "Qualified new rail infrastructure expenditures"  
2191 means gross expenditures for new construction of industrial leads,  
2192 switches, spurs and sidings and extensions of existing sidings,  
2193 for serving new customer locations or expansions in Mississippi,  
2194 by a Class II or Class III railroad located in Mississippi.

2195 (2) Subject to the provisions of this section, an eligible  
2196 taxpayer making qualified railroad reconstruction or replacement



2197 expenditures shall be allowed a credit against the taxes imposed  
2198 under this chapter. The credit shall be for an amount equal to  
2199 the lesser of fifty percent (50%) of an eligible taxpayer's  
2200 qualified railroad reconstruction or replacement expenditures for  
2201 the taxable year or the product of Five Thousand Dollars  
2202 (\$5,000.00) multiplied by the number of miles of railroad track  
2203 owned or leased within the State of Mississippi by the eligible  
2204 taxpayer as of the close of the taxable year. For qualified new  
2205 rail infrastructure expenditures, the credit shall be for an  
2206 amount equal to the lesser of fifty percent (50%) of an eligible  
2207 taxpayer's qualified new rail infrastructure expenditures for the  
2208 taxable year, capped at One Million Dollars (\$1,000,000.00) per  
2209 new rail-served customer project. However, the tax credit shall  
2210 not exceed the amount of tax imposed upon the taxpayer for the  
2211 taxable year reduced by the sum of all other credits allowable to  
2212 the taxpayer under this chapter, except credit for tax payments  
2213 made by or on behalf of the taxpayer. Any tax credit claimed  
2214 under this section but not used in any taxable year may be carried  
2215 forward for five (5) consecutive years from the close of the  
2216 taxable year in which the credit was earned. The aggregate amount  
2217 of credits that may be claimed by all taxpayers claiming a credit  
2218 under this section during a calendar year shall not exceed Eight  
2219 Million Dollars (\$8,000,000.00). In addition, an eligible  
2220 taxpayer may transfer by written agreement any unused tax credit  
2221 to an eligible transferee at any time during the year in which the



2222 credit is earned and the five (5) years following the taxable year  
2223 in which the qualified railroad reconstruction or replacement  
2224 expenditures or the qualified new rail infrastructure expenditures  
2225 are made. The eligible taxpayer and the eligible transferee must  
2226 jointly file a copy of the written transfer agreement with the  
2227 Department of Revenue within thirty (30) days of the transfer.  
2228 The written agreement must contain the: (a) name, address, and  
2229 taxpayer identification number of the parties to the transfer; (b)  
2230 taxable year the eligible taxpayer incurred the qualified railroad  
2231 reconstruction or replacement expenditures or the qualified new  
2232 rail infrastructure expenditures; (c) amount of credit being  
2233 transferred; and (d) taxable year or years for which the credit  
2234 may be claimed by the eligible transferee.

2235 This section shall stand repealed on January 1, 2024.

2236 **SECTION 31.** Section 27-7-22.43, Mississippi Code of 1972, is  
2237 brought forward as follows:

2238 27-7-22.43. (1) This section shall be known and may be  
2239 cited as the "Pregnancy Resource Act."

2240 (2) For the purposes of this section, the following words  
2241 and phrases shall have the meanings ascribed in this section  
2242 unless the context clearly indicates otherwise:

2243 (a) "Department" means the Department of Revenue.

2244 (b) "Eligible charitable organization" means an  
2245 organization that is exempt from federal income taxation under  
2246 Section 501(c)(3) of the Internal Revenue Code and is a pregnancy



2247 resource center or crisis pregnancy center. To be considered an  
2248 "eligible charitable organization" a pregnancy resource center or  
2249 crisis pregnancy center must meet the following criteria:

2250 (i) Certify that no more than twenty percent (20%)  
2251 of the contributions received under this section will be spent on  
2252 administrative purposes;

2253 (ii) File annually with the Secretary of State the  
2254 organization's publicly available Internal Revenue Service  
2255 filings.

2256 (3) (a) The tax credit authorized in this section shall be  
2257 available only to a taxpayer who is a business enterprise engaged  
2258 in commercial, industrial or professional activities and operating  
2259 as a corporation, limited liability company, partnership or sole  
2260 proprietorship. Except as otherwise provided in this section, a  
2261 credit is allowed against the taxes imposed by Sections 27-7-5,  
2262 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2263 contributions made by a taxpayer during the taxable year to an  
2264 eligible charitable organization. For calendar year 2022, for a  
2265 taxpayer that is not operating as a corporation, a credit is also  
2266 allowed against ad valorem taxes assessed and levied on real  
2267 property for voluntary cash contributions made by the taxpayer  
2268 during the taxable year to an eligible charitable organization.  
2269 From and after January 1, 2023, a credit is also allowed against  
2270 ad valorem taxes assessed and levied on real property for  
2271 voluntary cash contributions made by a taxpayer during the taxable



2272 year to an eligible charitable organization. The amount of credit  
2273 that may be utilized by a taxpayer in a taxable year shall be  
2274 limited to (i) an amount not to exceed fifty percent (50%) of the  
2275 total tax liability of the taxpayer for the taxes imposed by such  
2276 sections of law and (ii) an amount not to exceed fifty percent  
2277 (50%) of the total tax liability of the taxpayer for ad valorem  
2278 taxes assessed and levied on real property. Any tax credit  
2279 claimed under this section but not used in any taxable year may be  
2280 carried forward for five (5) consecutive years from the close of  
2281 the tax year in which the credits were earned.

2282 (b) A contribution for which a credit is claimed under  
2283 this section may not be used as a deduction by the taxpayer for  
2284 state income tax purposes.

2285 (4) Taxpayers taking a credit authorized by this section  
2286 shall provide the name of the eligible charitable organization and  
2287 the amount of the contribution to the department on forms provided  
2288 by the department.

2289 (5) An eligible charitable organization shall provide the  
2290 department with a written certification that it meets all criteria  
2291 to be considered an eligible charitable organization. The  
2292 organization shall also notify the department of any changes that  
2293 may affect eligibility under this section.

2294 (6) The eligible charitable organization's written  
2295 certification must be signed by an officer of the organization



2296 under penalty of perjury. The written certification shall include  
2297 the following:

2298 (a) Verification of the organization's status under  
2299 Section 501(c) (3) of the Internal Revenue Code;

2300 (b) A statement that the organization does not provide,  
2301 pay for or provide coverage of abortions and does not financially  
2302 support any other entity that provides, pays for or provides  
2303 coverage of abortions;

2304 (c) Any other information that the department requires  
2305 to administer this section.

2306 (7) The department shall review each written certification  
2307 and determine whether the organization meets all the criteria to  
2308 be considered an eligible charitable organization and notify the  
2309 organization of its determination. The department may also  
2310 periodically request recertification from the organization. The  
2311 department shall compile and make available to the public a list  
2312 of eligible charitable organizations.

2313 (8) Tax credits authorized by this section that are earned  
2314 by a partnership, limited liability company, S corporation or  
2315 other similar pass-through entity, shall be allocated among all  
2316 partners, members or shareholders, respectively, either in  
2317 proportion to their ownership interest in such entity or as the  
2318 partners, members or shareholders mutually agree as provided in an  
2319 executed document.



2320           (9) (a) A taxpayer shall apply for credits with the  
2321 department on forms prescribed by the department. In the  
2322 application the taxpayer shall certify to the department the  
2323 dollar amount of the contributions made or to be made during the  
2324 calendar year. Within thirty (30) days after the receipt of an  
2325 application, the department shall allocate credits based on the  
2326 dollar amount of contributions as certified in the application.  
2327 However, if the department cannot allocate the full amount of  
2328 credits certified in the application due to the limit on the  
2329 aggregate amount of credits that may be awarded under this section  
2330 in a calendar year, the department shall so notify the applicant  
2331 within thirty (30) days with the amount of credits, if any, that  
2332 may be allocated to the applicant in the calendar year. Once the  
2333 department has allocated credits to a taxpayer, if the  
2334 contribution for which a credit is allocated has not been made as  
2335 of the date of the allocation, then the contribution must be made  
2336 not later than sixty (60) days from the date of the allocation.  
2337 If the contribution is not made within such time period, the  
2338 allocation shall be cancelled and returned to the department for  
2339 reallocation. Upon final documentation of the contributions, if  
2340 the actual dollar amount of the contributions is lower than the  
2341 amount estimated, the department shall adjust the tax credit  
2342 allowed under this section.

2343           (b) For the purposes of using a tax credit against ad  
2344 valorem taxes assessed and levied on real property, a taxpayer



2345 shall present to the appropriate tax collector the tax credit  
2346 documentation provided to the taxpayer by the Department of  
2347 Revenue, and the tax collector shall apply the tax credit against  
2348 such ad valorem taxes. The tax collector shall forward the tax  
2349 credit documentation to the Department of Revenue along with the  
2350 amount of the tax credit applied against ad valorem taxes, and the  
2351 department shall disburse funds to the tax collector for the  
2352 amount of the tax credit applied against ad valorem taxes. Such  
2353 payments by the Department of Revenue shall be made from current  
2354 tax collections.

2355 (10) The aggregate amount of tax credits that may be  
2356 allocated by the department under this section during a calendar  
2357 year shall not exceed Three Million Five Hundred Thousand Dollars  
2358 (\$3,500,000.00). However, for calendar year 2023, and for each  
2359 calendar year thereafter, the aggregate amount of tax credits that  
2360 may be allocated by the department under this section during a  
2361 calendar year shall not exceed Ten Million Dollars  
2362 (\$10,000,000.00). For credits allocated during a calendar year  
2363 for contributions to eligible charitable organizations, no more  
2364 than twenty-five percent (25%) of such credits may be allocated  
2365 for contributions to a single eligible charitable organization;  
2366 however, credits not allocated before June 1, may be allocated  
2367 without regard to such restriction for the same calendar year.

2368 **SECTION 32.** Section 27-7-22.44, Mississippi Code of 1972, is  
2369 brought forward as follows:





2370           27-7-22.44. (1) As used in this section, the following  
2371 words shall have the meanings ascribed herein unless the context  
2372 clearly requires otherwise:

2373           (a) "Blood donation" means the voluntary and  
2374 uncompensated donation of whole blood, or specific components of  
2375 blood, by an employee, drawn for use by a nonprofit blood bank  
2376 organization as part of a blood drive.

2377           (b) "Blood drive" means a function held at a specific  
2378 date and time which is organized by a nonprofit blood bank  
2379 organization in coordination with an employer or group of  
2380 employers and is closed to nonemployees.

2381           (c) "Employee" means an individual employed by an  
2382 employer authorized to claim a tax credit under this section.

2383           (d) "Employer" means a sole proprietor, general  
2384 partnership, limited partnership, limited liability company,  
2385 corporation or other legally recognized business entity.

2386           (e) "Verified donation" means a blood donation by an  
2387 employee, made during a blood drive, which can be documented by an  
2388 employer.

2389           (2) Subject to the provisions of this section, for calendar  
2390 year 2022 and for calendar year 2023, a taxpayer that is an  
2391 employer shall be allowed a credit against the taxes imposed under  
2392 this chapter for each verified blood donation made by an employee  
2393 as part of a blood drive. The credit shall be for an amount equal  
2394 to Twenty Dollars (\$20.00) for each verified donation. However,



2395 the tax credit shall not exceed the amount of tax imposed upon the  
2396 taxpayer for the taxable year reduced by the sum of all other  
2397 credits allowable to the taxpayer under this chapter, except  
2398 credit for tax payments made by or on behalf of the taxpayer. The  
2399 maximum aggregate amount of tax credits that may be claimed by all  
2400 taxpayers claiming a credit under this section in a taxable year  
2401 shall not exceed One Hundred Thousand Dollars (\$100,000.00). The  
2402 department shall annually calculate and publish a percentage by  
2403 which the tax credit authorized by this section shall be reduced  
2404 so the maximum aggregate amount of tax credits claimed by all  
2405 taxpayers claiming a credit in a taxable year does not exceed One  
2406 Hundred Thousand Dollars (\$100,000.00).

2407       **SECTION 33.** Section 27-7-22.45, Mississippi Code of 1972, is  
2408 brought forward as follows:

2409       27-7-22.45. (1) As used in this section,

2410           (a) "Affiliated enterprise" or an "affiliate" shall  
2411 have the meaning ascribed to such term in Section 57-75-5(k)(ii);

2412           (b) "Authority" shall have the meaning ascribed to such  
2413 term in Section 57-75-5(b);

2414           (c) "Project" shall have the meaning ascribed to such  
2415 term in Section 57-75-5(f)(xxxi); and

2416           (d) "Qualified business or industry" shall mean any  
2417 company that has been certified by the Major Economic Impact  
2418 Authority as a project as defined in Section 57-75-5(f)(xxxi), or  
2419 any other company which becomes subject to the tax levied by this



2420 chapter because it is an affiliate of the company that has been  
2421 certified by the Major Economic Impact Authority as a project as  
2422 defined in Section 57-75-5(f) (xxxi).

2423 (2) Each qualified business or industry shall be allowed an  
2424 annual credit, for a period of fifteen (15) successive years,  
2425 against the tax imposed by this chapter upon such qualified  
2426 business or industry in each such year, in an annual amount equal  
2427 to the amount of the qualified business's or industry's tax  
2428 imposed by this chapter for each such year during the fifteen (15)  
2429 year period on income derived thereby from any project, as defined  
2430 by Section 57-75-5(f) (xxxi).

2431 (3) The tax credit authorized by this section may be  
2432 utilized by any qualified business or industry and by any  
2433 affiliates thereof that file a combined tax return for the tax  
2434 imposed by this chapter. The credit shall not apply to offset tax  
2435 on income derived from activities subject to Mississippi income  
2436 tax prior to certification of the project.

2437 (4) A qualified business or industry may elect the date upon  
2438 which the fifteen (15) year period will begin; however, the date  
2439 may not be later than twenty-four (24) months after the date the  
2440 qualified business or industry begins commercial production of the  
2441 project or such earlier date prescribed by a definitive written  
2442 agreement between the authority and the qualified business or  
2443 industry and/or an affiliate thereof.



2444 (5) In the event that the annual number of full-time jobs  
2445 maintained or caused to be maintained by the qualified business or  
2446 industry and/or any affiliate thereof falls below the minimum  
2447 annual number of full-time jobs required by the authority pursuant  
2448 to a written agreement between the authority and the qualified  
2449 business or industry and/or any affiliate thereof for one or more  
2450 years, the annual tax credit granted by this section may be  
2451 reduced or suspended by the authority until the first tax year  
2452 during which the annual number of full-time jobs maintained or  
2453 caused to be maintained by the qualified business or industry  
2454 and/or any affiliate thereof reaches the minimum annual number of  
2455 full-time jobs required by the authority pursuant to a written  
2456 agreement between the authority and the qualified business or  
2457 industry and/or any affiliate thereof.

2458 (6) A qualified business or industry that utilizes the  
2459 annual tax credits authorized by this section shall not be  
2460 eligible for the credits authorized in Sections 57-73-21 through  
2461 57-73-29.

2462 (7) A qualified business or industry shall be entitled to  
2463 utilize a single sales apportionment factor in the calculation of  
2464 its liability for income tax imposed by this chapter for any year  
2465 for which it files a Mississippi income tax return. The qualified  
2466 business or industry shall be entitled to continue to utilize such  
2467 single sales apportionment factor notwithstanding a suspension of  
2468 the income tax credit pursuant to subsection (5) of this section.



2469 In no event shall a qualified business or industry be entitled to  
2470 utilize a single sales apportionment factor for purposes of  
2471 calculating its liability for income tax imposed by this chapter  
2472 on any income derived from any operations or activities thereof  
2473 subject to tax liability imposed by this chapter prior to January  
2474 1, 2023, except to the extent that the qualified business or  
2475 industry is entitled to utilize a single sales apportionment  
2476 factor in the calculation of its liability for income tax on  
2477 income derived from any operations or activities thereof subject  
2478 to tax liability imposed by this chapter prior to January 1, 2023,  
2479 pursuant to any other section of law or regulation duly adopted by  
2480 the department.

2481 (8) The Mississippi Development Authority may promulgate  
2482 rules and regulations necessary to administer the provisions of  
2483 this section.

2484 **SECTION 34.** Section 27-7-22.46, Mississippi Code of 1972, is  
2485 brought forward as follows:

2486 27-7-22.46. (1) For the purposes of this section, the  
2487 following words and phrases shall have the meanings ascribed in  
2488 this section unless the context clearly indicates otherwise:

2489 (a) "Department" means the Department of Revenue.

2490 (b) "Eligible charitable organization" means an  
2491 organization that is exempt from federal income taxation under  
2492 Section 501(c)(3) of the Internal Revenue Code and is purchasing,  
2493 warehousing and delivering food directly to food pantries or soup



2494 kitchens in more than five (5) Mississippi counties on a monthly  
2495 basis.

2496           (2) (a) The tax credit authorized in this section shall be  
2497 available only to a taxpayer that is a business enterprise engaged  
2498 in commercial, industrial or professional activities and operating  
2499 as a corporation, limited liability company, partnership or sole  
2500 proprietorship. Except as otherwise provided in this section, a  
2501 credit is allowed against the taxes imposed by Sections 27-7-5,  
2502 27-15-103, 27-15-109 and 27-15-123, for voluntary cash  
2503 contributions made by a taxpayer during the taxable year to an  
2504 eligible charitable organization. A credit is also allowed  
2505 against ad valorem taxes assessed and levied on real property for  
2506 voluntary cash contributions made by the taxpayer during the  
2507 taxable year to an eligible charitable organization. The amount  
2508 of credit that may be utilized by a taxpayer in a taxable year  
2509 shall be limited to (i) an amount not to exceed fifty percent  
2510 (50%) of the total tax liability of the taxpayer for the taxes  
2511 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123,  
2512 and (ii) an amount not to exceed fifty percent (50%) of the total  
2513 tax liability of the taxpayer for ad valorem taxes assessed and  
2514 levied on real property. Any credit claimed under this section  
2515 but not used in the tax year in which it was earned may be carried  
2516 forward for five (5) consecutive years from the close of the tax  
2517 year in which it was earned.



2518           (b) A contribution for which a credit is claimed under  
2519 this section may not be used as a deduction by the taxpayer for  
2520 state income tax purposes.

2521           (3) A taxpayer taking a credit authorized by this section  
2522 shall provide the name of the eligible charitable organization and  
2523 the amount of the contribution to the department on forms provided  
2524 by the department.

2525           (4) To be considered an eligible charitable organization  
2526 under this section, an organization shall provide the department  
2527 with a written certification that it meets all criteria. The  
2528 organization shall also notify the department of any changes that  
2529 may affect eligibility under this section.

2530           (5) The eligible charitable organization's written  
2531 certification must be signed by an officer of the organization  
2532 under penalty of perjury. The written certification shall include  
2533 the following:

2534           (a) Verification of the organization's status under  
2535 Section 501(c)(3) of the Internal Revenue Code;

2536           (b) A statement that the organization will use the  
2537 contribution only for the purchasing of food and will deliver the  
2538 food to food pantries and soup kitchens in the state; and

2539           (c) Any other information that the department requires  
2540 in order to administer this section.

2541           (6) The department shall review each written certification  
2542 and determine whether the organization meets all the criteria to



2543 be considered an eligible charitable organization and shall notify  
2544 the organization of its determination. The department may also  
2545 periodically request recertification from the organization. The  
2546 department shall compile and make available to the public a list  
2547 of eligible charitable organizations.

2548 (7) Tax credits authorized by this section that are earned  
2549 by a partnership, limited liability company, S corporation or  
2550 other similar pass-through entity, shall be allocated among all  
2551 partners, members or shareholders, respectively, either in  
2552 proportion to their ownership interest in such entity or as the  
2553 partners, members or shareholders mutually agree as provided in an  
2554 executed document.

2555 (8) (a) A taxpayer shall apply for credits with the  
2556 department on forms prescribed by the department. In the  
2557 application, the taxpayer shall certify to the department the  
2558 dollar amount of the contributions made or to be made during the  
2559 calendar year. Within thirty (30) days after the receipt of an  
2560 application, the department shall allocate credits based on the  
2561 dollar amount of contributions as certified in the application.  
2562 However, if the department cannot allocate the full amount of  
2563 credits certified in the application due to the limit on the  
2564 aggregate amount of credits that may be awarded under this section  
2565 in a calendar year, the department shall so notify the applicant  
2566 within thirty (30) days with the amount of credits, if any, that  
2567 may be allocated to the applicant in the calendar year. Once the





2568 department has allocated credits to a taxpayer, if the  
2569 contribution for which a credit is allocated has not been made as  
2570 of the date of the allocation, then the contribution must be made  
2571 not later than sixty (60) days from the date of the allocation.  
2572 If the contribution is not made within such time period, the  
2573 allocation shall be cancelled and returned to the department for  
2574 reallocation. Upon final documentation of the contribution, if  
2575 the actual dollar amount of the contribution is lower than the  
2576 amount estimated, the department shall adjust the tax credit  
2577 allowed under this section.

2578 (b) For the purposes of using a tax credit against ad  
2579 valorem taxes assessed and levied on real property, a taxpayer  
2580 shall present to the appropriate tax collector the tax credit  
2581 documentation provided to the taxpayer by the department, and the  
2582 tax collector shall apply the tax credit against such ad valorem  
2583 taxes. The tax collector shall forward the tax credit  
2584 documentation to the department along with the amount of the tax  
2585 credit applied against ad valorem taxes, and the department shall  
2586 disburse funds to the tax collector for the amount of the tax  
2587 credit applied against ad valorem taxes. Such payments by the  
2588 department shall be made from current tax collections.

2589 (9) The aggregate amount of tax credits that may be  
2590 allocated by the department under this section during a calendar  
2591 year shall not exceed One Million Dollars (\$1,000,000.00).



2592           **SECTION 35.** Section 27-7-22.47, Mississippi Code of 1972, is  
2593 brought forward as follows:

2594           27-7-22.47. (1) For the purposes of this section, the  
2595 following words and phrases shall have the meanings ascribed in  
2596 this section unless the context clearly indicates otherwise:

2597                   (a) "Department" means the Department of Revenue.

