

REPORT OF CONFERENCE COMMITTEE

MR. PRESIDENT AND MR. SPEAKER:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S. B. No. 3126: Income tax; authorize credit for added tax revenue from certain nongaming capital investment projects at casinos.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.
2. That the Senate and House adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

25 **SECTION 1.** (1) As used in this section, the following terms
26 and phrases shall have the meanings ascribed herein:

27 (a) "Entity" means a gaming licensee having operated in
28 Mississippi for at least five (5) years and making an expenditure
29 on behalf of a growth capital investment project at its casino
30 property.

31 (b) "Gaming taxes" means all taxes paid by an entity on
32 its gaming revenue, excluding the gross revenue license fee
33 imposed under Section 75-76-177.

34 (c) "Growth capital investment project" or "project"
35 means a new capital project with an investment of no less than Two
36 Million Dollars (\$2,000,000.00) at an existing casino property
37 designed to increase economic activity at the property, including,



but not limited to, the construction, renovation, upgrades or expansion of hotels, recreational vehicle (RV) parks, entertainment venues, restaurants, marinas or other nongaming attractions not including the construction, expansion, renovation or upgrade of gaming facilities.

(d) "Incremental gaming taxes" means an amount calculated annually as the difference between an entity's gaming taxes paid for a twelve-month period beginning on the first day of the month following the opening of a growth capital investment project, or the first day of the same month in the next nine (9) years, and the entity's gaming taxes paid for an annualized three-year average of the thirty-six-month period ending with the full month immediately prior to the opening of the project.

(2) Any entity shall be allowed a credit against the taxes imposed by this chapter. The credit shall be for an amount equal to fifty percent (50%) of the incremental gaming taxes paid by the entity. However, the amount of the credit that may be utilized by an entity in any one (1) tax year shall be limited to an amount not greater than the total tax liability of the entity under this chapter, and the total amount of the credit claimed for any one (1) project may not exceed the cost of that project. An entity may claim the credit for the tax year after the twelve-month period for which the incremental gaming taxes were calculated. Any credit claimed under this section but not used in any tax year



may be carried forward for the five (5) succeeding tax years from the close of the tax year in which the credit was earned.

(3) In order to claim a credit authorized under this section, an entity shall apply to the Mississippi Gaming Commission, which shall determine the eligibility of an expenditure to qualify as a growth capital investment project. The Gaming Commission shall issue a certificate evidencing its determination that the entity is eligible for the credit. The entity shall attach the certificate to all applicable returns on which the credit is claimed. The Gaming Commission shall not issue certificates of eligibility under this section after December 31, 2029.

(4) The Gaming Commission and the Department of Revenue shall have all powers necessary to implement and administer the provisions of this section and may promulgate rules and regulations, in accordance with the Mississippi Administrative Procedures Law, necessary for the implementation of this section.

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

Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR CERTAIN GAMING LICENSEES MAKING EXPENDITURES OF AT LEAST \$2,000,000.00 ON BEHALF



3 OF GROWTH CAPITAL INVESTMENT PROJECTS CONSTRUCTING OR EXPANDING
4 NONGAMING FACILITIES AT EXISTING CASINO PROPERTIES, FOR THE
5 PURPOSE OF INCREASING ECONOMIC ACTIVITY AT SUCH PROPERTIES; TO
6 PROVIDE THAT THE CREDIT SHALL BE FOR AN AMOUNT EQUAL TO 50% OF THE
7 INCREMENTAL GAMING TAXES PAID BY THE ENTITY; TO DEFINE INCREMENTAL
8 GAMING TAXES AS THE DIFFERENCE BETWEEN AN ENTITY'S GAMING TAXES
9 PAID ANNUALLY FOR THE FIRST 10 YEARS AFTER THE OPENING OF THE
10 GROWTH CAPITAL INVESTMENT PROJECT AND THE ANNUALIZED AVERAGE OF
11 THE ENTITY'S GAMING TAXES PAID FOR THE THREE-YEAR PERIOD BEFORE
12 THE OPENING OF SUCH PROJECT; TO PROVIDE THAT THE AMOUNT OF THE
13 CREDIT THAT MAY BE UTILIZED BY AN ENTITY IN ANY TAX YEAR SHALL BE
14 NOT GREATER THAN THE TOTAL INCOME TAX LIABILITY OF THE ENTITY, AND
15 THE TOTAL AMOUNT OF THE CREDIT CLAIMED FOR ANY PROJECT MAY NOT
16 EXCEED THE COST OF THAT PROJECT; TO ALLOW AN UNUSED CREDIT TO BE
17 CARRIED FORWARD FOR FIVE CONSECUTIVE YEARS AFTER THE CREDIT WAS
18 EARNED; TO PROVIDE THAT AN ENTITY SHALL APPLY TO THE MISSISSIPPI
19 GAMING COMMISSION, WHICH SHALL DETERMINE THE ELIGIBILITY OF AN
20 EXPENDITURE TO QUALIFY AS A GROWTH CAPITAL INVESTMENT PROJECT FOR
21 PURPOSES OF THE CREDIT; TO PROVIDE THAT THE GAMING COMMISSION
22 SHALL NOT ISSUE CERTIFICATES OF ELIGIBILITY UNDER THIS ACT AFTER
23 DECEMBER 31, 2029; AND FOR RELATED PURPOSES.

CONFEREES FOR THE SENATE

X (SIGNED)
Josh Harkins

X (SIGNED)
Scott DeLano

X (SIGNED)
Mike Thompson

CONFEREES FOR THE HOUSE

X (SIGNED)
John Thomas "Trey" Lamar, III

X (SIGNED)
Jody Steverson

X (SIGNED)
Kevin Ford

