

By: Representative Summers

To: Ways and Means

HOUSE BILL NO. 720

1 AN ACT TO PROVIDE A STATE INCOME TAX CREDIT FOR TAXPAYERS
2 CLAIMING THE FEDERAL INCOME CHILD TAX CREDIT; TO PROVIDE THE
3 AMOUNT OF THE CREDIT; TO PROVIDE THAT UNUSED PORTIONS OF A TAX
4 CREDIT MAY BE CARRIED FORWARD FOR FIVE CONSECUTIVE YEARS FROM THE
5 CLOSE OF THE TAX YEAR IN WHICH THE CREDIT WAS EARNED; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** (1) Subject to the provisions of this section,
9 any taxpayer allowed to claim a federal income child tax credit
10 under 26 USCS Section 24, shall be allowed a credit against the
11 taxes imposed under this chapter in the manner prescribed in this
12 section. The amount of the credit shall be equal to Two Hundred
13 Dollars (\$200.00) for each child for which the taxpayer claimed a
14 federal tax credit, not to exceed One Thousand Dollars
15 (\$1,000.00). The amount of credit that may be utilized by a
16 taxpayer in a taxable year shall be limited to an amount not to
17 exceed the total tax liability of the taxpayer for the taxes
18 imposed under this chapter. Any tax credit claimed under this
19 section but not used in any taxable year may be carried forward



for five (5) consecutive years from the close of the tax year in which the credits were earned.

(2) To obtain the credit provided for in this section, a taxpayer must claim the federal credit allowed under 26 USCS Section 24 on the taxpayer's federal income tax return and must provide a copy of such return and any other information required by the Department of Revenue.

SECTION 2. Section 1 of this act shall be codified as a new section in Chapter 7, Title 27, Mississippi Code of 1972.

SECTION 3. Nothing in this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for taxes due or accrued under the income tax laws before the date on which this act becomes effective, whether such claims, assessments, appeals, suits or actions have been begun before the date on which this act becomes effective or are begun thereafter; and the provisions of the income tax laws are expressly continued in full force, effect and operation for the purpose of the assessment, collection and enrollment of liens for any taxes due or accrued and the execution of any warrant under such laws before the date on which this act becomes effective, and for the imposition of any penalties, forfeitures or claims for failure to comply with such laws.

SECTION 4. This act shall take effect and be in force from and after January 1, 2025.