2598                   (b) "Eligible transitional home organization" means an  
2599 organization that is exempt from federal income taxation under  
2600 Section 501(c)(3) of the Internal Revenue Code that provides  
2601 transitional housing for homeless persons age twenty-five (25) and  
2602 under, homeless families and/or homeless and/or referred unwed  
2603 pregnant women.

2604           "Eligible transitional home organization" does not include  
2605 any entity that provides, pays for or provides coverage of  
2606 abortions or that financially supports any other entity that  
2607 provides, pays for or provides coverage of abortions.

2608           "Eligible transitional home organization" does not include  
2609 any entity that charges a fee for the services and/or benefits it  
2610 provides as an eligible transitional home organization. The  
2611 prohibition against charging a fee for services and/or benefits is  
2612 limited to services and benefits the entity provides as an  
2613 eligible transitional home organization and does not apply to any  
2614 other services and/or benefits the entity may provide to persons  
2615 not being served by the entity's transitional home services.



2616 (c) "Transitional housing" means temporary housing the  
2617 purpose of which is to provide homeless persons age twenty-five  
2618 (25) and under, homeless families and/or homeless and/or referred  
2619 unwed pregnant women with temporary shelter and facilitate their  
2620 movement to permanent housing within an amount of time that the  
2621 eligible transitional home organization determines to be  
2622 appropriate.

2623 "Transitional housing" includes a program designed by the  
2624 eligible transitional home organization that offers structure,  
2625 supervision, support, life skills, education and training as the  
2626 eligible transitional home organization determines to be  
2627 appropriate for each individual and/or family to achieve and/or  
2628 maintain independence.

2629 (2) (a) (i) The tax credit authorized in this subsection  
2630 shall be available only to a taxpayer who is a business enterprise  
2631 engaged in commercial, industrial or professional activities and  
2632 operating as a corporation, limited liability company, partnership  
2633 or sole proprietorship. Except as otherwise provided in this  
2634 subsection, a credit is allowed against the taxes imposed by  
2635 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary  
2636 cash contributions made by a taxpayer during the taxable year to  
2637 an eligible transitional home organization. A credit is also  
2638 allowed against ad valorem taxes assessed and levied on real  
2639 property for voluntary cash contributions made by the taxpayer  
2640 during the taxable year to an eligible transitional home



2641 organization. The amount of credit that may be utilized by a  
2642 taxpayer in a taxable year shall be limited to an amount not to  
2643 exceed fifty percent (50%) of the total tax liability of the  
2644 taxpayer for the taxes imposed by such sections of law and an  
2645 amount not to exceed fifty percent (50%) of the total tax  
2646 liability of the taxpayer for ad valorem taxes assessed and levied  
2647 on real property. Any tax credit claimed under this subsection  
2648 but not used in any taxable year may be carried forward for five  
2649 (5) consecutive years from the close of the tax year in which the  
2650 credits were earned.

2651 (ii) A contribution to an eligible transitional  
2652 home organization for which a credit is claimed under this  
2653 subsection does not qualify for and shall not be included in any  
2654 credit that may be claimed under subsection (3) of this section.

2655 (iii) A contribution for which a credit is claimed  
2656 under this subsection may not be used as a deduction by the  
2657 taxpayer for state income tax purposes.

2658 (b) Taxpayers taking a credit authorized by this  
2659 subsection shall provide the name of the eligible transitional  
2660 home organization and the amount of the contribution to the  
2661 department on forms provided by the department.

2662 (c) An eligible transitional home organization shall  
2663 provide the department with a written certification that it meets  
2664 all criteria to be considered an eligible transitional home



2665 organization. The organization shall also notify the department  
2666 of any changes that may affect eligibility under this section.

2667 (d) The eligible transitional home organization's  
2668 written certification must be signed by an officer of the  
2669 organization under penalty of perjury. The written certification  
2670 shall include the following:

2671 (i) Verification of the organization's status  
2672 under Section 501(c)(3) of the Internal Revenue Code;

2673 (ii) Information about the facilities that  
2674 demonstrate the applicant's ability to provide housing for  
2675 homeless persons age twenty-five (25) and under, homeless  
2676 families, and/or homeless and/or referred unwed pregnant women;

2677 (iii) Sufficient materials to document the program  
2678 of the applicant that demonstrate that the applicant has and runs  
2679 a program that offers structure, supervision, support, life  
2680 skills, education and training as the eligible transitional home  
2681 organization determines to be appropriate for each individual  
2682 and/or family to achieve and/or maintain independence;

2683 (iv) A statement that the organization does not  
2684 charge a fee for services or benefits provided in whole or in part  
2685 by its transitional housing program; and

2686 (v) Any other information that the department  
2687 requires to administer this section.

2688 (e) The department shall review each written  
2689 certification and determine whether the organization meets all the



2690 criteria to be considered an eligible transitional home  
2691 organization and notify the organization of its determination.  
2692 The department may also periodically request recertification from  
2693 the organization. The department shall compile and make available  
2694 to the public a list of eligible transitional home organizations.

2695 (f) Tax credits authorized by this subsection that are  
2696 earned by a partnership, limited liability company, S corporation  
2697 or other similar pass-through entity, shall be allocated among all  
2698 partners, members or shareholders, respectively, either in  
2699 proportion to their ownership interest in such entity or as the  
2700 partners, members or shareholders mutually agree as provided in an  
2701 executed document.

2702 (g) (i) A taxpayer shall apply for credits with the  
2703 department on forms prescribed by the department. In the  
2704 application the taxpayer shall certify to the department the  
2705 dollar amount of the contributions made or to be made during the  
2706 calendar year. Within thirty (30) days after the receipt of an  
2707 application, the department shall allocate credits based on the  
2708 dollar amount of contributions as certified in the application.  
2709 However, if the department cannot allocate the full amount of  
2710 credits certified in the application due to the limit on the  
2711 aggregate amount of credits that may be awarded under this  
2712 subsection in a calendar year, the department shall so notify the  
2713 applicant within thirty (30) days with the amount of credits, if  
2714 any, that may be allocated to the applicant in the calendar year.



2715 Once the department has allocated credits to a taxpayer, if the  
2716 contribution for which a credit is allocated has not been made as  
2717 of the date of the allocation, then the contribution must be made  
2718 not later than sixty (60) days from the date of the allocation.  
2719 If the contribution is not made within such time period, the  
2720 allocation shall be cancelled and returned to the department for  
2721 reallocation. Upon final documentation of the contributions, if  
2722 the actual dollar amount of the contributions is lower than the  
2723 amount estimated, the department shall adjust the tax credit  
2724 allowed under this subsection.

2725                   (ii) For the purposes of using a tax credit  
2726 against ad valorem taxes assessed and levied on real property, a  
2727 taxpayer shall present to the appropriate tax collector the tax  
2728 credit documentation provided to the taxpayer by the Department of  
2729 Revenue, and the tax collector shall apply the tax credit against  
2730 such ad valorem taxes. The tax collector shall forward the tax  
2731 credit documentation to the Department of Revenue along with the  
2732 amount of the tax credit applied against ad valorem taxes, and the  
2733 department shall disburse funds to the tax collector for the  
2734 amount of the tax credit applied against ad valorem taxes. Such  
2735 payments by the Department of Revenue shall be made from current  
2736 tax collections.

2737                   (h) The aggregate amount of tax credits that may be  
2738 allocated by the department under this subsection during a  
2739 calendar year shall not exceed Ten Million Dollars



2740 (\$10,000,000.00). For credits allocated during a calendar year  
2741 for contributions to eligible transitional home organizations, no  
2742 more than twenty-five percent (25%) of such credits may be  
2743 allocated for contributions to a single eligible transitional home  
2744 organization.

2745 (3) (a) (i) Except as otherwise provided in this  
2746 subsection, a credit is allowed against the taxes imposed by this  
2747 chapter for voluntary cash contributions by an individual taxpayer  
2748 during the taxable year to an eligible transitional home  
2749 organization. A credit is also allowed against ad valorem taxes  
2750 assessed and levied on real property for voluntary cash  
2751 contributions made by an individual taxpayer during the taxable  
2752 year to an eligible transitional home organization. The amount of  
2753 credit that may be utilized by a taxpayer in a taxable year shall  
2754 be limited to an amount not to exceed fifty percent (50%) of the  
2755 total tax liability of the taxpayer for the taxes imposed by this  
2756 chapter and an amount not to exceed fifty percent (50%) of the  
2757 total tax liability of the taxpayer for ad valorem taxes assessed  
2758 and levied on real property. Any tax credit claimed under this  
2759 subsection but not used in any taxable year may be carried forward  
2760 for five (5) consecutive years from the close of the tax year in  
2761 which the credits were earned.

2762 (ii) A husband and wife who file separate returns  
2763 for a taxable year in which they could have filed a joint return





2764 may each claim only one-half (1/2) of the tax credit that would  
2765 have been allowed for a joint return.

2766 (iii) A contribution to an eligible transitional  
2767 home organization for which a credit is claimed under this  
2768 subsection does not qualify for and shall not be included in any  
2769 credit that may be claimed under subsection (2) of this section.

2770 (iv) A contribution for which a credit is claimed  
2771 under this subsection may not be used as a deduction by the  
2772 taxpayer for state income tax purposes.

2773 (b) Taxpayers taking a credit authorized by this  
2774 subsection shall provide the name of the eligible transitional  
2775 home organization and the amount of the contribution to the  
2776 department on forms provided by the department.

2777 (c) An eligible transitional home organization shall  
2778 provide the department with a written certification that it meets  
2779 all criteria to be considered an eligible transitional home  
2780 organization. The organization shall also notify the department  
2781 of any changes that may affect eligibility under this section.

2782 (d) The eligible transitional housing organization's  
2783 written certification must be signed by an officer of the  
2784 organization under penalty of perjury. The written certification  
2785 shall include the following:

2786 (i) Verification of the organization's status  
2787 under Section 501(c)(3) of the Internal Revenue Code;



2788                   (ii) Information about the facilities that  
2789 demonstrate the applicant's ability to provide housing for  
2790 homeless persons age twenty-five (25) and under, homeless  
2791 families, and/or homeless and/or referred unwed pregnant women;  
2792                   (iii) Sufficient materials to document the program  
2793 of the applicant that demonstrate that the applicant has and runs  
2794 a program that offers structure, supervision, support, life  
2795 skills, education and training as the eligible transitional home  
2796 organization determines to be appropriate for each individual  
2797 and/or family to achieve and/or maintain independence;  
2798                   (iv) A statement that the organization does not  
2799 charge a fee for services or benefits provided in whole or in part  
2800 by its transitional housing program; and  
2801                   (v) Any other information that the department  
2802 requires to administer this section.  
2803                   (e) The department shall review each written  
2804 certification and determine whether the organization meets all the  
2805 criteria to be considered an eligible transitional home  
2806 organization and notify the organization of its determination.  
2807 The department may also periodically request recertification from  
2808 the organization. The department shall compile and make available  
2809 to the public a list of eligible transitional home organizations.  
2810                   (f) (i) A taxpayer shall apply for credits with the  
2811 department on forms prescribed by the department. In the  
2812 application the taxpayer shall certify to the department the



2813 dollar amount of the contributions made or to be made during the  
2814 calendar year. Within thirty (30) days after the receipt of an  
2815 application, the department shall allocate credits based on the  
2816 dollar amount of contributions as certified in the application.  
2817 However, if the department cannot allocate the full amount of  
2818 credits certified in the application due to the limit on the  
2819 aggregate amount of credits that may be awarded under this  
2820 subsection in a calendar year, the department shall so notify the  
2821 applicant within thirty (30) days with the amount of credits, if  
2822 any, that may be allocated to the applicant in the calendar year.  
2823 Once the department has allocated credits to a taxpayer, if the  
2824 contribution for which a credit is allocated has not been made as  
2825 of the date of the allocation, then the contribution must be made  
2826 not later than sixty (60) days from the date of the allocation.  
2827 If the contribution is not made within such time period, the  
2828 allocation shall be cancelled and returned to the department for  
2829 reallocation. Upon final documentation of the contributions, if  
2830 the actual dollar amount of the contributions is lower than the  
2831 amount estimated, the department shall adjust the tax credit  
2832 allowed under this subsection.

2833 (ii) For the purposes of using a tax credit  
2834 against ad valorem taxes assessed and levied on real property, a  
2835 taxpayer shall present to the appropriate tax collector the tax  
2836 credit documentation provided to the taxpayer by the Department of  
2837 Revenue, and the tax collector shall apply the tax credit against



2838 such ad valorem taxes. The tax collector shall forward the tax  
2839 credit documentation to the Department of Revenue along with the  
2840 amount of the tax credit applied against ad valorem taxes, and the  
2841 department shall disburse funds to the tax collector for the  
2842 amount of the tax credit applied against ad valorem taxes. Such  
2843 payments by the Department of Revenue shall be made from current  
2844 tax collections.

2845 (g) The aggregate amount of tax credits that may be  
2846 allocated by the department under this subsection during a  
2847 calendar year shall not exceed One Million Dollars  
2848 (\$1,000,000.00).

2849 **SECTION 36.** Section 27-7-22.48, Mississippi Code of 1972, is  
2850 brought forward as follows:

2851 27-7-22.48. (1) (a) For the purposes of this section, the  
2852 following words and phrases shall have the meanings ascribed in  
2853 this section unless the context clearly indicates otherwise:

2854 (i) "Department" means the Department of Revenue.

2855 (ii) "Eligible charitable organization" means an  
2856 organization that is exempt from federal income taxation under  
2857 Section 501(c)(3) of the Internal Revenue Code and spends at least  
2858 fifty percent (50%) of its budget on contracting or making other  
2859 agreements or arrangements with physicians and/or nurse  
2860 practitioners to provide health care services to low-income  
2861 residents of this state including those who are mothers and to  
2862 their households.



2863 "Eligible charitable organization" does not include any  
2864 entity that provides, pays for or provides coverage of abortions  
2865 or that financially supports any other entity that provides, pays  
2866 for or provides coverage of abortions.

2867 (iii) "Low-income residents" means persons whose  
2868 household income does not exceed one hundred eighty-five percent  
2869 (185%) of the federal poverty level converted to a modified  
2870 adjusted gross income equivalent standard.

2871 (iv) "Nurse practitioner" means a nurse  
2872 practitioner certified under Section 73-15-20, Mississippi Code of  
2873 1972.

2874 (v) "Physician" means an individual licensed to  
2875 practice medicine or osteopathic medicine under Section 73-25-1 et  
2876 seq., Mississippi Code of 1972.

2877 (2) (a) (i) The tax credit authorized in this subsection  
2878 shall be available only to a taxpayer who is a business enterprise  
2879 engaged in commercial, industrial or professional activities and  
2880 operating as a corporation, limited liability company, partnership  
2881 or sole proprietorship. Except as otherwise provided in this  
2882 subsection, a credit is allowed against the taxes imposed by  
2883 Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123, for voluntary  
2884 cash contributions made by a taxpayer during the taxable year to  
2885 an eligible charitable organization. A credit is also allowed  
2886 against ad valorem taxes assessed and levied on real property for  
2887 voluntary cash contributions made by the taxpayer during the



2888 taxable year to an eligible charitable organization. The amount  
2889 of credit that may be utilized by a taxpayer in a taxable year  
2890 shall be limited to an amount not to exceed fifty percent (50%) of  
2891 the total tax liability of the taxpayer for the taxes imposed by  
2892 such sections of law and an amount not to exceed fifty percent  
2893 (50%) of the total tax liability of the taxpayer for ad valorem  
2894 taxes assessed and levied on real property. Any tax credit  
2895 claimed under this subsection but not used in any taxable year may  
2896 be carried forward for five (5) consecutive years from the close  
2897 of the tax year in which the credits were earned.

2898 (ii) A contribution to an eligible charitable  
2899 organization for which a credit is claimed under this subsection  
2900 does not qualify for and shall not be included in any credit that  
2901 may be claimed under subsection (3) of this section.

2902 (iii) A contribution for which a credit is claimed  
2903 under this subsection may not be used as a deduction by the  
2904 taxpayer for state income tax purposes.

2905 (b) Taxpayers taking a credit authorized by this  
2906 subsection shall provide the name of the eligible charitable  
2907 organization and the amount of the contribution to the department  
2908 on forms provided by the department.

2909 (c) An eligible charitable organization shall provide  
2910 the department with a written certification that it meets all  
2911 criteria to be considered an eligible charitable organization.



2912 The organization shall also notify the department of any changes  
2913 that may affect eligibility under this subsection.

2914 (d) The eligible charitable organization's written  
2915 certification must be signed by an officer of the organization  
2916 under penalty of perjury. The written certification shall include  
2917 the following:

2918 (i) Verification of the organization's status  
2919 under Section 501(c)(3) of the Internal Revenue Code;

2920 (ii) A statement that the organization does not  
2921 provide, pay for or provide coverage of abortions and does not  
2922 financially support any other entity that provides, pays for or  
2923 provides coverage of abortions;

2924 (iii) Any other information that the department  
2925 requires to administer this subsection.

2926 (e) The department shall review each written  
2927 certification and determine whether the organization meets all the  
2928 criteria to be considered an eligible charitable organization and  
2929 notify the organization of its determination. The department may  
2930 also periodically request recertification from the organization.  
2931 The department shall compile and make available to the public a  
2932 list of eligible charitable organizations.

2933 (f) Tax credits authorized by this subsection that are  
2934 earned by a partnership, limited liability company, S corporation  
2935 or other similar pass-through entity, shall be allocated among all  
2936 partners, members or shareholders, respectively, either in



2937 proportion to their ownership interest in such entity or as the  
2938 partners, members or shareholders mutually agree as provided in an  
2939 executed document.

2940 (g) (i) A taxpayer shall apply for credits with the  
2941 department on forms prescribed by the department. In the  
2942 application the taxpayer shall certify to the department the  
2943 dollar amount of the contributions made or to be made during the  
2944 calendar year. Within thirty (30) days after the receipt of an  
2945 application, the department shall allocate credits based on the  
2946 dollar amount of contributions as certified in the application.  
2947 However, if the department cannot allocate the full amount of  
2948 credits certified in the application due to the limit on the  
2949 aggregate amount of credits that may be awarded under this  
2950 subsection in a calendar year, the department shall so notify the  
2951 applicant within thirty (30) days with the amount of credits, if  
2952 any, that may be allocated to the applicant in the calendar year.  
2953 Once the department has allocated credits to a taxpayer, if the  
2954 contribution for which a credit is allocated has not been made as  
2955 of the date of the allocation, then the contribution must be made  
2956 not later than sixty (60) days from the date of the allocation.  
2957 If the contribution is not made within such time period, the  
2958 allocation shall be cancelled and returned to the department for  
2959 reallocation. Upon final documentation of the contributions, if  
2960 the actual dollar amount of the contributions is lower than the





2961 amount estimated, the department shall adjust the tax credit  
2962 allowed under this subsection.

2963 (ii) For the purposes of using a tax credit  
2964 against ad valorem taxes assessed and levied on real property, a  
2965 taxpayer shall present to the appropriate tax collector the tax  
2966 credit documentation provided to the taxpayer by the Department of  
2967 Revenue, and the tax collector shall apply the tax credit against  
2968 such ad valorem taxes. The tax collector shall forward the tax  
2969 credit documentation to the Department of Revenue along with the  
2970 amount of the tax credit applied against ad valorem taxes, and the  
2971 department shall disburse funds to the tax collector for the  
2972 amount of the tax credit applied against ad valorem taxes. Such  
2973 payments by the Department of Revenue shall be made from current  
2974 tax collections.

2975 (h) The aggregate amount of tax credits that may be  
2976 allocated by the department under this subsection during a  
2977 calendar year shall not exceed Three Million Dollars  
2978 (\$3,000,000.00).

2979 (3) (a) (i) Except as otherwise provided in this  
2980 subsection, a credit is allowed against the taxes imposed by this  
2981 chapter for voluntary cash contributions by an individual taxpayer  
2982 during the taxable year to an eligible charitable organization. A  
2983 credit is also allowed against ad valorem taxes assessed and  
2984 levied on real property for voluntary cash contributions made by  
2985 the taxpayer during the taxable year to an eligible charitable



2986 organization. The amount of credit that may be utilized by a  
2987 taxpayer in a taxable year shall be limited to an amount not to  
2988 exceed fifty percent (50%) of the total tax liability of the  
2989 taxpayer for the taxes imposed by this chapter and an amount not  
2990 to exceed fifty percent (50%) of the total tax liability of the  
2991 taxpayer for ad valorem taxes assessed and levied on real  
2992 property. Any tax credit claimed under this subsection but not  
2993 used in any taxable year may be carried forward for five (5)  
2994 consecutive years from the close of the tax year in which the  
2995 credits were earned.

2996 (ii) A husband and wife who file separate returns  
2997 for a taxable year in which they could have filed a joint return  
2998 may each claim only one-half (1/2) of the tax credit that would  
2999 have been allowed for a joint return.

3000 (iii) A contribution to an eligible charitable  
3001 organization for which a credit is claimed under this subsection  
3002 does not qualify for and shall not be included in any credit that  
3003 may be claimed under subsection (2) of this section.

3004 (iv) A contribution for which a credit is claimed  
3005 under this subsection may not be used as a deduction by the  
3006 taxpayer for state income tax purposes.

3007 (b) Taxpayers taking a credit authorized by this  
3008 subsection shall provide the name of the eligible charitable  
3009 organization and the amount of the contribution to the department  
3010 on forms provided by the department.



3011 (c) An eligible charitable organization shall provide  
3012 the department with a written certification that it meets all  
3013 criteria to be considered an eligible charitable organization.  
3014 The organization shall also notify the department of any changes  
3015 that may affect eligibility under this subsection.

3016 (d) The eligible charitable organization's written  
3017 certification must be signed by an officer of the organization  
3018 under penalty of perjury. The written certification shall include  
3019 the following:

3020 (i) Verification of the organization's status  
3021 under Section 501(c)(3) of the Internal Revenue Code;

3022 (ii) A statement that the organization does not  
3023 provide, pay for or provide coverage of abortions and does not  
3024 financially support any other entity that provides, pays for or  
3025 provides coverage of abortions;

3026 (iii) Any other information that the department  
3027 requires to administer this subsection.

