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Chapter No. 302

11/HR07/R982PH

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HOUSE BILL NO. 754

Originated in House Don Richardson Clerk

HOUSE BILL NO. 754

AN ACT TO AMEND SECTION 27-7-22.31, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES AN INCOME TAX CREDIT FOR COSTS AND EXPENSES INCURRED FOR THE REHABILITATION OF CERTAIN HISTORIC STRUCTURES, TO EXTEND THE DATE OF REPEAL ON SUCH SECTION; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-7-22.31, Mississippi Code of 1972, is amended as follows:

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

(a) "Certified historic structure" means a property located in Mississippi and listed individually on the National Register of Historic Places or property that has been designated a Mississippi Landmark by the Department of Archives and History pursuant to Section 39-7-3 et seq.

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

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

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

(ii) Is located in a registered historic district listed on the National Register of Historic Places and is certified by the Secretary of the United States Department of the Interior as being of historic significance to the district; or

(iii) Certified by the Mississippi Department of Archives and History as contributing to the historic significance

of a certified historic district listed on the National Register of Historic Places or a local district that has been certified by the United States Department of the Interior.

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

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

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

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

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

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

(3) (a) If the amount of the tax credit established by this section exceeds the total state income tax liability for the year in which the rehabilitated property is placed in service, the amount that exceeds the total state income tax liability may be carried forward for the ten (10) succeeding tax years.

(b) Not-for-profit entities, including, but not limited to, nonprofit corporations organized under Section 79-11-101 et seq. shall be ineligible for the credit authorized by this section. Credits granted to a partnership, a limited liability

company taxed as a partnership or multiple owners of property shall be passed through to the partners, members or owners on a pro rata basis or pursuant to an executed agreement among the partners, members or owners documenting an alternative distribution method.

(4) To claim the credit authorized pursuant to this section, the taxpayer shall apply to the department which shall determine the amount of eligible rehabilitation costs and expenses and whether the rehabilitation is consistent with the standards of the Secretary of the United States Department of the Interior. The department shall issue a certificate evidencing the eligible credit if the taxpayer is found to be eligible for the tax credit. The taxpayer shall attach the certificate to all income tax returns on which the credit is claimed.

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

(b) There is hereby created within the State Treasury a special fund into which shall be deposited all the fees collected by the department pursuant to this section. Money deposited into the fund shall not lapse at the end of any fiscal year and investment earnings on the proceeds in such special fund shall be deposited into such fund. Money from the fund shall be disbursed upon warrants issued by the State Fiscal Officer upon requisitions

signed by the executive director of the department to assist the department in carrying out its duties under this section.

(6) This section shall stand repealed on December 31, 2013.

SECTION 2. This act shall take effect and be in force from and after its passage.

PASSED BY THE HOUSE OF REPRESENTATIVES
January 20, 2011



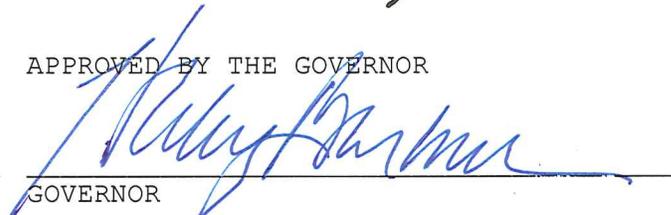
SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE
January 28, 2011



PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR



GOVERNOR

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