3028 (e) The department shall review each written  
3029 certification and determine whether the organization meets all the  
3030 criteria to be considered an eligible charitable organization and  
3031 notify the organization of its determination. The department may  
3032 also periodically request recertification from the organization.  
3033 The department shall compile and make available to the public a  
3034 list of eligible charitable organizations.



3035 (f) (i) A taxpayer shall apply for credits with the  
3036 department on forms prescribed by the department. In the  
3037 application the taxpayer shall certify to the department the  
3038 dollar amount of the contributions made or to be made during the  
3039 calendar year. Within thirty (30) days after the receipt of an  
3040 application, the department shall allocate credits based on the  
3041 dollar amount of contributions as certified in the application.  
3042 However, if the department cannot allocate the full amount of  
3043 credits certified in the application due to the limit on the  
3044 aggregate amount of credits that may be awarded under this  
3045 subsection in a calendar year, the department shall so notify the  
3046 applicant within thirty (30) days with the amount of credits, if  
3047 any, that may be allocated to the applicant in the calendar year.  
3048 Once the department has allocated credits to a taxpayer, if the  
3049 contribution for which a credit is allocated has not been made as  
3050 of the date of the allocation, then the contribution must be made  
3051 not later than sixty (60) days from the date of the allocation.  
3052 If the contribution is not made within such time period, the  
3053 allocation shall be cancelled and returned to the department for  
3054 reallocation. Upon final documentation of the contributions, if  
3055 the actual dollar amount of the contributions is lower than the  
3056 amount estimated, the department shall adjust the tax credit  
3057 allowed under this subsection.

3058 (ii) For the purposes of using a tax credit  
3059 against ad valorem taxes assessed and levied on real property, a



3060 taxpayer shall present to the appropriate tax collector the tax  
3061 credit documentation provided to the taxpayer by the Department of  
3062 Revenue, and the tax collector shall apply the tax credit against  
3063 such ad valorem taxes. The tax collector shall forward the tax  
3064 credit documentation to the Department of Revenue along with the  
3065 amount of the tax credit applied against ad valorem taxes, and the  
3066 department shall disburse funds to the tax collector for the  
3067 amount of the tax credit applied against ad valorem taxes. Such  
3068 payments by the Department of Revenue shall be made from current  
3069 tax collections.

3070 (g) The aggregate amount of tax credits that may be  
3071 allocated by the department under this subsection during a  
3072 calendar year shall not exceed One Million Dollars  
3073 (\$1,000,000.00).

3074 **SECTION 37.** Section 27-7-22.49, Mississippi Code of 1972, is  
3075 brought forward as follows:

3076 27-7-22.49. (1) As used in this section, the following  
3077 words and phrases shall have the meanings ascribed in this section  
3078 unless the context clearly indicates otherwise:

3079 (a) "Employment-related expenses" means and has the  
3080 same definition as such term has in 26 USCS Section 21.

3081 (b) "Qualifying individual" means and has the same  
3082 definition as such term has in 26 USCS Section 21(b)(1)(A).

3083 (2) Subject to the provisions of this section, any taxpayer  
3084 allowed to claim a federal income tax credit under 26 USCS Section



3085 21 for employment-related expenses incurred related to one (1) or  
3086 more qualifying individuals shall be allowed a credit against the  
3087 taxes imposed under this chapter in the manner prescribed in this  
3088 section. The amount of the credit shall be equal to twenty-five  
3089 percent (25%) of the amount of the federal income tax credit  
3090 lawfully claimed by the taxpayer for such employment-related  
3091 expenses on the taxpayer's federal income tax return. However,  
3092 the amount of credit that may be utilized by a taxpayer in a  
3093 taxable year shall be limited to an amount not to exceed the total  
3094 tax liability of the taxpayer for the taxes imposed under this  
3095 chapter. In order to claim the credit provided for in this  
3096 section, a taxpayer must claim the federal income tax credit on  
3097 the taxpayer's federal income tax return and have an adjusted  
3098 gross income for such return of not more than Fifty Thousand  
3099 Dollars (\$50,000.00). A taxpayer must provide a copy of such  
3100 return and any other information required by the department.

3101 **SECTION 38.** Section 27-7-205, Mississippi Code of 1972, is  
3102 brought forward as follows:

3103 27-7-205. As used in this article:

3104 (a) "Qualified community foundation" means an entity  
3105 that is exempt from federal income taxation under Section  
3106 501(c)(3) of the Internal Revenue Code that is recognized by the  
3107 Mississippi Association of Grantmakers as meeting the following  
3108 requirements:



3109 (i) It is organized by articles of incorporation  
3110 in the State of Mississippi to serve the State of Mississippi, or  
3111 one or more Mississippi counties or municipalities, or a  
3112 combination thereof;

3113 (ii) It is comprised of permanent, component funds  
3114 established by multiple separate donors;

3115 (iii) It supports broad-based charitable interests  
3116 that benefit the residents of a defined geographic area, no larger  
3117 than the State of Mississippi;

3118 (iv) It is directed by a board of directors that  
3119 is comprised of community representatives and is independent in  
3120 that it is not subject to the control of another entity;

3121 (v) It actively engages in charitable activities,  
3122 including, but not limited to, supporting two (2) or more  
3123 unaffiliated tax-exempt organizations through grants or other  
3124 professionally accepted means of charitable support, and serving  
3125 in leadership roles on important community issues;

3126 (vi) It complies with the guidelines of the  
3127 Mississippi Association of Grantmakers, or its successor entity,  
3128 for membership by a community foundation; and

3129 (vii) It is in good standing with having complied  
3130 with Endow Mississippi certification, reporting, and data privacy  
3131 requirements.

3132 (b) "Endowment gift" means an irrevocable contribution  
3133 to an endowed fund held by a qualified community foundation.



3134 (c) "Qualified contribution" means an endowment gift of  
3135 at least One Thousand Dollars (\$1,000.00) made to a qualified  
3136 community foundation for an endowed fund established to  
3137 substantially benefit charitable causes in this state, and that is  
3138 a charitable gift as defined in Section 170(c) of the Internal  
3139 Revenue Code. A qualified contribution may take any form, subject  
3140 to the giving policies of the qualified community foundation  
3141 receiving it.

3142 (d) "Endowed fund" means a fund held in a qualified  
3143 community foundation that provides benefit to charitable causes in  
3144 Mississippi that is intended to exist in perpetuity. An endowed  
3145 fund may include, but is not limited to, donor-advised funds,  
3146 community foundation affiliate funds, field-of-interest funds,  
3147 agency funds and designated organizational funds.

3148 **SECTION 39.** Section 27-7-207, Mississippi Code of 1972, is  
3149 brought forward as follows:

3150 27-7-207. (1) Subject to the limitations provided for in  
3151 this section, through calendar year 2028, a taxpayer shall be  
3152 allowed a credit against the tax imposed by Chapter 7, Title 27,  
3153 in an amount equal to twenty-five percent (25%) of a qualified  
3154 contribution to an endowed fund at a qualified community  
3155 foundation, subject to the following:

3156 (a) The minimum amount of a qualified contribution  
3157 shall be One Thousand Dollars (\$1,000.00).





3158 (b) The maximum amount of a qualified contribution  
3159 shall be Five Hundred Thousand Dollars (\$500,000.00).

3160 (c) The total qualified contributions from any  
3161 qualified taxpayer eligible for the tax credit authorized under  
3162 this section shall be Five Hundred Thousand Dollars (\$500,000.00)  
3163 per year.

3164 (2) Except as otherwise provided in this subsection, the  
3165 aggregate amount of tax credits authorized under this article  
3166 shall not exceed One Million Dollars (\$1,000,000.00) in any one  
3167 (1) calendar year. The credits shall be awarded on a first-come,  
3168 first-served basis. If the tax credits authorized for any  
3169 calendar year are not utilized, the amount not utilized may be  
3170 awarded or carried forward in up to five (5) subsequent calendar  
3171 years from the year in which such credits are made available.

3172 (3) If the amount allowable as a credit exceeds the tax  
3173 imposed by Chapter 7, Title 27, the amount of such excess may be  
3174 carried forward for not more than five (5) subsequent taxable  
3175 years.

3176 (4) From and after January 1, 2029, no additional credits  
3177 shall be authorized under this section; however, any tax credits  
3178 authorized prior to January 1, 2029, and not used, may be carried  
3179 forward for not more than five (5) taxable years subsequent to  
3180 calendar year 2028.

3181 **SECTION 40.** Section 27-7-209, Mississippi Code of 1972, is  
3182 brought forward as follows:



3183           27-7-209. For each calendar year, a total of ten percent  
3184 (10%) of the authorized tax credits shall be reserved for  
3185 qualified contributions to each of the qualified community  
3186 foundations in Mississippi for a period of nine (9) months. Any  
3187 credits that are not utilized within the nine-month period shall  
3188 be utilized for qualified contributions to any qualified community  
3189 foundation on a first-come, first-served basis. Any credits not  
3190 specifically reserved under this section shall also be available  
3191 to any qualified community foundation on a first-come,  
3192 first-served basis. The Mississippi Association of Grantmakers,  
3193 or its successor entity, shall, in cooperation with qualified  
3194 community foundations, develop, establish and maintain records  
3195 that determine the priority for the awarding of tax credits under  
3196 this article.

3197           **SECTION 41.** Section 57-73-21, Mississippi Code of 1972, is  
3198 brought forward as follows:

3199           **[In cases involving business enterprises that received or**  
3200 **applied for the job tax credit authorized by this section prior to**  
3201 **January 1, 2005, this section shall read as follows:]**

3202           57-73-21. (1) Annually by December 31, using the most  
3203 current data available from the University Research Center,  
3204 Mississippi Department of Employment Security and the United  
3205 States Department of Commerce, the State Tax Commission shall rank  
3206 and designate the state's counties as provided in this section.  
3207 The twenty-eight (28) counties in this state having a combination



3208 of the highest unemployment rate and lowest per capita income for  
3209 the most recent thirty-six-month period, with equal weight being  
3210 given to each category, are designated Tier Three areas. The  
3211 twenty-seven (27) counties in the state with a combination of the  
3212 next highest unemployment rate and next lowest per capita income  
3213 for the most recent thirty-six-month period, with equal weight  
3214 being given to each category, are designated Tier Two areas. The  
3215 twenty-seven (27) counties in the state with a combination of the  
3216 lowest unemployment rate and the highest per capita income for the  
3217 most recent thirty-six-month period, with equal weight being given  
3218 to each category, are designated Tier One areas. Counties  
3219 designated by the Tax Commission qualify for the appropriate tax  
3220 credit for jobs as provided in subsections (2), (3) and (4) of  
3221 this section. The designation by the Tax Commission is effective  
3222 for the tax years of permanent business enterprises which begin  
3223 after the date of designation. For companies which plan an  
3224 expansion in their labor forces, the Tax Commission shall  
3225 prescribe certification procedures to ensure that the companies  
3226 can claim credits in future years without regard to whether or not  
3227 a particular county is removed from the list of Tier Three or Tier  
3228 Two areas.

3229 (2) Permanent business enterprises primarily engaged in  
3230 manufacturing, processing, warehousing, distribution, wholesaling  
3231 and research and development, or permanent business enterprises  
3232 designated by rule and regulation of the Mississippi Development



3233 Authority as air transportation and maintenance facilities, final  
3234 destination or resort hotels having a minimum of one hundred fifty  
3235 (150) guest rooms, recreational facilities that impact tourism,  
3236 movie industry studios, telecommunications enterprises, data or  
3237 information processing enterprises or computer software  
3238 development enterprises or any technology intensive facility or  
3239 enterprise, in counties designated by the Tax Commission as Tier  
3240 Three areas are allowed a job tax credit for taxes imposed by  
3241 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually  
3242 for each net new full-time employee job for five (5) years  
3243 beginning with years two (2) through six (6) after the creation of  
3244 the job; however, if the permanent business enterprise is located  
3245 in an area that has been declared by the Governor to be a disaster  
3246 area and as a direct result of the disaster the permanent business  
3247 enterprise is unable to maintain the required number of jobs, the  
3248 Chairman of the State Tax Commission may extend this time period  
3249 for not more two (2) years. The number of new full-time jobs must  
3250 be determined by comparing the monthly average number of full-time  
3251 employees subject to the Mississippi income tax withholding for  
3252 the taxable year with the corresponding period of the prior  
3253 taxable year. Only those permanent businesses that increase  
3254 employment by ten (10) or more in a Tier Three area are eligible  
3255 for the credit. Credit is not allowed during any of the five (5)  
3256 years if the net employment increase falls below ten (10). The  
3257 Tax Commission shall adjust the credit allowed each year for the



3258 net new employment fluctuations above the minimum level of ten  
3259 (10).

3260 (3) Permanent business enterprises primarily engaged in  
3261 manufacturing, processing, warehousing, distribution, wholesaling  
3262 and research and development, or permanent business enterprises  
3263 designated by rule and regulation of the Mississippi Development  
3264 Authority as air transportation and maintenance facilities, final  
3265 destination or resort hotels having a minimum of one hundred fifty  
3266 (150) guest rooms, recreational facilities that impact tourism,  
3267 movie industry studios, telecommunications enterprises, data or  
3268 information processing enterprises or computer software  
3269 development enterprises or any technology intensive facility or  
3270 enterprise, in counties that have been designated by the Tax  
3271 Commission as Tier Two areas are allowed a job tax credit for  
3272 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
3273 (\$1,000.00) annually for each net new full-time employee job for  
3274 five (5) years beginning with years two (2) through six (6) after  
3275 the creation of the job; however, if the permanent business  
3276 enterprise is located in an area that has been declared by the  
3277 Governor to be a disaster area and as a direct result of the  
3278 disaster the permanent business enterprise is unable to maintain  
3279 the required number of jobs, the Chairman of the State Tax  
3280 Commission may extend this time period for not more two (2) years.  
3281 The number of new full-time jobs must be determined by comparing  
3282 the monthly average number of full-time employees subject to



3283 Mississippi income tax withholding for the taxable year with the  
3284 corresponding period of the prior taxable year. Only those  
3285 permanent businesses that increase employment by fifteen (15) or  
3286 more in Tier Two areas are eligible for the credit. The credit is  
3287 not allowed during any of the five (5) years if the net employment  
3288 increase falls below fifteen (15). The Tax Commission shall  
3289 adjust the credit allowed each year for the net new employment  
3290 fluctuations above the minimum level of fifteen (15).

3291 (4) Permanent business enterprises primarily engaged in  
3292 manufacturing, processing, warehousing, distribution, wholesaling  
3293 and research and development, or permanent business enterprises  
3294 designated by rule and regulation of the Mississippi Development  
3295 Authority as air transportation and maintenance facilities, final  
3296 destination or resort hotels having a minimum of one hundred fifty  
3297 (150) guest rooms, recreational facilities that impact tourism,  
3298 movie industry studios, telecommunications enterprises, data or  
3299 information processing enterprises or computer software  
3300 development enterprises or any technology intensive facility or  
3301 enterprise, in counties designated by the Tax Commission as Tier  
3302 One areas are allowed a job tax credit for taxes imposed by  
3303 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually  
3304 for each net new full-time employee job for five (5) years  
3305 beginning with years two (2) through six (6) after the creation of  
3306 the job; however, if the permanent business enterprise is located  
3307 in an area that has been declared by the Governor to be a disaster



3308 area and as a direct result of the disaster the permanent business  
3309 enterprise is unable to maintain the required number of jobs, the  
3310 Chairman of the State Tax Commission may extend this time period  
3311 for not more than two (2) years. The number of new full-time jobs  
3312 must be determined by comparing the monthly average number of  
3313 full-time employees subject to Mississippi income tax withholding  
3314 for the taxable year with the corresponding period of the prior  
3315 taxable year. Only those permanent businesses that increase  
3316 employment by twenty (20) or more in Tier One areas are eligible  
3317 for the credit. The credit is not allowed during any of the five  
3318 (5) years if the net employment increase falls below twenty (20).  
3319 The Tax Commission shall adjust the credit allowed each year for  
3320 the net new employment fluctuations above the minimum level of  
3321 twenty (20).

3322 (5) In addition to the credits authorized in subsections  
3323 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)  
3324 credit for each net new full-time employee or an additional One  
3325 Thousand Dollars (\$1,000.00) credit for each net new full-time  
3326 employee who is paid a salary, excluding benefits which are not  
3327 subject to Mississippi income taxation, of at least one hundred  
3328 twenty-five percent (125%) of the average annual wage of the state  
3329 or an additional Two Thousand Dollars (\$2,000.00) credit for each  
3330 net new full-time employee who is paid a salary, excluding  
3331 benefits which are not subject to Mississippi income taxation, of  
3332 at least two hundred percent (200%) of the average annual wage of



3333 the state, shall be allowed for any company establishing or  
3334 transferring its national or regional headquarters from within or  
3335 outside the State of Mississippi. A minimum of thirty-five (35)  
3336 jobs must be created to qualify for the additional credit. The  
3337 State Tax Commission shall establish criteria and prescribe  
3338 procedures to determine if a company qualifies as a national or  
3339 regional headquarters for purposes of receiving the credit awarded  
3340 in this subsection. As used in this subsection, the average  
3341 annual wage of the state is the most recently published average  
3342 annual wage as determined by the Mississippi Department of  
3343 Employment Security.

3344 (6) In addition to the credits authorized in subsections  
3345 (2), (3), (4) and (5), any job requiring research and development  
3346 skills (chemist, engineer, etc.) shall qualify for an additional  
3347 One Thousand Dollars (\$1,000.00) credit for each net new full-time  
3348 employee.

3349 (7) In lieu of the tax credits provided in subsections (2)  
3350 through (6), any commercial or industrial property owner which  
3351 remediates contaminated property in accordance with Sections  
3352 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
3353 imposed by Section 27-7-5 equal to the amounts provided in  
3354 subsection (2), (3) or (4) for each net new full-time employee job  
3355 for five (5) years beginning with years two (2) through six (6)  
3356 after the creation of the job. The number of new full-time jobs  
3357 must be determined by comparing the monthly average number of





3358 full-time employees subject to Mississippi income tax withholding  
3359 for the taxable year with the corresponding period of the prior  
3360 taxable year. This subsection shall be administered in the same  
3361 manner as subsections (2), (3) and (4), except the landowner shall  
3362 not be required to increase employment by the levels provided in  
3363 subsections (2), (3) and (4) to be eligible for the tax credit.

3364 (8) Tax credits for five (5) years for the taxes imposed by  
3365 Section 27-7-5 shall be awarded for additional net new full-time  
3366 jobs created by business enterprises qualified under subsections  
3367 (2), (3), (4), (5), (6) and (7) of this section. Except as  
3368 otherwise provided, the Tax Commission shall adjust the credit  
3369 allowed in the event of employment fluctuations during the  
3370 additional five (5) years of credit.

3371 (9) (a) The sale, merger, acquisition, reorganization,  
3372 bankruptcy or relocation from one (1) county to another county  
3373 within the state of any business enterprise may not create new  
3374 eligibility in any succeeding business entity, but any unused job  
3375 tax credit may be transferred and continued by any transferee of  
3376 the business enterprise. The Tax Commission shall determine  
3377 whether or not qualifying net increases or decreases have occurred  
3378 or proper transfers of credit have been made and may require  
3379 reports, promulgate regulations, and hold hearings as needed for  
3380 substantiation and qualification.

3381 (b) This subsection shall not apply in cases in which a  
3382 business enterprise has ceased operation, laid off all its



3383 employees and is subsequently acquired by another unrelated  
3384 business entity that continues operation of the enterprise in the  
3385 same or a similar type of business. In such a case the succeeding  
3386 business entity shall be eligible for the credit authorized by  
3387 this section unless the cessation of operation of the business  
3388 enterprise was for the purpose of obtaining new eligibility for  
3389 the credit.

3390 (10) Any tax credit claimed under this section but not used  
3391 in any taxable year may be carried forward for five (5) years from  
3392 the close of the tax year in which the qualified jobs were  
3393 established but the credit established by this section taken in  
3394 any one (1) tax year must be limited to an amount not greater than  
3395 fifty percent (50%) of the taxpayer's state income tax liability  
3396 which is attributable to income derived from operations in the  
3397 state for that year. If the permanent business enterprise is  
3398 located in an area that has been declared by the Governor to be a  
3399 disaster area and as a direct result of the disaster the business  
3400 enterprise is unable to use the existing carryforward, the  
3401 Chairman of the State Tax Commission may extend the period that  
3402 the credit may be carried forward for a period of time not to  
3403 exceed two (2) years.

3404 (11) No business enterprise for the transportation,  
3405 handling, storage, processing or disposal of hazardous waste is  
3406 eligible to receive the tax credits provided in this section.



3407           (12) The credits allowed under this section shall not be  
3408 used by any business enterprise or corporation other than the  
3409 business enterprise actually qualifying for the credits.

3410           (13) The tax credits provided for in this section shall be  
3411 in addition to any tax credits described in Sections 57-51-13(b),  
3412 57-53-1(1) (a) and 57-54-9(b) and granted pursuant to official  
3413 action by the Mississippi Development Authority prior to July 1,  
3414 1989, to any business enterprise determined prior to July 1, 1989,  
3415 by the Mississippi Development Authority to be a qualified  
3416 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
3417 a qualified company as described in Section 57-53-1, as the case  
3418 may be; however, from and after July 1, 1989, tax credits shall be  
3419 allowed only under either this section or Sections 57-51-13(b),  
3420 57-53-1(1) (a) and Section 57-54-9(b) for each net new full-time  
3421 employee.

3422           (14) As used in this section, the term "telecommunications  
3423 enterprises" means entities engaged in the creation, display,  
3424 management, storage, processing, transmission or distribution for  
3425 compensation of images, text, voice, video or data by wire or by  
3426 wireless means, or entities engaged in the construction, design,  
3427 development, manufacture, maintenance or distribution for  
3428 compensation of devices, products, software or structures used in  
3429 the above activities. Companies organized to do business as  
3430 commercial broadcast radio stations, television stations or news  
3431 organizations primarily serving in-state markets shall not be



3432 included within the definition of the term "telecommunications  
3433 enterprises."

3434 **[In cases involving business enterprises that apply for the**  
3435 **job tax credit authorized by this section from and after January**  
3436 **1, 2005, this section shall read as follows:]**

3437 57-73-21. (1) Annually by December 31, using the most  
3438 current data available from the University Research Center,  
3439 Mississippi Department of Employment Security and the United  
3440 States Department of Commerce, the Department of Revenue shall  
3441 rank and designate the state's counties as provided in this  
3442 section. The twenty-eight (28) counties in this state having a  
3443 combination of the highest unemployment rate and lowest per capita  
3444 income for the most recent thirty-six-month period, with equal  
3445 weight being given to each category, are designated Tier Three  
3446 areas. The twenty-seven (27) counties in the state with a  
3447 combination of the next highest unemployment rate and next lowest  
3448 per capita income for the most recent thirty-six-month period,  
3449 with equal weight being given to each category, are designated  
3450 Tier Two areas. The twenty-seven (27) counties in the state with  
3451 a combination of the lowest unemployment rate and the highest per  
3452 capita income for the most recent thirty-six-month period, with  
3453 equal weight being given to each category, are designated Tier One  
3454 areas. Counties designated by the Department of Revenue qualify  
3455 for the appropriate tax credit for jobs as provided in this  
3456 section. The designation by the Department of Revenue is



3457 effective for the tax years of permanent business enterprises  
3458 which begin after the date of designation. For companies which  
3459 plan an expansion in their labor forces, the Department of Revenue  
3460 shall prescribe certification procedures to ensure that the  
3461 companies can claim credits in future years without regard to  
3462 whether or not a particular county is removed from the list of  
3463 Tier Three or Tier Two areas.

3464 (2) Permanent business enterprises in counties designated by  
3465 the Department of Revenue as Tier Three areas are allowed a job  
3466 tax credit for taxes imposed by Section 27-7-5 equal to ten  
3467 percent (10%) of the payroll of the enterprise for net new  
3468 full-time employee jobs for five (5) years beginning with years  
3469 two (2) through six (6) after the creation of the minimum number  
3470 of jobs required by this subsection; however, if the permanent  
3471 business enterprise is located in an area that has been declared  
3472 by the Governor to be a disaster area and as a direct result of  
3473 the disaster the permanent business enterprise is unable to  
3474 maintain the required number of jobs, the Commissioner of Revenue  
3475 may extend this time period for not more than two (2) years. The  
3476 number of new full-time jobs must be determined by comparing the  
3477 monthly average number of full-time employees subject to the  
3478 Mississippi income tax withholding for the taxable year with the  
3479 corresponding period of the prior taxable year. Only those  
3480 permanent business enterprises that increase employment by ten  
3481 (10) or more in a Tier Three area are eligible for the credit.



3482 Credit is not allowed during any of the five (5) years if the net  
3483 employment increase falls below ten (10). The Department of  
3484 Revenue shall adjust the credit allowed each year for the net new  
3485 employment fluctuations above the minimum level of ten (10).  
3486 Medical cannabis establishments as defined in the Mississippi  
3487 Medical Cannabis Act shall not be eligible for the tax credit  
3488 authorized in this subsection (2).

3489 (3) Permanent business enterprises in counties that have  
3490 been designated by the Department of Revenue as Tier Two areas are  
3491 allowed a job tax credit for taxes imposed by Section 27-7-5 equal  
3492 to five percent (5%) of the payroll of the enterprise for net new  
3493 full-time employee jobs for five (5) years beginning with years  
3494 two (2) through six (6) after the creation of the minimum number  
3495 of jobs required by this subsection; however, if the permanent  
3496 business enterprise is located in an area that has been declared  
3497 by the Governor to be a disaster area and as a direct result of  
3498 the disaster the permanent business enterprise is unable to  
3499 maintain the required number of jobs, the Commissioner of Revenue  
3500 may extend this time period for not more than two (2) years. The  
3501 number of new full-time jobs must be determined by comparing the  
3502 monthly average number of full-time employees subject to  
3503 Mississippi income tax withholding for the taxable year with the  
3504 corresponding period of the prior taxable year. Only those  
3505 permanent business enterprises that increase employment by fifteen  
3506 (15) or more in Tier Two areas are eligible for the credit. The



3507 credit is not allowed during any of the five (5) years if the net  
3508 employment increase falls below fifteen (15). The Department of  
3509 Revenue shall adjust the credit allowed each year for the net new  
3510 employment fluctuations above the minimum level of fifteen (15).  
3511 Medical cannabis establishments as defined in the Mississippi  
3512 Medical Cannabis Act shall not be eligible for the tax credit  
3513 authorized in this subsection (3).

3514 (4) Permanent business enterprises in counties designated by  
3515 the Department of Revenue as Tier One areas are allowed a job tax  
3516 credit for taxes imposed by Section 27-7-5 equal to two and  
3517 one-half percent (2.5%) of the payroll of the enterprise for net  
3518 new full-time employee jobs for five (5) years beginning with  
3519 years two (2) through six (6) after the creation of the minimum  
3520 number of jobs required by this subsection; however, if the  
3521 permanent business enterprise is located in an area that has been  
3522 declared by the Governor to be a disaster area and as a direct  
3523 result of the disaster the permanent business enterprise is unable  
3524 to maintain the required number of jobs, the Commissioner of  
3525 Revenue may extend this time period for not more than two (2)  
3526 years. The number of new full-time jobs must be determined by  
3527 comparing the monthly average number of full-time employees  
3528 subject to Mississippi income tax withholding for the taxable year  
3529 with the corresponding period of the prior taxable year. Only  
3530 those permanent business enterprises that increase employment by  
3531 twenty (20) or more in Tier One areas are eligible for the credit.



3532 The credit is not allowed during any of the five (5) years if the  
3533 net employment increase falls below twenty (20). The Department  
3534 of Revenue shall adjust the credit allowed each year for the net  
3535 new employment fluctuations above the minimum level of twenty  
3536 (20). Medical cannabis establishments as defined in the  
3537 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3538 credit authorized in this subsection (4).

3539 (5) (a) In addition to the other credits authorized in this  
3540 section, an additional Five Hundred Dollars (\$500.00) credit for  
3541 each net new full-time employee or an additional One Thousand  
3542 Dollars (\$1,000.00) credit for each net new full-time employee who  
3543 is paid a salary, excluding benefits which are not subject to  
3544 Mississippi income taxation, of at least one hundred twenty-five  
3545 percent (125%) of the average annual wage of the state or an  
3546 additional Two Thousand Dollars (\$2,000.00) credit for each net  
3547 new full-time employee who is paid a salary, excluding benefits  
3548 which are not subject to Mississippi income taxation, of at least  
3549 two hundred percent (200%) of the average annual wage of the  
3550 state, shall be allowed for any company establishing or  
3551 transferring its national or regional headquarters from within or  
3552 outside the State of Mississippi. A minimum of twenty (20) jobs  
3553 must be created to qualify for the additional credit. The  
3554 Department of Revenue shall establish criteria and prescribe  
3555 procedures to determine if a company qualifies as a national or  
3556 regional headquarters for purposes of receiving the credit awarded





3557 in this paragraph (a). As used in this paragraph (a), the average  
3558 annual wage of the state is the most recently published average  
3559 annual wage as determined by the Mississippi Department of  
3560 Employment Security. Medical cannabis establishments as defined  
3561 in the Mississippi Medical Cannabis Act shall not be eligible for  
3562 the tax credit authorized in this paragraph (a).

3563 (b) In addition to the other credits authorized in this  
3564 section, an additional Five Hundred Dollars (\$500.00) credit for  
3565 each net new full-time employee or an additional One Thousand  
3566 Dollars (\$1,000.00) credit for each net new full-time employee who  
3567 is paid a salary, excluding benefits which are not subject to  
3568 Mississippi income taxation, of at least one hundred twenty-five  
3569 percent (125%) of the average annual wage of the state or an  
3570 additional Two Thousand Dollars (\$2,000.00) credit for each net  
3571 new full-time employee who is paid a salary, excluding benefits  
3572 which are not subject to Mississippi income taxation, of at least  
3573 two hundred percent (200%) of the average annual wage of the  
3574 state, shall be allowed for any company expanding or making  
3575 additions after January 1, 2013, to its national or regional  
3576 headquarters within the State of Mississippi. A minimum of twenty  
3577 (20) new jobs must be created to qualify for the additional  
3578 credit. The Department of Revenue shall establish criteria and  
3579 prescribe procedures to determine if a company qualifies as a  
3580 national or regional headquarters for purposes of receiving the  
3581 credit awarded in this paragraph (b). As used in this paragraph



3582 (b), the average annual wage of the state is the most recently  
3583 published average annual wage as determined by the Mississippi  
3584 Department of Employment Security. Medical cannabis  
3585 establishments as defined in the Mississippi Medical Cannabis Act  
3586 shall not be eligible for the tax credit authorized in this  
3587 paragraph (b).

3588 (6) In addition to the other credits authorized in this  
3589 section, any job requiring research and development skills  
3590 (chemist, engineer, etc.) shall qualify for an additional One  
3591 Thousand Dollars (\$1,000.00) credit for each net new full-time  
3592 employee. Medical cannabis establishments as defined in the  
3593 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3594 credit authorized in this subsection (6).

3595 (7) (a) In addition to the other credits authorized in this  
3596 section, any company that transfers or relocates its national or  
3597 regional headquarters to the State of Mississippi from outside the  
3598 State of Mississippi may receive a tax credit in an amount equal  
3599 to the actual relocation costs paid by the company. A minimum of  
3600 twenty (20) jobs must be created in order to qualify for the  
3601 additional credit authorized under this subsection. Relocation  
3602 costs for which a credit may be awarded shall be determined by the  
3603 Department of Revenue and shall include those nondepreciable  
3604 expenses that are necessary to relocate headquarters employees to  
3605 the national or regional headquarters, including, but not limited  
3606 to, costs such as travel expenses for employees and members of



3607 their households to and from Mississippi in search of homes and  
3608 moving expenses to relocate furnishings, household goods and  
3609 personal property of the employees and members of their  
3610 households. Medical cannabis establishments as defined in the  
3611 Mississippi Medical Cannabis Act shall not be eligible for the tax  
3612 credit authorized in this subsection (7).

3613 (b) The tax credit authorized under this subsection  
3614 shall be applied for the taxable year in which the relocation  
3615 costs are paid. The maximum cumulative amount of tax credits that  
3616 may be claimed by all taxpayers claiming a credit under this  
3617 subsection in any one (1) state fiscal year shall not exceed One  
3618 Million Dollars (\$1,000,000.00), exclusive of credits that might  
3619 be carried forward from previous taxable years. A company may not  
3620 receive a credit for the relocation of an employee more than one  
3621 (1) time in a twelve-month period for that employee.

3622 (c) The Department of Revenue shall establish criteria  
3623 and prescribe procedures to determine if a company creates the  
3624 required number of jobs and qualifies as a national or regional  
3625 headquarters for purposes of receiving the credit awarded in this  
3626 subsection. A company desiring to claim a credit under this  
3627 subsection must submit an application for such credit with the  
3628 Department of Revenue in a manner prescribed by the department.

3629 (d) In order to participate in the provisions of this  
3630 section, a company must certify to the Mississippi Department of  
3631 Revenue that it complies with the equal pay provisions of the



3632 federal Equal Pay Act of 1963, the Americans with Disabilities Act  
3633 of 1990 and the fair pay provisions of the Civil Rights Act of  
3634 1964.

3635 (e) This subsection shall stand repealed on July 1,  
3636 2025.

3637 (8) In lieu of the other tax credits provided in this  
3638 section, any commercial or industrial property owner which  
3639 remediates contaminated property in accordance with Sections  
3640 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
3641 imposed by Section 27-7-5 equal to the percentage of payroll  
3642 provided in subsection (2), (3) or (4) of this section for net new  
3643 full-time employee jobs for five (5) years beginning with years  
3644 two (2) through six (6) after the creation of the jobs. The  
3645 number of new full-time jobs must be determined by comparing the  
3646 monthly average number of full-time employees subject to  
3647 Mississippi income tax withholding for the taxable year with the  
3648 corresponding period of the prior taxable year. This subsection  
3649 shall be administered in the same manner as subsections (2), (3)  
3650 and (4), except the landowner shall not be required to increase  
3651 employment by the levels provided in subsections (2), (3) and (4)  
3652 to be eligible for the tax credit.

3653 (9) (a) Tax credits for five (5) years for the taxes  
3654 imposed by Section 27-7-5 shall be awarded for increases in the  
3655 annual payroll for net new full-time jobs created by business  
3656 enterprises qualified under this section. The Department of



3657 Revenue shall adjust the credit allowed in the event of payroll  
3658 fluctuations during the additional five (5) years of credit.

3659 (b) Tax credits for five (5) years for the taxes  
3660 imposed by Section 27-7-5 shall be awarded for additional net new  
3661 full-time jobs created by business enterprises qualified under  
3662 subsections (5) and (6) of this section and for additional  
3663 relocation costs paid by companies qualified under subsection (7)  
3664 of this section. The Department of Revenue shall adjust the  
3665 credit allowed in the event of employment fluctuations during the  
3666 additional five (5) years of credit.

3667 (10) (a) The sale, merger, acquisition, reorganization,  
3668 bankruptcy or relocation from one (1) county to another county  
3669 within the state of any business enterprise may not create new  
3670 eligibility in any succeeding business entity, but any unused job  
3671 tax credit may be transferred and continued by any transferee of  
3672 the business enterprise. The Department of Revenue shall  
3673 determine whether or not qualifying net increases or decreases  
3674 have occurred or proper transfers of credit have been made and may  
3675 require reports, promulgate regulations, and hold hearings as  
3676 needed for substantiation and qualification.

3677 (b) This subsection shall not apply in cases in which a  
3678 business enterprise has ceased operation, laid off all its  
3679 employees and is subsequently acquired by another unrelated  
3680 business entity that continues operation of the enterprise in the  
3681 same or a similar type of business. In such a case the succeeding



3682 business entity shall be eligible for the credit authorized by  
3683 this section unless the cessation of operation of the business  
3684 enterprise was for the purpose of obtaining new eligibility for  
3685 the credit.

3686 (11) Any tax credit claimed under this section but not used  
3687 in any taxable year may be carried forward for five (5) years from  
3688 the close of the tax year in which the qualified jobs were  
3689 established and/or headquarters relocation costs paid, as  
3690 applicable, but the credit established by this section taken in  
3691 any one (1) tax year must be limited to an amount not greater than  
3692 fifty percent (50%) of the taxpayer's state income tax liability  
3693 which is attributable to income derived from operations in the  
3694 state for that year. If the permanent business enterprise is  
3695 located in an area that has been declared by the Governor to be a  
3696 disaster area and as a direct result of the disaster the business  
3697 enterprise is unable to use the existing carryforward, the  
3698 Commissioner of Revenue may extend the period that the credit may  
3699 be carried forward for a period of time not to exceed two (2)  
3700 years.

3701 (12) No business enterprise for the transportation,  
3702 handling, storage, processing or disposal of hazardous waste is  
3703 eligible to receive the tax credits provided in this section.

3704 (13) The credits allowed under this section shall not be  
3705 used by any business enterprise or corporation other than the  
3706 business enterprise actually qualifying for the credits.



3707 (14) As used in this section:

3708 (a) "Business enterprises" means entities primarily  
3709 engaged in:

3710 (i) Manufacturing, processing, warehousing,  
3711 warehousing activities, distribution, wholesaling and research and  
3712 development, or

3713 (ii) Permanent business enterprises designated by  
3714 rule and regulation of the Mississippi Development Authority as  
3715 air transportation and maintenance facilities, final destination  
3716 or resort hotels having a minimum of one hundred fifty (150) guest  
3717 rooms, recreational facilities that impact tourism, movie industry  
3718 studios, telecommunications enterprises, data or information  
3719 processing enterprises or computer software development  
3720 enterprises or any technology intensive facility or enterprise.

3721 (b) "Telecommunications enterprises" means entities  
3722 engaged in the creation, display, management, storage, processing,  
3723 transmission or distribution for compensation of images, text,  
3724 voice, video or data by wire or by wireless means, or entities  
3725 engaged in the construction, design, development, manufacture,  
3726 maintenance or distribution for compensation of devices, products,  
3727 software or structures used in the above activities. Companies  
3728 organized to do business as commercial broadcast radio stations,  
3729 television stations or news organizations primarily serving  
3730 in-state markets shall not be included within the definition of  
3731 the term "telecommunications enterprises."



3732           (c) "Warehousing activities" means entities that  
3733 establish or expand facilities that service and support multiple  
3734 retail or wholesale locations within and outside the state.  
3735 Warehousing activities may be performed solely to support the  
3736 primary activities of the entity, and credits generated shall  
3737 offset the income of the entity based on an apportioned ratio of  
3738 payroll for warehouse employees of the entity to total Mississippi  
3739 payroll of the entity that includes the payroll of retail  
3740 employees of the entity.

3741           (15) The tax credits provided for in this section shall be  
3742 in addition to any tax credits described in Sections 57-51-13(b),  
3743 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
3744 action by the Mississippi Development Authority prior to July 1,  
3745 1989, to any business enterprise determined prior to July 1, 1989,  
3746 by the Mississippi Development Authority to be a qualified  
3747 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
3748 a qualified company as described in Section 57-53-1, as the case  
3749 may be; however, from and after July 1, 1989, tax credits shall be  
3750 allowed only under either this section or Sections 57-51-13(b),  
3751 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time  
3752 employee.

3753           (16) A business enterprise that chooses to receive job  
3754 training assistance pursuant to Section 57-1-451 shall not be  
3755 eligible for the tax credits provided for in this section.





3756           **SECTION 42.** Section 57-73-23, Mississippi Code of 1972, is  
3757 brought forward as follows:

3758           57-73-23. (1) A fifty percent (50%) income tax credit shall  
3759 be granted to any employer providing dependent care for employees  
3760 during the employee's work hours, and to any employer who provides  
3761 a child care stipend of at least Six Thousand Dollars (\$6,000.00)  
3762 to a licensed or registered entity providing dependent child care  
3763 in the State of Mississippi for an employee's children during the  
3764 employee's work hours.

3765           (2) In order for an employer who provides a child care  
3766 stipend under this section to be eligible for the tax credit, the  
3767 employer shall certify to the Department of Revenue:

3768                   (a) The names of the employees on whose behalf the  
3769 stipend is paid; and

3770                   (b) The amount of the stipend paid on behalf of each of  
3771 those employees;

3772                   (c) The licensed or registered entity receiving the  
3773 child care stipend from the employer on behalf of the employee,  
3774 including the entity's federal identification number and license  
3775 and registration number; and

3776                   (d) Such other information as may be required by the  
3777 Department of Revenue to ensure that credits under this section  
3778 are granted only to employers who provide stipends to a licensed  
3779 or registered entity providing dependent care in the State of



3780 Mississippi for an employee's children during the employee's work  
3781 hours.

3782           (3) For an employer contracting with a licensed or  
3783 registered entity to provide dependent care for its employees  
3784 during the employee's work hours, the credit is applied to the net  
3785 cost of any contract executed by the employer for another entity  
3786 to provide dependent care; or, if the employer elects to provide  
3787 dependent care itself, the credit is applied to expenses of  
3788 dependent care staff, learning and recreational materials and  
3789 equipment, and the construction and maintenance of a facility; or,  
3790 if the employer elects to provide a child care stipend to a  
3791 licensed or registered entity providing dependent care in the  
3792 State of Mississippi for the employee's children during the  
3793 employee's work hours, the credit is applied to the amount of the  
3794 stipend provided. Additional eligible expenses include net costs  
3795 assumed by the employer which increase the quality, availability  
3796 and affordability of dependent care in the community used by  
3797 employees during the employee's work hours. This cost is net of  
3798 any reimbursement. A deduction shall not be allowed for any  
3799 expenses which serve as the basis for an income tax credit. The  
3800 credits allowed under this section shall not be used by any  
3801 business enterprise or corporation other than the business  
3802 enterprise actually qualifying for the credits.

3803           Credit may be carried forward for the five (5) successive  
3804 years if the amount allowable as credit exceeds income tax



3805 liability in a tax year; however, thereafter, if the amount  
3806 allowable as a credit exceeds the tax liability, the amount of  
3807 excess shall not be refundable or carried forward to any other  
3808 taxable year.

3809       The facility must have an average daily enrollment for the  
3810 taxable year of no less than six (6) children who are twelve (12)  
3811 years of age or less and be licensed according to the regulations  
3812 governing licensure of child care facilities in Mississippi; or  
3813 must serve five (5) or fewer children and/or elderly adults in a  
3814 family child care/elder care home approved by the Department of  
3815 Health for participation in the United States Department of  
3816 Agriculture child and adult nutrition program; or must serve  
3817 children over twelve (12) years of age but less than eighteen (18)  
3818 years of age in either a community-based facility or a facility at  
3819 the employment site; or must serve adult relatives of employees in  
3820 either a community-based elder care facility or a facility at the  
3821 employment site; or must serve children or adult dependents having  
3822 physical, emotional or mental disabilities in either a  
3823 community-based facility or a facility at the employment site.

3824       Employers will be certified as eligible for the tax credit by  
3825 the State Department of Health for programs serving children  
3826 twelve (12) years of age or younger and for programs serving  
3827 elderly adults and by the Department of Revenue for programs  
3828 serving other dependents older than twelve (12) years of age.



3829           **SECTION 43.** Section 57-87-5, Mississippi Code of 1972, is  
3830 brought forward as follows:

3831           57-87-5. (1) For purposes of this section:

3832                   (a) "Telecommunications enterprises" shall have the  
3833 meaning ascribed to such term in Section 57-73-21(14);

3834                   (b) "Tier One areas" mean counties designated as Tier  
3835 One areas pursuant to Section 57-73-21(1);

3836                   (c) "Tier Two areas" mean counties designated as Tier  
3837 Two areas pursuant to Section 57-73-21(1);

3838                   (d) "Tier Three areas" mean counties designated as Tier  
3839 Three areas pursuant to Section 57-73-21(1); and

3840                   (e) "Equipment used in the deployment of broadband  
3841 technologies" means any equipment capable of being used for or in  
3842 connection with the transmission of information at a rate, prior  
3843 to taking into account the effects of any signal degradation, that  
3844 is not less than three hundred eighty-four (384) kilobits per  
3845 second in at least one (1) direction, including, but not limited  
3846 to, asynchronous transfer mode switches, digital subscriber line  
3847 access multiplexers, routers, servers, multiplexers, fiber optics  
3848 and related equipment.

3849           (2) With respect to the investment in each year by a  
3850 telecommunications enterprise after June 30, 2003, and before July  
3851 1, 2025, there shall be allowed annually as a credit against the  
3852 aggregate tax imposed by Chapters 7 and 13 of Title 27,  
3853 Mississippi Code of 1972, an amount equal to:



3854 (a) Five percent (5%) of the cost of equipment used in  
3855 the deployment of broadband technologies in Tier One areas;

3856 (b) Ten percent (10%) of the cost of equipment used in  
3857 the deployment of broadband technologies in Tier Two areas; and

3858 (c) Fifteen percent (15%) of the cost of equipment used  
3859 in the deployment of broadband technologies in Tier Three areas.

3860 (3) Such annual credits shall be allowed commencing with the  
3861 taxable year in which such property is placed in service and  
3862 continue for nine (9) consecutive years thereafter. The aggregate  
3863 credit established by this section taken in any one (1)  
3864 tax year shall be limited to an amount not greater than fifty  
3865 percent (50%) of the taxpayer's tax liabilities under Chapters 7  
3866 and 13 of Title 27, Mississippi Code of 1972; however, any tax  
3867 credit claimed under this section, but not used in any taxable  
3868 year, may be carried forward for ten (10) consecutive years from  
3869 the close of the tax year in which the credits were earned.

3870 (4) The maximum aggregate amount of credits that may be  
3871 claimed under this section shall not exceed the original  
3872 investment made by a telecommunications enterprise in the  
3873 qualifying equipment used in the deployment of broadband  
3874 technologies.

3875 (5) For purposes of this section, the tier in which  
3876 broadband technology is deployed shall be determined in the year  
3877 in which such technology is deployed in a county and such tier



3878 shall not change if the county is later designated in another  
3879 tier.

3880 (6) There will be no credit allowed under this section if  
3881 the equipment used in the deployment of broadband technologies was  
3882 paid for, or its cost was reimbursed by, funds made available  
3883 under the Coronavirus Aid, Relief, and Economic Security (CARES)  
3884 Act.

3885 **SECTION 44.** Section 57-87-7, Mississippi Code of 1972, is  
3886 brought forward as follows:

3887 57-87-7. Equipment used in the deployment of broadband  
3888 technologies by a telecommunications enterprise (as defined in  
3889 Section 57-73-21(14)), that is placed in service after June 30,  
3890 2003, and before July 1, 2025, shall be exempt from ad valorem  
3891 taxation for a period of ten (10) years after the date such  
3892 equipment is placed in service. For purposes of this section,  
3893 "equipment used in the deployment of broadband technologies" means  
3894 any equipment capable of being used for or in connection with the  
3895 transmission of information at a rate, prior to taking into  
3896 account the effects of any signal degradation, that is not less  
3897 than three hundred eighty-four (384) kilobits per second in at  
3898 least one direction, including, but not limited to, asynchronous  
3899 transfer mode switches, digital subscriber line access  
3900 multiplexers, routers, servers, multiplexers, fiber optics and  
3901 related equipment.



3902           **SECTION 45.** Section 57-105-1, Mississippi Code of 1972, is  
3903 brought forward as follows:

3904           57-105-1. (1) As used in this section:

3905                   (a) "Adjusted purchase price" means the investment in  
3906 the qualified community development entity for the qualified  
3907 equity investment, substantially all of the proceeds of which are  
3908 used to make qualified low-income community investments in  
3909 Mississippi.

3910           For the purposes of calculating the amount of qualified  
3911 low-income community investments held by a qualified community  
3912 development entity, an investment will be considered held by a  
3913 qualified community development entity even if the investment has  
3914 been sold or repaid; provided that the qualified community  
3915 development entity reinvests an amount equal to the capital  
3916 returned to or recovered by the qualified community development  
3917 entity from the original investment, exclusive of any profits  
3918 realized, in another qualified low-income community investment in  
3919 Mississippi, including any federal Indian reservation located  
3920 within the geographical boundary of Mississippi within twelve (12)  
3921 months of the receipt of such capital. A qualified community  
3922 development entity will not be required to reinvest capital  
3923 returned from the qualified low-income community investments after  
3924 the sixth anniversary of the issuance of the qualified equity  
3925 investment, the proceeds of which were used to make the qualified  
3926 low-income community investment, and the qualified low-income



3927 community investment will be considered held by the qualified  
3928 community development entity through the seventh anniversary of  
3929 the qualified equity investment's issuance.

3930 (b) "Applicable percentage" means:

3931 (i) For any equity investment issued prior to July  
3932 1, 2008, four percent (4%) for each of the second through seventh  
3933 credit allowance dates for purposes of the taxes imposed by  
3934 Section 27-7-5 and one and one-third percent (1-1/3%) for each of  
3935 the second through seventh credit allowance dates for purposes of  
3936 the taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123.

3937 (ii) For any equity investment issued from and  
3938 after July 1, 2008, eight percent (8%) for each of the first  
3939 through third credit allowance dates for purposes of the taxes  
3940 imposed by Section 27-7-5 or the taxes imposed by Sections  
3941 27-15-103, 27-15-109 and 27-15-123.

3942 (c) "Credit allowance date" means, with respect to any  
3943 qualified equity investment:

3944 (i) The later of:

3945 1. The date upon which the qualified equity  
3946 investment is initially made; or

3947 2. The date upon which the Mississippi  
3948 Development Authority issues a certificate under subsection (4) of  
3949 this section; and





3950 (ii) 1. For equity investments issued prior to  
3951 July 1, 2008, each of the subsequent six (6) anniversary dates of  
3952 the date upon which the investment is initially made; or

3953 2. For equity investments issued from and  
3954 after July 1, 2008, each of the subsequent two (2) anniversary  
3955 dates of the date determined as provided for in subparagraph (i)  
3956 of this paragraph.

3957 (d) "Qualified community development entity" shall have  
3958 the meaning ascribed to such term in Section 45D of the Internal  
3959 Revenue Code of 1986, as amended, if the entity has entered into  
3960 an Allocation Agreement with the Community Development Financial  
3961 Institutions Fund of the United States Department of the Treasury  
3962 with respect to credits authorized by Section 45D of the Internal  
3963 Revenue Code of 1986, as amended.

3964 (e) "Qualified active low-income community business"  
3965 shall have the meaning ascribed to such term in Section 45D of the  
3966 Internal Revenue Code of 1986, as amended.

3967 (f) "Qualified equity investment" shall have the  
3968 meaning ascribed to such term in Section 45D of the Internal  
3969 Revenue Code of 1986, as amended. The investment does not have to  
3970 be designated as a qualified equity investment by the Community  
3971 Development Financial Institutions Fund of the United States  
3972 Treasury to be considered a qualified equity investment under this  
3973 section but otherwise must meet the definition under the Internal



3974 Revenue Code. In addition to meeting the definition in Section  
3975 45D of the Internal Revenue Code such investment must also:

3976 (i) Have been acquired after January 1, 2007, at  
3977 its original issuance solely in exchange for cash; and

3978 (ii) Have been allocated by the Mississippi  
3979 Development Authority.

3980 For the purposes of this section, such investment shall be  
3981 deemed a qualified equity investment on the later of the date such  
3982 qualified equity investment is made or the date on which the  
3983 Mississippi Development Authority issues a certificate under  
3984 subsection (4) of this section allocating credits based on such  
3985 investment.

3986 (g) "Qualified low-income community investment" shall  
3987 have the meaning ascribed to such term in Section 45D of the  
3988 Internal Revenue Code of 1986, as amended; provided, however, that  
3989 the maximum amount of qualified low-income community investments  
3990 issued for a single qualified active low-income community  
3991 business, on an aggregate basis with all of its affiliates, that  
3992 may be included for purposes of allocating any credits under this  
3993 section shall not exceed Ten Million Dollars (\$10,000,000.00), in  
3994 the aggregate, whether issued by one (1) or several qualified  
3995 community development entities.

3996 (2) A taxpayer that holds a qualified equity investment on  
3997 the credit allowance date shall be entitled to a credit applicable  
3998 against the taxes imposed by Sections 27-7-5, 27-15-103, 27-15-109



3999 and 27-15-123 during the taxable year that includes the credit  
4000 allowance date. The amount of the credit shall be equal to the  
4001 applicable percentage of the adjusted purchase price paid to the  
4002 qualified community development entity for the qualified equity  
4003 investment. The amount of the credit that may be utilized in any  
4004 one (1) tax year shall be limited to an amount not greater than  
4005 the total tax liability of the taxpayer for the taxes imposed by  
4006 the above-referenced sections. The credit shall not be refundable  
4007 or transferable. Any unused portion of the credit may be carried  
4008 forward for seven (7) taxable years beyond the credit allowance  
4009 date on which the credit was earned. The maximum aggregate amount  
4010 of qualified equity investments that may be allocated by the  
4011 Mississippi Development Authority may not exceed an amount that  
4012 would result in taxpayers claiming in any one (1) state fiscal  
4013 year credits in excess of Fifteen Million Dollars  
4014 (\$15,000,000.00), exclusive of credits that might be carried  
4015 forward from previous taxable years; however, a maximum of  
4016 one-third (1/3) of this amount may be allocated as credits for  
4017 taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123. Any  
4018 taxpayer claiming a credit under this section against the taxes  
4019 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123  
4020 shall not be required to pay any additional tax under Section  
4021 27-15-123 as a result of claiming such credit. The Mississippi  
4022 Development Authority shall allocate credits within this limit as  
4023 provided for in subsection (4) of this section.



4024           (3) Tax credits authorized by this section that are earned  
4025 by a partnership, limited liability company, S corporation or  
4026 other similar pass-through entity, shall be allocated among all  
4027 partners, members or shareholders, respectively, either in  
4028 proportion to their ownership interest in such entity or as the  
4029 partners, members or shareholders mutually agree as provided in an  
4030 executed document. Such allocation shall be made each taxable  
4031 year of such pass-through entity which contains a credit allowance  
4032 date.

4033           (4) The qualified community development entity shall apply  
4034 for credits with the Mississippi Development Authority on forms  
4035 prescribed by the Mississippi Development Authority. The  
4036 qualified community development entity must pay an application fee  
4037 of One Thousand Dollars (\$1,000.00) to the Mississippi Development  
4038 Authority at the time the application is submitted. In the  
4039 application the qualified community development entity shall  
4040 certify to the Mississippi Development Authority the dollar amount  
4041 of the qualified equity investments made or to be made in this  
4042 state, including in any federal Indian reservation located within  
4043 the state's geographical boundary, during the first twelve-month  
4044 period following the initial credit allowance date. The  
4045 Mississippi Development Authority shall allocate credits based on  
4046 the dollar amount of qualified equity investments as certified in  
4047 the application. Once the Mississippi Development Authority has  
4048 allocated credits to a qualified community development entity, if



4049 the corresponding qualified equity investment has not been issued  
4050 as of the date of such allocation, then the corresponding  
4051 qualified equity investment must be issued not later than one  
4052 hundred twenty (120) days from the date of such allocation. If  
4053 the qualified equity investment is not issued within such time  
4054 period, the allocation shall be cancelled and returned to the  
4055 Mississippi Development Authority for reallocation. Upon final  
4056 documentation of the qualified low-income community investments,  
4057 if the actual dollar amount of the investments is lower than the  
4058 amount estimated, the Mississippi Development Authority shall  
4059 adjust the tax credit allowed under this section. The Department  
4060 of Revenue may recapture all of the credit allowed under this  
4061 section if:

4062 (a) Any amount of federal tax credits available with  
4063 respect to a qualified equity investment that is eligible for a  
4064 tax credit under this section is recaptured under Section 45D of  
4065 the Internal Revenue Code of 1986, as amended; or

4066 (b) The qualified community development entity redeems  
4067 or makes any principal repayment with respect to a qualified  
4068 equity investment prior to the seventh anniversary of the issuance  
4069 of the qualified equity investment; or

4070 (c) The qualified community development entity fails to  
4071 maintain at least eighty-five percent (85%) of the proceeds of the  
4072 qualified equity investment in qualified low-income community



4073 investments in Mississippi at any time prior to the seventh  
4074 anniversary of the issuance of the qualified equity investment.

4075 Any credits that are subject to recapture under this  
4076 subsection shall be recaptured from the taxpayer that actually  
4077 claimed the credit.

4078 The Mississippi Development Authority shall not allocate any  
4079 credits under this section after July 1, 2024.

4080 (5) Each qualified community development entity that  
4081 receives qualified equity investments to make qualified low-income  
4082 community investments in Mississippi must annually report to the  
4083 Mississippi Development Authority the North American Industry  
4084 Classification System Code, the county, the dollars invested, the  
4085 number of jobs assisted and the number of jobs assisted with wages  
4086 over one hundred percent (100%) of the federal poverty level for a  
4087 family of four (4) of each qualified low-income community  
4088 investment.

4089 (6) The Mississippi Development Authority shall file an  
4090 annual report on all qualified low-income community investments  
4091 with the Governor, the Clerk of the House of Representatives, the  
4092 Secretary of the Senate and the Secretary of State describing the  
4093 North American Industry Classification System Code, the county,  
4094 the dollars invested, the number of jobs assisted and the number  
4095 of jobs assisted with wages over one hundred percent (100%) of the  
4096 federal poverty level for a family of four (4) of each qualified



4097 low-income community investment. The annual report will be posted  
4098 on the Mississippi Development Authority's Internet website.

4099 (7) (a) The purpose of this subsection is to authorize the  
4100 creation and establishment of public benefit corporations for  
4101 financing arrangements regarding public property and facilities.

4102 (b) As used in this subsection:

4103 (i) "New Markets Tax Credit transaction" means any  
4104 financing transaction which utilizes either this section or  
4105 Section 45D of the Internal Revenue Code of 1986, as amended.

4106 (ii) "Public benefit corporation" means a  
4107 nonprofit corporation formed or designated by a public entity to  
4108 carry out the purposes of this subsection.

4109 (iii) "Public entity or public entities" includes  
4110 utility districts, regional solid waste authorities, regional  
4111 utility authorities, community hospitals, regional airport  
4112 authorities, municipal airport authorities, community and junior  
4113 colleges, educational building corporations established by or on  
4114 behalf of the state institutions of higher learning, school  
4115 districts, planning and development districts, county economic  
4116 development districts, urban renewal agencies, any other regional  
4117 or local economic development authority, agency or governmental  
4118 entity, and any other regional or local industrial development  
4119 authority, agency or governmental entity.



4120 (iv) "Public property or facilities" means any  
4121 property or facilities owned or leased by a public entity or  
4122 public benefit corporation.

4123 (c) Notwithstanding any other provision of law to the  
4124 contrary, public entities are authorized pursuant to this  
4125 subsection to create one or more public benefit corporations or  
4126 designate an existing corporation as a public benefit corporation  
4127 for the purpose of entering into financing agreements and engaging  
4128 in New Markets Tax Credit transactions, which shall include,  
4129 without limitation, arrangements to plan, acquire, renovate,  
4130 construct, lease, sublease, manage, operate and/or improve new or  
4131 existing public property or facilities located within the  
4132 boundaries or service area of the public entity. Any financing  
4133 arrangement authorized under this subsection shall further any  
4134 purpose of the public entity and may include a term of up to fifty  
4135 (50) years.

4136 (d) Notwithstanding any other provision of law to the  
4137 contrary and in order to facilitate the acquisition, renovation,  
4138 construction, leasing, subleasing, management, operating and/or  
4139 improvement of new or existing public property or facilities to  
4140 further any purpose of a public entity, public entities are  
4141 authorized to enter into financing arrangements in order to  
4142 transfer public property or facilities to and/or from public  
4143 benefit corporations, including, without limitation, sales,  
4144 sale-leasebacks, leases and lease-leasebacks, provided such





4145 transfer is related to any New Markets Tax Credit transaction  
4146 furthering any purpose of the public entity. Any such transfer  
4147 under this paragraph (d) and the public property or facilities  
4148 transferred in connection therewith shall be exempted from any  
4149 limitation or requirements with respect to leasing, acquiring,  
4150 and/or constructing public property or facilities.

4151 (e) With respect to a New Markets Tax Credit  
4152 transaction, public entities and public benefit corporations are  
4153 authorized to enter into financing arrangements with any  
4154 governmental, nonprofit or for-profit entity in order to leverage  
4155 funds not otherwise available to public entities for the  
4156 acquisition, construction and/or renovation of properties  
4157 transferred to such public benefit corporations. The use of any  
4158 funds loaned by or contributed by a public benefit corporation or  
4159 borrowed by or otherwise made available to a public benefit  
4160 corporation in such financing arrangement shall be dedicated  
4161 solely to (i) the development of new properties or facilities  
4162 and/or the renovation of existing properties or facilities or  
4163 operation of properties or facilities, and/or (ii) the payment of  
4164 costs and expenditures related to any such financing arrangements,  
4165 including, but not limited to, funding any reserves required in  
4166 connection therewith, the repayment of any indebtedness incurred  
4167 in connection therewith, and the payment of fees and expenses  
4168 incurred in connection with the closing, administration,



4169 accounting and/or compliance with respect to the New Markets Tax  
4170 Credit transaction.

4171 (f) A public benefit corporation created pursuant to  
4172 this subsection shall not be a political subdivision of the state  
4173 but shall be a nonprofit corporation organized and governed under  
4174 the provisions of the laws of this state and shall be a special  
4175 purpose corporation established to facilitate New Markets Tax  
4176 Credit transactions consistent with the requirements of this  
4177 section.

4178 (g) Neither this subsection nor anything herein  
4179 contained is or shall be construed as a restriction or limitation  
4180 upon any powers which the public entity or public benefit  
4181 corporation might otherwise have under any laws of this state, and  
4182 this subsection is cumulative to any such powers. This subsection  
4183 does and shall be construed to provide a complete additional and  
4184 alternative method for the doing of the things authorized thereby  
4185 and shall be regarded as supplemental and additional to powers  
4186 conferred by other laws.

4187 (8) The Mississippi Development Authority shall promulgate  
4188 rules and regulations to implement the provisions of this section.

4189 **SECTION 46.** Section 57-10-409, Mississippi Code of 1972, is  
4190 brought forward as follows:

4191 **[In cases involving an economic development project for which**  
4192 **the Mississippi Business Finance Corporation has issued bonds for**



4193 **the purpose of financing the approved costs of such project prior**  
4194 **to July 1, 1994, this section shall read as follows:]**

4195         57-10-409. The corporation may enter into, with any approved  
4196 company, a financing agreement with respect to its economic  
4197 development project. The terms and provisions of each financing  
4198 agreement shall be determined by negotiations between the  
4199 corporation and the approved company, except that each financing  
4200 agreement shall include the following provisions:

4201             (a) If the corporation issues any bonds in connection  
4202 with an economic development project, the term of the financing  
4203 agreement shall not be less than the last maturity of the bonds  
4204 issued with respect to the economic development project, except  
4205 that the financing agreement may terminate upon the earlier  
4206 redemption of all of the bonds issued with respect to the economic  
4207 development project and may grant to the approved company an  
4208 option to purchase the economic development project from the  
4209 corporation upon the termination of the financing agreement for  
4210 such consideration and under such terms and conditions the  
4211 corporation may approve. Nothing in this paragraph shall limit  
4212 the extension of the term of a financing agreement if there is a  
4213 refunding of the correlative bonds or otherwise.

4214             (b) If the corporation issues any bonds in connection  
4215 with an economic development project, the financing agreement  
4216 shall specify that the annual obligations of the approved company  
4217 under Sections 57-10-401 through 57-10-445 shall equal in each



4218 year at least the annual debt service for that year on the bonds  
4219 issued with respect to the economic development project; and the  
4220 approved company shall pay such obligation of the financing  
4221 agreement to the trustee for bonds issued for the benefit of the  
4222 approved company, at such time and in such amounts sufficient to  
4223 amortize such bonds.

4224 (c) If the corporation loans funds to an approved  
4225 company that is a private company under the Mississippi Small  
4226 Enterprise Development Finance Act, the financing agreement shall  
4227 include the terms and conditions of the loan required by Section  
4228 57-71-1 et seq.

4229 (d) (i) In consideration for financing agreement  
4230 payment, the approved company may be permitted the following  
4231 during the period of time in which the financing agreement is in  
4232 effect, not to exceed twenty-five (25) years:

4233 1. A tax credit on the amount provided for in  
4234 Section 27-7-22.3(2), Mississippi Code of 1972; plus

4235 2. The aggregate assessment withheld by the  
4236 approved company in each year.

4237 (ii) The income tax credited to the approved  
4238 company referred to herein shall be credited in the fiscal year of  
4239 the financing agreement in which the tax return of the approved  
4240 company is filed. The approved company shall not be required to  
4241 pay estimated tax payments under Section 27-7-319, Mississippi  
4242 Code of 1972.



4243           (e) (i) The financing agreement shall provide that the  
4244 assessments, when added to the credit for the state corporate  
4245 income tax herein granted, shall not exceed the total financing  
4246 agreement annual payment by the approved company in any year;  
4247 however, to the extent that financing agreement annual payments  
4248 exceed credits received and assessments collected in any year, the  
4249 excess payment may be recouped from excess credits or assessment  
4250 collections in succeeding years.

4251           (ii) If during any fiscal year of the financing  
4252 agreement the total of the income tax credit granted to the  
4253 approved company plus the assessment collected from the wages of  
4254 the employees equals the annual payment pursuant to the financing  
4255 agreement, and if all excess payments pursuant to the financing  
4256 agreement accumulated in prior years have been recouped, the  
4257 assessment collected from the wages of the employees shall cease  
4258 for the remainder of the fiscal year of the financing agreement.

4259           (f) The financing agreement shall provide that:

4260           (i) It may be assigned by the approved company  
4261 only upon the prior written consent of the corporation following  
4262 the adoption of a resolution by the corporation to such effect;  
4263 and

4264           (ii) Upon the default by the approved company in  
4265 the obligation to render its annual payment, the corporation shall  
4266 have the right, at its option, to declare the financing agreement  
4267 in default and to accelerate the total of all annual payments that



4268 are to be made or to terminate the financing agreement and cause  
4269 to be sold the economic development project at public or private  
4270 sale, or to pursue any other remedies available under the Uniform  
4271 Commercial Code, as from time to time amended, or otherwise  
4272 available in law or equity.

4273 **[In cases involving an economic development project for which**  
4274 **the Mississippi Business Finance Corporation has not issued bonds**  
4275 **for the purpose of financing the approved costs of such project**  
4276 **prior to July 1, 1994, but has issued bonds for such project prior**  
4277 **to July 1, 1997, or in cases involving an economic development**  
4278 **project which has been induced by a resolution of the Board of**  
4279 **Directors of the Mississippi Business Finance Corporation that has**  
4280 **been filed with the State Tax Commission prior to July 1, 1997,**  
4281 **this section shall read as follows:]**

4282 57-10-409. The corporation may enter into, with any approved  
4283 company, a financing agreement with respect to its economic  
4284 development project. The terms and provisions of each financing  
4285 agreement shall be determined by negotiations between the  
4286 corporation and the approved company, except that each financing  
4287 agreement shall include the following provisions:

4288 (a) If the corporation issues any bonds in connection  
4289 with an economic development project, the term of the financing  
4290 agreement shall not be less than the last maturity of the bonds  
4291 issued with respect to the economic development project, except  
4292 that the financing agreement may terminate upon the earlier



4293 redemption of all of the bonds issued with respect to the economic  
4294 development project and may grant to the approved company an  
4295 option to purchase the economic development project from the  
4296 corporation upon the termination of the financing agreement for  
4297 such consideration and under such terms and conditions the  
4298 corporation may approve. Nothing in this paragraph shall limit  
4299 the extension of the term of a financing agreement if there is a  
4300 refunding of the correlative bonds or otherwise.

4301 (b) If the corporation issues any bonds in connection  
4302 with an economic development project, the financing agreement  
4303 shall specify that the annual obligations of the approved company  
4304 under Sections 57-10-401 through 57-10-445 shall equal in each  
4305 year at least the annual debt service for that year on the bonds  
4306 issued with respect to the economic development project; and the  
4307 approved company shall pay such obligation of the financing  
4308 agreement to the trustee for bonds issued for the benefit of the  
4309 approved company, at such time and in such amounts sufficient to  
4310 amortize such bonds.

4311 (c) If the corporation loans funds to an approved  
4312 company that is a private company under the Mississippi Small  
4313 Enterprise Development Finance Act, the financing agreement shall  
4314 include the terms and conditions of the loan required by Section  
4315 57-71-1 et seq.

4316 (d) (i) In consideration for financing agreement  
4317 payment, the approved company may be permitted the following



4318 during the period of time in which the financing agreement is in  
4319 effect, not to exceed twenty-five (25) years:

4320                   1. A tax credit on the amount provided for in  
4321 Section 27-7-22.3(2), Mississippi Code of 1972; plus

4322                   2. The aggregate assessment withheld by the  
4323 approved company in each year.

4324                   (ii) The income tax credited to the approved  
4325 company referred to herein shall be credited in the fiscal year of  
4326 the financing agreement in which the tax return of the approved  
4327 company is filed. The approved company shall not be required to  
4328 pay estimated tax payments under Section 27-7-319, Mississippi  
4329 Code of 1972.

4330                   (e) (i) The financing agreement shall provide that the  
4331 assessments, when added to the credit for the state corporate  
4332 income tax herein granted, shall not exceed the total financing  
4333 agreement annual payment by the approved company in any year;  
4334 however, to the extent that financing agreement annual payments  
4335 exceed credits received and assessments collected in any year, the  
4336 excess payment may be recouped from excess credits or assessment  
4337 collections in succeeding years not to exceed three (3) years  
4338 following the termination of the period of time during which the  
4339 financing agreement is in effect.

4340                   (ii) If during any fiscal year of the financing  
4341 agreement the total of the income tax credit granted to the  
4342 approved company plus the assessment collected from the wages of





4343 the employees equals the annual payment pursuant to the financing  
4344 agreement, and if all excess payments pursuant to the financing  
4345 agreement accumulated in prior years have been recouped, the  
4346 assessment collected from the wages of the employees shall cease  
4347 for the remainder of the fiscal year of the financing agreement.

4348 (f) The financing agreement shall provide that:

4349 (i) It may be assigned by the approved company  
4350 only upon the prior written consent of the corporation following  
4351 the adoption of a resolution by the corporation to such effect;  
4352 and

4353 (ii) Upon the default by the approved company in  
4354 the obligation to render its annual payment, the corporation shall  
4355 have the right, at its option, to declare the financing agreement  
4356 in default and to accelerate the total of all annual payments that  
4357 are to be made or to terminate the financing agreement and cause  
4358 to be sold the economic development project at public or private  
4359 sale, or to pursue any other remedies available under the Uniform  
4360 Commercial Code, as from time to time amended, or otherwise  
4361 available in law or equity.

4362 **[In cases involving an economic development project for which**  
4363 **the Mississippi Business Finance Corporation has not issued bonds**  
4364 **for the purpose of financing the approved costs of such project**  
4365 **prior to July 1, 1997, or in cases involving an economic**  
4366 **development project which has not been induced by a resolution of**  
4367 **the Board of Directors of the Mississippi Business Finance**



4368 **Corporation that has been filed with the State Tax Commission**  
4369 **prior to July 1, 1997, this section shall read as follows:]**

4370 57-10-409. The corporation may enter into, with any approved  
4371 company, a financing agreement with respect to its economic  
4372 development project. The terms and provisions of each financing  
4373 agreement shall be determined by negotiations between the  
4374 corporation and the approved company, except that each financing  
4375 agreement shall include the following provisions:

4376 (a) If the corporation issues any bonds in connection  
4377 with an economic development project, the term of the financing  
4378 agreement shall not be less than the last maturity of the bonds  
4379 issued with respect to the economic development project, except  
4380 that the financing agreement may terminate upon the earlier  
4381 redemption of all of the bonds issued with respect to the economic  
4382 development project and may grant to the approved company an  
4383 option to purchase the economic development project from the  
4384 corporation upon the termination of the financing agreement for  
4385 such consideration and under such terms and conditions the  
4386 corporation may approve. Nothing in this paragraph shall limit  
4387 the extension of the term of a financing agreement if there is a  
4388 refunding of the correlative bonds or otherwise.

4389 (b) If the corporation issues any bonds in connection  
4390 with an economic development project, the financing agreement  
4391 shall specify that the annual obligations of the approved company  
4392 under Sections 57-10-401 through 57-10-445 shall equal in each



4393 year at least the annual debt service for that year on the bonds  
4394 issued with respect to the economic development project; and the  
4395 approved company shall pay such obligation of the financing  
4396 agreement to the trustee for bonds issued for the benefit of the  
4397 approved company, at such time and in such amounts sufficient to  
4398 amortize such bonds.

4399 (c) If the corporation loans funds to an approved  
4400 company that is a private company under the Mississippi Small  
4401 Enterprise Development Finance Act, the financing agreement shall  
4402 include the terms and conditions of the loan required by Section  
4403 57-71-1 et seq.

4404 (d) (i) In consideration for financing agreement  
4405 payment, the approved company may be permitted a tax credit on the  
4406 amount provided for in Section 27-7-22.3(2), Mississippi Code of  
4407 1972, during the period of time in which the financing agreement  
4408 is in effect, not to exceed twenty-five (25) years.

4409 (ii) The income tax credited to the approved  
4410 company referred to herein shall be credited in the fiscal year of  
4411 the financing agreement in which the tax return of the approved  
4412 company is filed. The approved company shall not be required to  
4413 pay estimated tax payments under Section 27-7-319, Mississippi  
4414 Code of 1972.

4415 (e) The financing agreement shall provide that:

4416 (i) It may be assigned by the approved company  
4417 only upon the prior written consent of the corporation following



4418 the adoption of a resolution by the corporation to such effect;  
4419 and

4420 (ii) Upon the default by the approved company in  
4421 the obligation to render its annual payment, the corporation shall  
4422 have the right, at its option, to declare the financing agreement  
4423 in default and to accelerate the total of all annual payments that  
4424 are to be made or to terminate the financing agreement and cause  
4425 to be sold the economic development project at public or private  
4426 sale, or to pursue any other remedies available under the Uniform  
4427 Commercial Code, as from time to time amended, or otherwise  
4428 available in law or equity.

4429 **SECTION 47.** Section 57-114-3, Mississippi Code of 1972, is  
4430 brought forward as follows:

4431 57-114-3. For purposes of this chapter, the following words  
4432 shall have the meanings ascribed herein unless the context  
4433 otherwise requires:

4434 (a) "Affiliate" means, with respect to a specified  
4435 entity, (i) another person or entity that directly or indirectly,  
4436 through one or more intermediaries, controls or is controlled by  
4437 or is under common control with the specified person or entity,  
4438 where the term "control" means the ownership or possession,  
4439 directly or indirectly, of the power to direct more than fifty  
4440 percent (50%) of the voting equity securities or a similar  
4441 ownership interest in the specified controlled entity, or (ii) any  
4442 member of an affiliated group of corporations, of which the



4443 specified entity is also a member, which are each subject to  
4444 income taxation in Mississippi and may elect to file a combined  
4445 Mississippi income tax return in accordance with state law.

4446 (b) "Authority" means the Mississippi Development  
4447 Authority.

4448 (c) "Annual report" means the report described in  
4449 Section 57-114-13.

4450 (d) "Applicable accounting rules" shall mean the  
4451 accounting principles generally recognized as applicable to a  
4452 qualified business or industry and pursuant to which such  
4453 qualified business or industry regularly prepares and maintains  
4454 its financial and accounting books and records, and which  
4455 specifically incorporate Generally Accepted Accounting Principles  
4456 or International Financial Reporting Standards, as appropriate.

4457 (e) "Applicant" means any corporation, limited  
4458 liability company, partnership, person or sole proprietorship,  
4459 business trust or other legal entity and subunit or affiliate  
4460 thereof that applies to the authority, in the manner prescribed by  
4461 this chapter, seeking (i) certification by the authority that such  
4462 applicant is a qualified business or industry and that its  
4463 proposed new project or expansion of an existing business or  
4464 industrial operation is a qualified economic development project,  
4465 and (ii) an award in connection therewith of an mFlex tax  
4466 incentive.



4467 (f) "Average state or county wage" shall mean, as of  
4468 the project certification date, the lesser of the most recently  
4469 published average annual wage per person as determined and  
4470 published by the Mississippi Department of Employment Security for  
4471 the state or the county in which the qualified project is or will  
4472 be located; provided that, if a qualified project is or will be  
4473 located in two (2) or more counties, the average state or county  
4474 wage, as used in this chapter, shall mean, as of the project  
4475 certification date, only the most recently published average  
4476 annual wage per person as determined and published by the  
4477 Mississippi Department of Employment Security for the state.

4478 (g) "Average employer wage" means the qualified annual  
4479 payroll for all new full-time jobs created in the State of  
4480 Mississippi by a qualified business or industry divided by the  
4481 number of new full-time jobs thereof for which such qualified  
4482 annual payroll was paid or is otherwise payable.

4483 (h) "Base full-time job" means a job (i) for which an  
4484 employee was already hired by the qualified business or industry  
4485 before, and is employed as of, the project certification date;  
4486 (ii) that offers a minimum of one thousand eight hundred twenty  
4487 (1,820) hours of an employee's time per year (i.e., thirty-five  
4488 (35) hours per week on average) for a normal four (4) consecutive  
4489 quarter period of the qualified business or industry's operations  
4490 or a job for which the employee was hired before, and is employed  
4491 as of, the project certification date and is compensated based on



4492 one thousand eight hundred twenty (1,820) hours for such annual  
4493 period (including in each case an employee who, after hiring,  
4494 elects to take unpaid time off or is on short-term or long-term  
4495 disability); and (iii) the employee holding such job receives  
4496 salary or wages subject to state income tax withholdings. The  
4497 term "base full-time job" also means a base-leased employee.  
4498 Part-time jobs may not be combined to add up to a base full-time  
4499 job.

4500 (i) "Base-leased employee" means a nontemporary  
4501 employee:

4502 (i) Who was leased by the qualified business or  
4503 industry before the project certification date from another  
4504 business or enterprise that is 1. in the business of leasing  
4505 employees, and 2. is registered with the Office of the Secretary  
4506 of State and qualified to do business in the state;

4507 (ii) Who is leased as of the project certification  
4508 date;

4509 (iii) Who is not otherwise an employee of such  
4510 qualified business or industry;

4511 (iv) Who, as of the project certification date,  
4512 was already performing services for, and under the supervision of,  
4513 the qualified business or industry pursuant to a leasing agreement  
4514 between the qualified business or industry and such other employee  
4515 leasing firm;



4516 (v) Whose job-performing services for the  
4517 qualified business or industry offers a minimum of one thousand  
4518 eight hundred twenty (1,820) hours of an employee's time per year  
4519 (i.e., thirty-five (35) hours per week on average) for an entire  
4520 normal work year of the qualified business or industry's  
4521 operations or a job for which the employee is leased before the  
4522 project certification date and is compensated based on one  
4523 thousand eight hundred twenty (1,820) hours for such annual period  
4524 (including in each case an employee who, after being leased,  
4525 elects to take unpaid time off or is on short-term or long-term  
4526 disability); and

4527 (vi) Whose job receives salary or wages subject to  
4528 state income tax withholdings. Individuals employed by an  
4529 independent contractor performing one or more services for the  
4530 qualified business or industry pursuant to a services or  
4531 management agreement (e.g., security services, landscaping  
4532 services, and cafeteria management and food services) shall not be  
4533 considered as base-leased employees.

4534 (j) "Contractor tax" shall mean the tax levied by  
4535 Section 27-65-21, except for the tax upon the sale of  
4536 manufacturing or processing machinery for a manufacturer or custom  
4537 processor.

4538 (k) "Construction contract" shall mean any contract or  
4539 portion of any contract for any one or more of the activities





4540 described in Section 27-65-21 for which the contractor tax applies  
4541 and is payable by the contractor that is party thereto.

4542 (l) "Manufacturing machinery," as used in this chapter,  
4543 shall have the same meaning ascribed to such term in Section  
4544 27-65-11, as interpreted by any regulations promulgated by the  
4545 Department of Revenue with respect to such section.

4546 (m) "mFlex agreement" means the written agreement  
4547 entered into between a qualified business or industry and the  
4548 authority in accordance with Section 57-114-7(4)(c).

4549 (n) "mFlex tax incentive" means the tax incentive  
4550 authorized by this chapter to be calculated and awarded by the  
4551 authority, and thereafter applied as a credit to offset state  
4552 taxes, in accordance with, and subject to, this chapter.

4553 (o) "Minimum job creation requirement" means the  
4554 creation by the qualified business or industry, following the  
4555 project certification date, of at least ten (10) new full-time  
4556 jobs in the state.

4557 (p) "Minimum qualified investment" means a qualified  
4558 investment of not less than Two Million Five Hundred Thousand  
4559 Dollars (\$2,500,000.00).

4560 (q) "New full-time job" means a job:

4561 (i) For which an employee is hired by the  
4562 qualified business or industry after the project certification  
4563 date;



4564                   (ii) That offers a minimum of one thousand eight  
4565 hundred twenty (1,820) hours of an employee's time per year (i.e.,  
4566 thirty-five (35) hours per week on average) for a normal four (4)  
4567 consecutive quarter period of the qualified business or industry's  
4568 operations or a job for which the employee is hired after the  
4569 project certification date and is compensated based on one  
4570 thousand eight hundred twenty (1,820) hours for such annual period  
4571 (including in each case an employee who, after hiring, elects to  
4572 take unpaid time off or is on short-term or long-term disability);  
4573 and

4574                   (iii) The employee holding such job receives  
4575 salary or wages subject to state income tax withholdings. The  
4576 term "new full-time job" also means new-leased employee.  
4577 Part-time jobs may not be combined to add up to a new full-time  
4578 job.

4579                   (r) "New-leased employee" means a nontemporary  
4580 employee:

4581                   (i) Who is leased by the qualified business or  
4582 industry after the project certification date from another  
4583 business or enterprise that is 1. in the business of leasing  
4584 employees, and 2. is registered with the Office of the Secretary  
4585 of State and qualified to do business in the state;

4586                   (ii) Who is not otherwise an employee of such  
4587 qualified business or industry;



4588 (iii) Who performs services for the qualified  
4589 business or industry pursuant to a leasing agreement between the  
4590 qualified business or industry and such other employee-leasing  
4591 firm;

4592 (iv) Whose job-performing services for the  
4593 qualified business or industry offers a minimum of one thousand  
4594 eight hundred twenty (1,820) hours of an employee's time per year  
4595 (i.e., thirty-five (35) hours per week on average) for an entire  
4596 normal work year of the qualified business or industry's  
4597 operations or a job for which the employee is leased after the  
4598 project certification date and is compensated based on one  
4599 thousand eight hundred twenty (1,820) hours for such annual period  
4600 (including in each case an employee who, after being leased,  
4601 elects to take unpaid time off or is on short-term or long-term  
4602 disability); and

4603 (v) Whose job receives salary or wages subject to  
4604 state income tax withholdings. Individuals employed by an  
4605 independent contractor performing one or more services for the  
4606 qualified business or industry pursuant to a services or  
4607 management agreement (e.g., security services, landscaping  
4608 services, and cafeteria management and food services) shall not be  
4609 considered as a new-leased employees.

4610 (s) "Nonmanufacturing equipment" means all tangible  
4611 personal property that is not manufacturing machinery, including,  
4612 but not limited to, office furniture, fixtures, office computers



4613 and communications equipment, and warehouse equipment such as  
4614 racking and shelving.

4615 (t) "Part-time job" means a job (i) for which an  
4616 employee is hired by the qualified business or industry that  
4617 requires fewer than one thousand eight hundred twenty (1,820)  
4618 hours of an employee's time per year (i.e., requires fewer than  
4619 thirty-five (35) hours per week on average) for an entire normal  
4620 work year of the qualified business or industry's operations or a  
4621 job for which the employee is hired and is compensated based on  
4622 fewer than one thousand eight hundred twenty (1,820) hours for  
4623 such annual period; and (iii) for which the employee holding such  
4624 job receives salary or wages subject to state income tax  
4625 withholdings.

4626 (u) "Project certification date" means the actual date  
4627 of the authority's certification, or the effective date of  
4628 certification determined and prescribed by the authority, of the  
4629 qualified business or industry and its qualified economic  
4630 development project as eligible for the state tax credits  
4631 determined and awarded by the authority, as authorized by, and in  
4632 accordance with, this chapter.

4633 (v) "Qualified annual payroll" means the sum of the  
4634 annual salary and wages for new full-time jobs of the qualified  
4635 business or industry, excluding the amount or value of any  
4636 benefits that are not subject to state income taxes.



4637           (w) "Qualified business or industry" means any  
4638 corporation, limited liability company, partnership, person or  
4639 sole proprietorship, business trust or other legal entity and  
4640 subunit or affiliate thereof, which makes a qualified minimum  
4641 investment in a qualified economic development project.

4642           (x) "Qualified economic development project" or  
4643 "qualified project" means the location in the state of one or more  
4644 of the following enumerated enterprises for which a corporation,  
4645 limited liability company, partnership, sole proprietorship,  
4646 business trust or other legal entity, or subunit or affiliate  
4647 thereof, makes or causes to be made from the minimum qualified  
4648 investment and/or satisfies or causes to be satisfied the minimum  
4649 job creation requirement:

4650                   (i) A new warehouse and/or distribution enterprise  
4651 or an expansion of an existing warehouse and/or distribution  
4652 enterprise; provided that, in any such instance, such warehouse  
4653 and/or distribution enterprise or expansion thereof is certified  
4654 by the authority to qualify as such;

4655                   (ii) A new manufacturing, remanufacturing,  
4656 assembly, processing and/or refinery enterprise or an expansion of  
4657 an existing manufacturing, remanufacturing, assembly, processing  
4658 and/or refinery enterprise; provided that, in any such instance,  
4659 such manufacturing, remanufacturing, assembly, processing and/or  
4660 refinery enterprise or expansion thereof is certified by the  
4661 authority to qualify as such;



4662 (iii) A new research or research and development  
4663 enterprise or an expansion of an existing research or research and  
4664 development enterprise; provided that, in any such instance, such  
4665 research and development enterprise or an expansion thereof is  
4666 certified by the authority to qualify as such;

4667 (iv) A new regional or national headquarters of  
4668 the qualified business or industry or an expansion of an existing  
4669 regional or national headquarters of the qualified business or  
4670 industry; provided that, in any such instance, such regional or  
4671 national headquarters or expansion thereof is certified by the  
4672 authority to qualify as such;

4673 (v) An air transportation, repair and/or  
4674 maintenance enterprise or an expansion of an existing air  
4675 transportation, repair and/or maintenance enterprise; provided  
4676 that, in either instance, such air transportation, repair and/or  
4677 maintenance enterprise or expansion thereof is certified by the  
4678 authority to qualify as such;

4679 (vi) A ship or other maritime vessel or barge  
4680 transportation, repair and/or maintenance enterprise or an  
4681 expansion of an existing ship or other maritime vessel or barge  
4682 transportation, repair and/or maintenance enterprise; provided  
4683 that, in either instance, the ship or other maritime vessel or  
4684 barge transportation, repair and/or maintenance enterprise or  
4685 expansion thereof is certified by the authority to qualify as  
4686 such;



4687 (vii) A new data/information processing enterprise  
4688 or an expansion of an existing new data/information processing  
4689 enterprise; provided that, in any such instance such  
4690 data/information processing enterprise or expansion thereof is  
4691 certified by the authority to qualify as such;

4692 (viii) A new technology intensive enterprise or an  
4693 expansion of an existing technology intensive enterprise; provided  
4694 that, in either instance, the technology intensive enterprise or  
4695 expansion thereof is certified by the authority to qualify as  
4696 such; provided further, that a business or enterprise primarily  
4697 engaged in creating computer programming codes to develop  
4698 applications, websites and/or software shall qualify as a  
4699 technology intensive enterprise;

4700 (ix) A new telecommunications enterprise  
4701 principally engaged in the creation, display, management, storage,  
4702 processing, transmission and/or distribution, for compensation, of  
4703 images, text, voice, video or data by wire or by wireless means,  
4704 or engaged in the construction, design, development, manufacture,  
4705 maintenance or distribution for compensation of devices, products,  
4706 software or structures used in the above activities, or an  
4707 expansion of an existing telecommunications enterprise as herein  
4708 described; provided that, in any such instance, any such  
4709 telecommunications enterprise or expansion thereof is certified by  
4710 the authority to qualify as such; provided further, that  
4711 commercial broadcast radio stations, television stations or news



4712 organizations primarily serving in-state markets shall not be  
4713 included within the definition of the term "telecommunications  
4714 enterprise";

4715                   (x) A new data center enterprise principally  
4716 engaged in the utilization of hardware, software, technology,  
4717 infrastructure and/or workforce, to store, manage or manipulate  
4718 digital data, or an expansion of an existing data center  
4719 enterprise as herein described; provided that, in such instance,  
4720 any such data center enterprise or expansion thereof is certified  
4721 by the authority to qualify as such.

4722                   (y) "Qualified investment" means any expenditures made  
4723 or caused to be made by the qualified business or industry  
4724 following the project certification date for construction,  
4725 installation, equipping and operation of a qualified economic  
4726 development project from any source or combination of sources,  
4727 excluding any funds contributed by the state or any agency or  
4728 other political subdivision thereof, or by any local government or  
4729 any agency or other political subdivision thereof, to the extent  
4730 such expenditures can be capitalized under applicable accounting  
4731 rules or otherwise by the Internal Revenue Code, whether or not  
4732 the qualified business or industry elects to capitalize the same,  
4733 as reflected in its financial statements, including, but not  
4734 limited to, all costs associated with the acquisition,  
4735 installation and/or construction of, or capital leasehold interest  
4736 in, any buildings and other real property improvements, fixtures,





4737 equipment, machinery, landscaping, fire protection, depreciable  
4738 fixed assets, engineering and design costs.

4739 (z) "Reporting year" means the twelve-month period  
4740 ending on the last day of the month during which the annual  
4741 anniversary of a project certification date occurs, and for which  
4742 an annual report must be filed with the authority by a qualified  
4743 business or industry in accordance with Section 57-114-13.

4744 (aa) "State" means the State of Mississippi.

4745 (bb) "State tax" means:

4746 (i) Any sales and use tax imposed on, and payable  
4747 directly to the Department of Revenue by, the qualified business  
4748 or industry in accordance with state law, except for contractor's  
4749 tax and the taxes levied by Section 27-65-24(1)(b);

4750 (ii) All income tax imposed pursuant to law on  
4751 income earned by the qualified business or industry pursuant to  
4752 state law;

4753 (iii) Franchise tax imposed pursuant to state law  
4754 on the value of capital used, invested or employed by the business  
4755 enterprise certified by the Mississippi Development Authority; and

4756 (iv) Withholding tax required to be deducted and  
4757 withheld from employee wages pursuant to Section 27-7-301 et seq.

4758 **SECTION 48.** Section 57-114-7, Mississippi Code of 1972, is  
4759 brought forward as follows:

4760 57-114-7. (1) The authority shall evaluate an application  
4761 to determine whether the applicant's proposed project is a



4762 qualified economic development project and whether it is therefore  
4763 eligible for an award by the authority of an mFlex tax incentive,  
4764 as calculated in accordance with Section 57-114-9.

4765 (2) Upon approval of an applicant's application, the  
4766 authority shall issue a certification (a) designating the  
4767 applicant's project as a "qualified economic development project"  
4768 and eligible for the mFlex tax incentive authorized by this  
4769 chapter; (b) awarding the initial mFlex tax incentive calculated  
4770 pursuant to Section 57-114-9; and (c) imposing those mandatory  
4771 conditions pursuant to subsection (4) of this section and any  
4772 discretionary conditions otherwise imposed by the authority.

4773 (3) Upon the issuance of the certification and execution of  
4774 the mFlex agreement by a qualified business or industry and the  
4775 authority, the qualified business or industry may apply the amount  
4776 of its mFlex tax incentive as a credit to offset (a) any state  
4777 taxes (except for withholding tax required to be deducted and  
4778 withheld from employee wages pursuant to Section 27-7-301 et  
4779 seq.), as incurred thereby, up to the full amount of the mFlex tax  
4780 incentive awarded by the authority for the associated qualified  
4781 economic development project, and (b) only up to twenty percent  
4782 (20%) of the mFlex tax incentive amount may be applied as a credit  
4783 during the course of any reporting year to offset withholding tax  
4784 deducted and withheld from employee wages pursuant to Section  
4785 27-7-301 et seq.; provided that the amount of the mFlex tax  
4786 incentive available to be applied as a credit to offset such state



4787 taxes shall be subject to any subsequent adjustments made by the  
4788 authority to such award pursuant to Section 57-114-13, and any  
4789 performance requirements set out in the mFlex agreement. The  
4790 amount of the mFlex tax incentive available to be applied as a  
4791 credit to offset any state taxes described in Section  
4792 57-114-3(bb) (i) shall be limited to those such taxes payable  
4793 directly by the qualified business or industry to the Department  
4794 of Revenue pursuant to a direct pay permit issued by the  
4795 Department of Revenue under Section 27-65-93. The amount of the  
4796 mFlex tax incentive available to be applied as a credit to offset  
4797 any state taxes may not be applied as a credit to offset any state  
4798 taxes incurred prior to the issuance of the certification by the  
4799 authority and execution of the mFlex agreement by the qualified  
4800 business or industry and the authority.

4801 (4) The following conditions shall apply to each such  
4802 certification made, and each mFlex tax incentive awarded, by the  
4803 authority in accordance with this chapter:

4804 (a) Any certification and mFlex tax incentive award  
4805 issued by the authority under this chapter is nontransferable and  
4806 cannot be applied, used or assigned to any other person or  
4807 business or tax account without prior approval by the authority,  
4808 except for one or more affiliates of the qualified business or  
4809 industry disclosed thereby on its application or in a subsequent  
4810 annual report submitted to the authority in accordance with this  
4811 chapter;



4812 (b) No qualified business or industry may claim or use  
4813 the mFlex tax incentive awarded thereto under this chapter unless  
4814 the qualified business or industry is in full compliance with all  
4815 state and local tax laws, and related ordinances, permits and  
4816 other applicable governmental approvals; and

4817 (c) Each qualified business or industry must enter into  
4818 an mFlex agreement with the authority which sets out, at a  
4819 minimum, (i) the obligation of the business or industry to provide  
4820 an annual report to the authority pursuant to Section 57-114-13  
4821 that demonstrates the actual amount of its qualified investment,  
4822 including actual expenditures on manufacturing machinery,  
4823 nonmanufacturing equipment and component building materials, the  
4824 number of new full-time jobs created and maintained as a result of  
4825 the project, and any other relevant information as may be required  
4826 by the authority; and (ii) terms for readjustment or recapture of  
4827 all or a portion of the mFlex tax incentive awarded thereto  
4828 pursuant to Section 57-114-13 if the applicant 1. fails to satisfy  
4829 the minimum job creation requirement if certification of the  
4830 project is predicated on satisfaction of the minimum job creation  
4831 requirement and not the minimum qualified investment, or 2. fails  
4832 to satisfy the minimum qualified investment if certification of  
4833 the project is predicated on satisfaction of the minimum job  
4834 creation requirement and not the minimum qualified investment,  
4835 and/or 3. fails to otherwise satisfy any other additional  
4836 performance requirements of the qualified business or industry or



4837 its qualified economic development project that are imposed by the  
4838 authority.

4839 (5) In addition to those mandatory conditions prescribed by  
4840 this chapter that apply to each certification and award of an  
4841 mFlex tax incentive made by the authority in accordance herewith,  
4842 the authority is authorized to impose any other conditions upon  
4843 any certification and award of an mFlex tax incentive made by the  
4844 authority as it shall find best promotes economic development in  
4845 the state.

4846 (6) Upon certifying a qualified business or industry as  
4847 eligible for, and awarding, an mFlex tax incentive under this  
4848 chapter, the authority shall forward the certification along with  
4849 any other necessary information to the Department of Revenue so  
4850 that the mFlex tax incentive awarded to the qualified business or  
4851 industry can be recorded by the Department of Revenue and used to  
4852 verify each state tax credit subsequently applied by the qualified  
4853 business or industry.

4854 (7) Within thirty (30) days following the end of each  
4855 calendar quarter, the authority shall provide to the Governor,  
4856 Lieutenant Governor and the Speaker of the House of  
4857 Representatives a copy of each certification made, together with a  
4858 copy of each mFlex agreement approved and executed, during the  
4859 immediately preceding calendar quarter.

4860 **SECTION 49.** Section 57-114-9, Mississippi Code of 1972, is  
4861 brought forward as follows:



4862           57-114-9.   **Calculation and application of an mFlex tax**  
4863 **incentive award.**   The total amount of the initial mFlex tax  
4864 incentive determined and awarded by the authority to the certified  
4865 applicant shall be calculated by the authority as follows:

4866           (a)   Subject to paragraph (f) below, one and one-half  
4867 percent (1.5%) of the total purchase or sales price, or value,  
4868 including any installation costs thereof, as applicable, of all  
4869 manufacturing or processing machinery acquired, leased or  
4870 otherwise moved into the state following the project certification  
4871 date to establish and equip the qualified economic development  
4872 project; plus

4873           (b)   Subject to paragraph (f) below, seven percent (7%)  
4874 of the total purchase or sales price, or value, including any  
4875 installation costs thereof, as applicable, of all nonmanufacturing  
4876 equipment, other than tagged over-the-road vehicles, acquired,  
4877 leased or otherwise moved into the state following the project  
4878 certification date to establish and equip the qualified economic  
4879 development project; plus

4880           (c)   Subject to paragraph (f) below, two percent (2%) of  
4881 the total contract price or compensation paid to any contractor  
4882 pursuant to any construction contract entered into following the  
4883 project certification date by the qualified business or industry  
4884 or any affiliate thereof, to construct, build, erect, repair or  
4885 add to any building, facility, structure or other improvement to  
4886 real property described in Section 27-65-21(1) (a) (i) to establish



4887 and construct the qualified economic development project; plus, if  
4888 applicable;

4889 (d) To the extent that the average employer wage is  
4890 equal to or more than seventy-five percent (75%) of the average  
4891 state or county wage, then an additional fifteen percent (15%) of  
4892 the product derived by multiplying the average employer wage by  
4893 the number of new full-time jobs; plus, if applicable;

4894 (e) (i) To the extent that 1. the qualified economic  
4895 development project is an enterprise enumerated in Section  
4896 57-114-3(x)(i) or (x)(ii); 2. the number of new full-time jobs  
4897 totals fifty (50) or more; 3. the qualified investment totals Ten  
4898 Million Dollars (\$10,000,000) or more; 4. the average employer  
4899 wage is equal to or more than one hundred ten percent (110%) of  
4900 the average state or county wage; and 5. all full-time employees  
4901 are eligible for and offered health insurance coverage funded in  
4902 whole or at least fifty percent (50%) by the qualified business or  
4903 industry (or by a leasing company with respect to leased  
4904 employees), then an additional thirty percent (30%) of the product  
4905 derived by multiplying the average employer wage by the number of  
4906 new full-time jobs; or

4907 (ii) To the extent that subparagraph (i) of this  
4908 paragraph (e) does not apply, but 1. the number of new full-time  
4909 jobs totals twenty-five (25) or more; 2. the average employer wage  
4910 is equal to or more than one hundred twenty-five percent (125%) of  
4911 the average state or county wage; and 3. all full-time employees



4912 are eligible for and offered health insurance coverage funded in  
4913 whole or at least fifty percent (50%) by the qualified business or  
4914 industry (or by a leasing company with respect to leased  
4915 employees), then an additional thirty percent (30%) of the product  
4916 derived by multiplying the average employer wage by the number of  
4917 new full-time jobs; provided, however, that the initial mFlex tax  
4918 incentive award amount determined by the authority and awarded on  
4919 the project certification date shall be based upon estimates  
4920 provided by the qualified business or industry to the authority  
4921 with respect to paragraphs (a) through (d) of this section, which  
4922 estimates shall be memorialized as project performance measures  
4923 agreed to by the qualified business or industry in the mFlex  
4924 agreement; provided, further, that such initial award amount shall  
4925 be subject to any subsequent adjustments made by the authority  
4926 pursuant to Section 57-114-13;

4927 (f) To the extent that all or any portion of the  
4928 purchases to establish a qualified economic development project  
4929 which are financed by proceeds from bonds issued pursuant to  
4930 Section 57-10-201 et seq. or Section 57-10-401 et seq., the mFlex  
4931 tax incentive determined in accordance with this section shall  
4932 exclude the amount calculated in accordance with paragraphs (a),  
4933 (b) and (c) above; provided that, this paragraph (f) shall not  
4934 apply in determining the mFlex tax incentive for a qualified  
4935 economic development project to the extent that (i) the qualified  
4936 economic development project is an expansion of an existing





4937 project, (ii) all or any portion of the purchases to establish the  
4938 existing project were financed by proceeds from bonds issued  
4939 pursuant to Section 57-10-201 et seq. or Section 57-10-401 et  
4940 seq., and (iii) no purchases to establish the expansion  
4941 constituting a qualified economic development project are financed  
4942 by proceeds from bonds issued pursuant to Section 57-10-201 et  
4943 seq. or Section 57-10-401 et seq.

4944 **SECTION 50.** Section 57-115-3, Mississippi Code of 1972, is  
4945 brought forward as follows:

4946 57-115-3. As used in this chapter, the following terms and  
4947 phrases shall have the meanings ascribed in this section unless  
4948 the context clearly indicates otherwise:

4949 (a) "Affiliate" means:

4950 (i) Any person who, directly or indirectly,  
4951 beneficially owns, controls, or holds power to vote fifteen  
4952 percent (15%) or more of the outstanding voting securities or  
4953 other voting ownership interest of a Mississippi small business  
4954 investment company or insurance company; and

4955 (ii) Any person, fifteen percent (15%) or more of  
4956 whose outstanding voting securities or other voting ownership  
4957 interests are directly or indirectly beneficially owned,  
4958 controlled, or held, with power to vote by a Mississippi small  
4959 business investment company or insurance company. Notwithstanding  
4960 this paragraph (a), an investment by a participating investor in a  
4961 Mississippi small business investment company pursuant to an



4962 allocation of tax credits under this chapter does not cause that  
4963 Mississippi small business investment company to become an  
4964 affiliate of that participating investor.

4965 (b) "Allocation date" means the date on which credits  
4966 are allocated to the participating investors of a Mississippi  
4967 small business investment company under this chapter.

4968 (c) "MDA" means the Mississippi Development Authority.

4969 (d) "Department" means the Mississippi Department of  
4970 Banking and Consumer Finance.

4971 (e) "Designated capital" means an amount of money that:

4972 (i) Is invested by a participating investor in a  
4973 Mississippi small business investment company; and

4974 (ii) Fully funds the purchase price of a  
4975 participating investor's equity interest in a Mississippi small  
4976 business investment company or a qualified debt instrument issued  
4977 by a Mississippi small business investment company, or both.

4978 (f) "Mississippi small business investment company"  
4979 means a partnership, corporation, trust, or limited liability  
4980 company, organized on a for-profit basis, that:

4981 (i) Has its principal office located in  
4982 Mississippi or is headquartered in Mississippi;

4983 (ii) Has as its primary business activity the  
4984 investment of cash in qualified businesses; and



4985 (iii) Is certified by the MDA as meeting the  
4986 criteria described in this section to qualify as either a primary  
4987 or secondary Mississippi small business investment company.

4988 (g) "Participating investor" means any insurer that  
4989 contributes designated capital pursuant to this chapter.

4990 (h) "Person" means any natural person or entity,  
4991 including, but not limited to, a corporation, general or limited  
4992 partnership, trust, or limited liability company.

4993 (i) "Qualified business" means a business that is  
4994 independently owned and operated and meets all of the following  
4995 requirements:

4996 (i) It is headquartered in Mississippi, its  
4997 principal business operations are located in Mississippi and at  
4998 least eighty percent (80%) of its employees are located in  
4999 Mississippi;

5000 (ii) It has not more than one hundred (100)  
5001 employees at the time of the first qualified investment in the  
5002 business;

5003 (iii) It is not more than ten percent (10%)  
5004 engaged in:

- 5005 1. Professional services provided by  
5006 accountants, doctors, or lawyers;
- 5007 2. Banking or lending;
- 5008 3. Real estate development;
- 5009 4. Retail;



5010                                   5. Insurance; or  
5011                                   6. Making loans to or investments in a  
5012 Mississippi small business investment company or an affiliate; and  
5013                                   (iv) It is not a franchise of and has no financial  
5014 relationship with a Mississippi small business investment company  
5015 or any affiliate of a Mississippi small business investment  
5016 company prior to a Mississippi small business investment company's  
5017 first qualified investment in the business.

5018           A business classified as a qualified business at the time of  
5019 the first qualified investment in the business will remain  
5020 classified as a qualified business and may receive continuing  
5021 qualified investments from any Mississippi small business  
5022 investment company. Continuing investments will constitute  
5023 qualified investments even though the business may not meet the  
5024 definition of a qualified business at the time of such continuing  
5025 investments; however, the business cannot fail to satisfy  
5026 subparagraph (iii) and (iv) of this paragraph (i).

5027           (j) "Qualified debt instrument" means a debt instrument  
5028 issued by a Mississippi small business investment company that  
5029 meets all of the following criteria:

5030                                   (i) It is issued at par value or a premium;  
5031                                   (ii) It has an original maturity date of at least  
5032 four (4) years from the date of issuance and a repayment schedule  
5033 that is not faster than a level principal amortization over four  
5034 (4) years; and



5035 (iii) Has no interest or payment features that  
5036 allow for the prepayment of interest or are tied to the  
5037 profitability of the Mississippi small business investment company  
5038 or the success of its investments.

5039 (k) "Qualified distribution" means any distribution or  
5040 payment by a Mississippi small business investment company in  
5041 connection with the following:

5042 (i) Reasonable costs and expenses of forming,  
5043 syndicating and organizing the Mississippi small business  
5044 investment company, including fees paid for professional services  
5045 and the costs of financing and insuring the obligations of a  
5046 Mississippi small business investment company, provided no such  
5047 payment is made to more than one (1) participating investor or an  
5048 affiliate or related party of a participating investor;

5049 (ii) An annual management fee not to exceed two  
5050 percent (2%) of designated capital on an annual basis to offset  
5051 the costs and expenses of managing and operating a Mississippi  
5052 small business investment company;

5053 (iii) Any projected increase in federal or state  
5054 taxes, including penalties and interest related to state and  
5055 federal income taxes, or to the equity owners of the company  
5056 resulting from the earnings or other tax liability of the company  
5057 to the extent that the increase is related to the ownership,  
5058 management, or operation of the company;



5059 (iv) Reasonable and necessary fees in accordance  
5060 with industry custom for ongoing professional services, including,  
5061 but not limited to, legal and accounting services related to the  
5062 operation of a Mississippi small business investment company, not  
5063 including lobbying or governmental relations; and

5064 (v) Payments of principal and interest to holders  
5065 of qualified debt instruments issued by a Mississippi small  
5066 business investment company which may be made without restriction.

5067 (1) "Qualified investment" means the investment of  
5068 money by a Mississippi small business investment company in a  
5069 qualified business for the purchase of any debt, debt  
5070 participation, equity, or hybrid security of any nature and  
5071 description, including a debt instrument or security that has the  
5072 characteristics of debt but which provides for conversion into  
5073 equity or equity participation instruments such as options or  
5074 warrants; provided that any debt, debt participation or other debt  
5075 instrument or security shall have a maturity of at least three (3)  
5076 years. Any repayment of a qualified investment prior to one (1)  
5077 year from the date of issuance shall result in the amount of the  
5078 qualified investment being reduced by fifty percent (50%) for  
5079 purposes of the cumulative investment requirement set forth in  
5080 Section 57-115-9(1)(c).

5081 (m) "State premium tax liability" means any liability  
5082 incurred by an insurance company under the provisions of Section  
5083 27-15-103, 27-15-109 or 27-15-123 or in the case of a repeal or a



5084 reduction by the state of the liability imposed by Section  
5085 27-15-103, 27-15-109 or 27-15-123.

5086         **SECTION 51.** Section 57-115-5, Mississippi Code of 1972, is  
5087 brought forward as follows:

5088             57-115-5. (1) (a) The MDA must provide a standardized  
5089 format for applying for the Mississippi small business investment  
5090 credit authorized under this chapter, and for certification as a  
5091 Mississippi small business investment company.

5092             (b) An applicant for certification as a primary  
5093 Mississippi small business investment company must:

5094             (i) File an application with the MDA which shall  
5095 include a business plan detailing:

5096                     1. The approximate percentage of designated  
5097 capital the applicant will invest in qualified businesses by the  
5098 second, fourth and sixth anniversaries of its allocation date;

5099                     2. The industry segments listed by the North  
5100 American Industrial Classification System code and percentage of  
5101 designated capital in which the applicant will invest; and

5102                     3. The number of jobs that will be created or  
5103 retained as a result of the applicant's investments once all  
5104 designated capital has been invested. A job shall be considered  
5105 created or retained if the job pays one hundred twenty-five  
5106 percent (125%) of the state average annual wage and is maintained  
5107 for at least three (3) years. The application shall project, at a  
5108 minimum, that one (1) job shall be created or maintained for each



5109 One Hundred Fifty Thousand Dollars (\$150,000.00) in credits  
5110 awarded to the participating investors of the Mississippi small  
5111 business investment company;

5112 (ii) Pay a nonrefundable application fee of Seven  
5113 Thousand Five Hundred Dollars (\$7,500.00) at the time of filing  
5114 the application;

5115 (iii) Submit as part of its application an audited  
5116 balance sheet that contains an unqualified opinion of an  
5117 independent certified public accountant issued not more than  
5118 thirty-five (35) days before the application date that states that  
5119 the applicant has an equity capitalization of Five Hundred  
5120 Thousand Dollars (\$500,000.00) or more in the form of unencumbered  
5121 cash, marketable securities or other liquid assets; and

5122 (iv) Have at least two (2) principals or persons,  
5123 at least one (1) of which is primarily located in Mississippi,  
5124 employed or engaged to manage the funds who each have a minimum of  
5125 five (5) years of money management experience in the venture  
5126 capital or private equity or lending industry.

5127 (c) An applicant for certification as a secondary  
5128 Mississippi small business investment company must:

5129 (i) File an application with the MDA which shall  
5130 include a business plan detailing:

5131 1. The approximate percentage of designated  
5132 capital the applicant will invest in qualified businesses by the  
5133 second, fourth and sixth anniversaries of its allocation date;





5134                   2. The industry segments listed by the North  
5135 American Industrial Classification System code and percentage of  
5136 designated capital in which the applicant will invest; and

5137                   3. The number of jobs that will be crested or  
5138 retained as a result of the applicant's investments once all  
5139 designated capital has been invested. A job shall be considered  
5140 created or retained if the job pays one hundred twenty-five  
5141 percent (125%) of the state average annual wage and is maintained  
5142 for at least three (3) years. The application shall project, at a  
5143 minimum, that one (1) job shall be created or maintained for each  
5144 One Hundred Fifty Thousand Dollars (\$150,000.00) in credits  
5145 awarded to the participating investors of the Mississippi small  
5146 business investment company;

5147                   (ii) Pay a nonrefundable application fee of Three  
5148 Thousand Seven Hundred Fifty Dollars (\$3,750.00) at the time of  
5149 filing the application;

5150                   (iii) Submit as part of its application an audited  
5151 balance sheet that contains an unqualified opinion of an  
5152 independent certified public accountant issued not more than  
5153 thirty-five (35) days before the application date that states that  
5154 the applicant has an equity capitalization of One Hundred Fifty  
5155 Thousand Dollars (\$150,000.00) or more in the form of unencumbered  
5156 cash, marketable securities or other liquid assets;

5157                   (iv) Demonstrate that fifty percent (50%) of all  
5158 secondary investment company investments have been in Mississippi,



5159 and all of the applicant's employees have lived in Mississippi for  
5160 at least two (2) years prior to the application being filed, and  
5161 that those who are employed or engaged to manage the funds have a  
5162 minimum of three (3) years of money management experience in the  
5163 venture capital or private equity or lending industry; and

5164 (v) Submit as part of its application a signed and  
5165 notarized partnership agreement letter with a certified primary  
5166 Mississippi small business investment company.

5167 (d) (i) Any participating partner or individual in a  
5168 certified secondary small business investment company that  
5169 successfully participated in the initial authorization and  
5170 allocation of credits in 2012, and which is a partner in a  
5171 submitted application for credits allocated in subsection (4) (b)  
5172 of this section, while partnered with the same primary small  
5173 business investment company from the previous 2012 allocation,  
5174 shall have the requirements in paragraph (c) (iii) and (iv) of this  
5175 subsection waived as having been completed through the previous  
5176 allocation.

5177 (ii) Any participating partner or individual in a  
5178 certified secondary small business investment company that  
5179 successfully participated in the authorization and allocation of  
5180 credits in 2018, and which is a partner in a submitted application  
5181 for credits allocated in subsection (4) (c) of this section, while  
5182 partnered with the same primary small business investment company  
5183 from the previous 2018 allocation, shall have the requirements in



5184 paragraph (c)(iii) and (iv) of this subsection waived as having  
5185 been completed through the previous allocation.

5186 (e) The MDA may certify partnerships, corporations,  
5187 trusts, or limited liability companies, organized on a for-profit  
5188 basis, which submit an application to be designated as a  
5189 Mississippi small business investment company if the applicant is  
5190 located, headquartered, and licensed or registered to conduct  
5191 business in Mississippi, has as its primary business activity the  
5192 investment of cash in qualified businesses, and meets all of the  
5193 criteria of this section.

5194 (f) The MDA must:

5195 (i) Review the organizational documents of each  
5196 applicant for certification and the business history of each  
5197 applicant;

5198 (ii) Determine whether the applicant has satisfied  
5199 all of the requirements of this section; and

5200 (iii) Determine whether the officers and the board  
5201 of directors, general partners, trustees, managers or members are  
5202 trustworthy and are thoroughly acquainted with the requirements of  
5203 this chapter.

5204 (g) Within forty-five (45) days after the receipt of an  
5205 application, the MDA may issue the certification or refuse the  
5206 certification and may communicate in detail to the applicant the  
5207 grounds for refusal, including suggestions for the removal of the  
5208 grounds.



5209           (h) The MDA must begin accepting applications to become  
5210 a Mississippi small business investment company not later than  
5211 August 1, 2012, for credits allocated in subsection (4)(a) of this  
5212 section, not later than August 1, 2018, for credits allocated in  
5213 subsection (4)(b) of this section, and not later than August 1,  
5214 2023, for credits allocated in subsection (4)(c) of this section.

5215           (i) Certification by the MDA and operation of a primary  
5216 Mississippi small business investment company is not subject to  
5217 completion of any relationship or agreement with a secondary  
5218 Mississippi small business investment company, and it is not the  
5219 intent of this chapter to compel any such agreement.

5220           (2) (a) An insurance company or affiliate of an insurance  
5221 company must not, directly or indirectly:

5222                   (i) Beneficially own, whether through rights,  
5223 options, convertible interest, or otherwise, fifteen percent (15%)  
5224 or more of the voting securities or other voting ownership  
5225 interest of a Mississippi small business investment company;

5226                   (ii) Manage a Mississippi small business  
5227 investment company; or

5228                   (iii) Control the direction of investments for a  
5229 Mississippi small business investment company.

5230           (b) A Mississippi small business investment company may  
5231 obtain one or more guaranties, indemnities, bonds, insurance  
5232 policies, or other payment undertakings for the benefit of its  
5233 participating investors from any entity, except that in no case



5234 can more than one (1) participating investor of a Mississippi  
5235 small business investment company on an aggregate basis with all  
5236 affiliates of the participating investor, be entitled to provide  
5237 guaranties, indemnities, bonds, insurance policies, or other  
5238 payment undertakings in favor of the participating investors of a  
5239 Mississippi small business investment company and its affiliates  
5240 in this state.

5241 (c) This subsection (2) does not preclude a  
5242 participating investor, insurance company or other party from  
5243 exercising its legal rights and remedies, including, without  
5244 limitation, interim management of a Mississippi small business  
5245 investment company, in the event that a Mississippi small business  
5246 investment company is in default of its statutory obligations or  
5247 its contractual obligations to a participating investor, insurance  
5248 company, or other party, or from monitoring a Mississippi small  
5249 business investment company to ensure its compliance with this  
5250 chapter or disallowing any investments that have not been approved  
5251 by the MDA.

5252 (d) The MDA may contract with an independent third  
5253 party to review, investigate, and certify that the applications  
5254 comply with the provisions of this chapter.

5255 (3) (a) At the time of its investment of designated capital  
5256 a participating investor shall earn a vested credit against the  
5257 participating investor's state premium tax liability in an amount  
5258 equal to one hundred percent (100%) of the participating



5259 investor's investment of designated capital in a Mississippi small  
5260 business investment company, subject to the limits imposed by this  
5261 section.

5262 (b) From and after January 1, 2015, a participating  
5263 investor may claim the credit allocated in subsection (4)(a) of  
5264 this section as follows: For each taxable year from 2015 through  
5265 2019, an amount equal to twenty percent (20%) of the participating  
5266 investor's investment of designated capital.

5267 (c) From and after January 1, 2021, a participating  
5268 investor may claim the credit allocated in subsection (4)(b) of  
5269 this section as follows:

5270 (i) For each taxable year from 2021 through 2025,  
5271 an amount equal to sixteen and sixty-six one-hundredths percent  
5272 (16.66%) of the participating investor's investment of designated  
5273 capital; and

5274 (ii) For the 2026 taxable year, an amount equal to  
5275 sixteen and seven-tenths percent (16.7%) of the participating  
5276 investor's investment of designated capital.

5277 (d) From and after January 1, 2027, a participating  
5278 investor may claim the credit allocated in subsection (4)(c) of  
5279 this section as follows:

5280 (i) For each taxable year from 2027 through 2031,  
5281 an amount equal to sixteen and sixty-six one-hundredths percent  
5282 (16.66%) of the participating investor's investment of designated  
5283 capital; and



5284 (ii) For the 2032 taxable year, an amount equal to  
5285 sixteen and seven-tenths percent (16.7%) of the participating  
5286 investor's investment of designated capital.

5287 (e) The credit for any taxable year cannot exceed the  
5288 state premium tax liability of the participating investor for the  
5289 taxable year. If the amount of the credit exceeds the state  
5290 premium tax liability of the participating investor for the  
5291 taxable year, the excess is an investment tax credit carryover for  
5292 five (5) years from the date the credit is first able to be  
5293 utilized in accordance with paragraph (a) of this subsection (3).

5294 (f) Notwithstanding any provision of this chapter to  
5295 the contrary, the granting of any credits against the insurance  
5296 premium tax shall not affect the insurance premium tax receipts  
5297 distributed pursuant to Sections 83-1-37, 83-1-39, 83-34-39,  
5298 45-11-5 and 21-29-233, which shall take priority over all other  
5299 distributions of premium tax receipts and shall be calculated  
5300 based upon gross insurance premium tax liability before the  
5301 application of the tax credits.

5302 (g) A participating investor claiming a credit under  
5303 this chapter is not required to pay any additional retaliatory tax  
5304 under Section 27-15-123 levied as a result of claiming the credit.

5305 (h) A participating investor is not required to reduce  
5306 the amount of tax pursuant to the state premium tax liability  
5307 included by the participating investor in connection with  
5308 ratemaking for any insurance contract written in this state



5309 because of a reduction in the participating investor's tax  
5310 liability based on the tax credit allowed under this chapter.

5311 (i) If the taxes paid by a participating investor with  
5312 respect to its state premium tax liability constitute a credit  
5313 against any other tax that is imposed by this state, the  
5314 participating investor's credit against the other tax shall not be  
5315 reduced by virtue of the reduction in the participating investor's  
5316 tax liability based on the tax credit allowed under this chapter.

5317 (j) Final decertification of a Mississippi small  
5318 business investment company under this chapter prior to such  
5319 Mississippi small business investment company meeting the  
5320 requirements of Section 57-115-7(1)(a)(ii), shall result in the  
5321 disallowance and the recapture of all of the credits allocated to  
5322 its participating investors under this chapter. Once a  
5323 Mississippi small business investment company has satisfied the  
5324 requirements of Section 57-115-7(1)(a)(ii), any subsequent  
5325 decertification shall not cause the disallowance or recapture of  
5326 any credits allocated to its participating investors under this  
5327 chapter.

5328 (k) The credits allowed under this chapter are not  
5329 transferable; however, a participating investor may transfer  
5330 credits to an affiliated insurance company provided it gives prior  
5331 written notice of such transfer to the MDA and the Department of  
5332 Revenue.





5333 (4) (a) (i) Through January 1, 2018, the aggregate amount  
5334 of investment tax credits that may be allocated to all  
5335 participating investors of Mississippi small business investment  
5336 companies under this section shall not exceed Fifty Million  
5337 Dollars (\$50,000,000.00), and no Mississippi small business  
5338 investment company, on an aggregate basis with its affiliates, may  
5339 file credit allocation claims that exceed Fifty Million Dollars  
5340 (\$50,000,000.00).

5341 (ii) The Fifty Million Dollars (\$50,000,000.00)  
5342 aggregate amount of investment tax credits allocated in this  
5343 paragraph (a) shall be divided into a primary tax credit pool  
5344 which may be applied for by certified primary Mississippi small  
5345 business investment companies and a secondary tax credit pool  
5346 which may be applied for by certified secondary Mississippi small  
5347 business investment companies. The secondary tax credit pool  
5348 shall be Three Million Five Hundred Thousand Dollars  
5349 (\$3,500,000.00) of the total Fifty Million Dollars  
5350 (\$50,000,000.00) aggregate amount of investment tax credits.  
5351 Secondary Mississippi small business investment companies may not  
5352 apply for more than One Million Seven Hundred Fifty Thousand  
5353 Dollars (\$1,750,000.00) worth of credits on a single application.  
5354 A certified secondary Mississippi small business investment  
5355 company may apply for additional tax credit allocation from the  
5356 secondary tax credit pool, if the credits are available, after



5357 fifty percent (50%) of its previously allocated credits are used  
5358 in qualified investments.

5359 (iii) If there are any tax credits remaining  
5360 available for allocation in the secondary tax credit pool on  
5361 August 1, 2013, those available tax credits shall revert to the  
5362 primary tax credit pool and be made available to primary  
5363 Mississippi small business investment companies according to rules  
5364 and regulations promulgated by the MDA. Prior to August 1, 2013,  
5365 primary Mississippi small business investment companies, including  
5366 any wholly owned subsidiary company, shall be prohibited from  
5367 making application to the MDA to be additionally certified as a  
5368 secondary Mississippi small business investment company for  
5369 purposes of the tax credits allocated in this paragraph (a) and  
5370 prohibited from applying for any tax credit allocation from the  
5371 secondary tax credit pool. A certified primary Mississippi small  
5372 business investment company may have ownership equity in a  
5373 certified secondary Mississippi small business investment company,  
5374 but the equity interest owned by the certified primary Mississippi  
5375 small business investment company shall not exceed forty percent  
5376 (40%).

5377 (b) (i) From and after July 1, 2018, through January  
5378 1, 2023, an additional aggregate amount of investment tax credits  
5379 may be allocated to all participating investors of Mississippi  
5380 small business investment companies under this section. The  
5381 amount so allocated shall not exceed Forty-five Million Dollars



5382 (\$45,000,000.00), and no Mississippi small business investment  
5383 company, on an aggregate basis with its affiliates, may file  
5384 credit allocation claims on the additional aggregate amount of tax  
5385 credits that exceed Forty-five Million Dollars (\$45,000,000.00).

5386 (ii) The Forty-five Million Dollars  
5387 (\$45,000,000.00) aggregate amount of investment tax credits  
5388 allocated in this paragraph (b) shall be divided into a primary  
5389 tax credit pool which may be applied for by certified primary  
5390 Mississippi small business investment companies and a secondary  
5391 tax credit pool which may be applied for by certified secondary  
5392 Mississippi small business investment companies. The secondary  
5393 tax credit pool shall be Three Million Five Hundred Thousand  
5394 Dollars (\$3,500,000.00) of the total Forty-five Million Dollars  
5395 (\$45,000,000.00) aggregate amount of investment tax credits.  
5396 Secondary Mississippi small business investment companies may not  
5397 apply for more than One Million Seven Hundred Fifty Thousand  
5398 Dollars (\$1,750,000.00) worth of credits on a single application.  
5399 A certified secondary Mississippi small business investment  
5400 company may apply for additional tax credit allocation from the  
5401 secondary tax credit pool, if the credits are available, after  
5402 fifty percent (50%) of its previously allocated credits are used  
5403 in qualified investments.

5404 (iii) If there are any tax credits remaining  
5405 available for allocation in the secondary tax credit pool on  
5406 August 1, 2019, those available tax credits shall revert to the



5407 primary tax credit pool and be made available to primary  
5408 Mississippi small business investment companies according to rules  
5409 and regulations promulgated by the MDA. Prior to August 1, 2022,  
5410 primary Mississippi small business investment companies, including  
5411 any wholly owned subsidiary company, shall be prohibited from  
5412 making application to the MDA to be additionally certified as a  
5413 secondary Mississippi small business investment company for  
5414 purposes of the tax credits allocated in this paragraph (b) and  
5415 prohibited from applying for any tax credit allocation from the  
5416 secondary tax credit pool. A certified primary Mississippi small  
5417 business investment company may have ownership equity in a  
5418 certified secondary Mississippi small business investment company,  
5419 but the equity interest owned by the certified primary Mississippi  
5420 small business investment company shall not exceed forty percent  
5421 (40%).

5422 (c) (i) From and after July 1, 2023, an additional  
5423 aggregate amount of investment tax credits may be allocated to all  
5424 participating investors of Mississippi small business investment  
5425 companies under this section. The amount so allocated shall not  
5426 exceed Forty-five Million Dollars (\$45,000,000.00), and no  
5427 Mississippi small business investment company, on an aggregate  
5428 basis with its affiliates, may file credit allocation claims on  
5429 the additional aggregate amount of tax credits that exceed  
5430 Forty-five Million Dollars (\$45,000,000.00).



5431 (ii) The Forty-five Million Dollars  
5432 (\$45,000,000.00) aggregate amount of investment tax credits  
5433 allocated in this paragraph (c) shall be divided into a primary  
5434 tax credit pool which may be applied for by certified primary  
5435 Mississippi small business investment companies and a secondary  
5436 tax credit pool which may be applied for by certified secondary  
5437 Mississippi small business investment companies. The secondary  
5438 tax credit pool shall be Three Million Five Hundred Thousand  
5439 Dollars (\$3,500,000.00) of the total Forty-five Million Dollars  
5440 (\$45,000,000.00) aggregate amount of investment tax credits.  
5441 Secondary Mississippi small business investment companies may not  
5442 apply for more than One Million Seven Hundred Fifty Thousand  
5443 Dollars (\$1,750,000.00) worth of credits on a single application.  
5444 A certified secondary Mississippi small business investment  
5445 company may apply for additional tax credit allocation from the  
5446 secondary tax credit pool, if the credits are available, after  
5447 fifty percent (50%) of its previously allocated credits are used  
5448 in qualified investments.

5449 (iii) If there are any tax credits remaining  
5450 available for allocation in the secondary tax credit pool on  
5451 August 1, 2024, those available tax credits shall revert to the  
5452 primary tax credit pool and be made available to primary  
5453 Mississippi small business investment companies according to rules  
5454 and regulations promulgated by the MDA. Prior to August 1, 2027,  
5455 primary Mississippi small business investment companies, including



5456 any wholly owned subsidiary company, shall be prohibited from  
5457 making application to the MDA to be additionally certified as a  
5458 secondary Mississippi small business investment company for  
5459 purposes of the tax credits allocated in this paragraph (c) and  
5460 prohibited from applying for any tax credit allocation from the  
5461 secondary tax credit pool. A certified primary Mississippi small  
5462 business investment company may have ownership equity in a  
5463 certified secondary Mississippi small business investment company,  
5464 but the equity interest owned by the certified primary Mississippi  
5465 small business investment company shall not exceed forty percent  
5466 (40%).

5467 (d) Credits must be allocated to investors in the order  
5468 that the credit allocation claims are filed with the MDA.

5469 (e) Any credit allocation claims filed with the MDA  
5470 before the initial credit allocation claim filing date will be  
5471 deemed to have been filed on the initial credit allocation claim  
5472 filing date. The MDA will set the initial credit allocation claim  
5473 filing date to be not less than one hundred twenty (120) days and  
5474 not more than one hundred fifty (150) days after the date the MDA  
5475 begins accepting applications for certification. Credit  
5476 allocation claims filed on the same day with the MDA must be  
5477 treated as having been filed contemporaneously.

5478 (f) If two (2) or more Mississippi small business  
5479 investment companies file credit allocation claims with the MDA on  
5480 behalf of their respective participating investors on the same day



5481 and the aggregate amount of credit allocation claims exceeds the  
5482 aggregate limit of credits authorized under this subsection (4) or  
5483 the lesser amount of credits that remain unallocated on that day,  
5484 then the credits shall be allocated among the participating  
5485 investors who filed on that day on a pro rata basis with respect  
5486 to the amounts claimed. The pro rata allocation for any one (1)  
5487 participating investor is the product obtained by multiplying a  
5488 fraction, the numerator of which is the amount of the credit  
5489 allocation claim filed on behalf of a participating investor and  
5490 the denominator of which is the total of all credit allocation  
5491 claims filed on behalf of all participating investors on that day,  
5492 by the aggregate limit of credits authorized under this subsection  
5493 (4) or the lesser amount of credits that remain unallocated on  
5494 that day.

5495 (g) Within ten (10) business days after the MDA  
5496 receives a credit allocation claim filed by a Mississippi small  
5497 business investment company on behalf of one or more of its  
5498 participating investors, the MDA may notify the Mississippi small  
5499 business investment company of the amount of credits allocated to  
5500 each of the participating investors of that Mississippi small  
5501 business investment company. In the event a Mississippi small  
5502 business investment company does not receive an investment of  
5503 designated capital from each participating investor required to  
5504 earn the amount of credits allocated to the participating investor  
5505 within ten (10) business days of the Mississippi small business



5506 investment company's receipt of notice of allocation, then it  
5507 shall notify the MDA on or before the next business day, and the  
5508 credits allocated to the participating investor of the Mississippi  
5509 small business investment company will be forfeited. The MDA may  
5510 then reallocate those forfeited credits among the participating  
5511 investors of the other Mississippi small business investment  
5512 companies on a pro rata basis with respect to the credit  
5513 allocation claims filed on behalf of the participating investors.  
5514 The MDA may levy a fine of not more than Fifty Thousand Dollars  
5515 (\$50,000.00) on any participating investor that does not invest  
5516 the full amount of designated capital required to fund the credits  
5517 allocated to it by the MDA in accordance with the credit  
5518 allocation claim filed on its behalf.

5519 (h) No participating investor, on an aggregate basis  
5520 with its affiliates, may file an allocation claim for more than  
5521 twenty-five percent (25%) of the maximum amount of investment tax  
5522 credits authorized under this subsection (4), regardless of  
5523 whether the claim is made in connection with one or more  
5524 Mississippi small business investment companies.

5525 **SECTION 52.** This act shall take effect and be in force from  
5526 and after July 1, 2024.

