3/28/19 3:37 P.m.

Chapter No. 418
19/HR43/R1608
EW / KTW

HOUSE BILL NO. 1431

Originated in House _____ Clerk

HOUSE BILL NO. 1431

AN ACT TO AMEND SECTION 57-113-1, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "BUSINESS ENTERPRISE" FOR THE PURPOSE OF ELIGIBILITY OF AEROSPACE INDUSTRIES FOR CERTAIN TAX EXEMPTIONS BY EXPANDING THE OPERATIONS QUALIFYING AN ENTITY TO BE INCLUDED IN SUCH DEFINITION, BY REDUCING THE MINIMUM CAPITAL INVESTMENT AND NUMBER OF JOBS CREATED NECESSARY FOR AN AEROSPACE ENTERPRISE TO BE INCLUDED IN SUCH DEFINITION, AND BY REQUIRING THE NEW JOBS CREATED TO PROVIDE A CERTAIN AVERAGE ANNUAL SALARY; TO EXPAND THE DEFINITION OF THE TERM "AEROSPACE INDUSTRY"; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 57-113-1, Mississippi Code of 1972, is amended as follows:

57-113-1. As used in this article:

(a) "Business enterprise" means:

(i) Any enterprise owning or operating a facility for the manufacture or assembly of systems or components used in the generation of clean energy that locates or expands in this state which will have a minimum capital investment in this state of Fifty Million Dollars ($50,000,000.00) and will create a minimum of two hundred fifty (250) new, full-time jobs.

(ii) Any enterprise owning or operating a facility that manufactures * * *, assembles or processes products, components or systems for the aerospace industry or provides research and development or training services in the aerospace industry that locates or expands in this state, which will have a minimum capital investment in this state of * * * Twenty-five Million Dollars ($25,000,000.00) in land, building and equipment and will create a minimum of * * * twenty-five (25) new, full-time jobs which provide an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred ten percent (110%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is less.

(b) "Aerospace industry" means the industry that researches, designs, manufactures, repairs, operates and/or maintains products, components and systems which enable vehicles * * * to move through the air and space.

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

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

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

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

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

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

(vi) Whole trees.

(d) "Clean energy" means energy that is generated from either:

(i) A renewable energy source such as wind, water, biomass or solar; or

(ii) An alternative energy source such as nuclear.

(e) "MDA" means the Mississippi Development Authority.

(f) "State tax" means:

(i) Any sales or use tax imposed on the business enterprise pursuant to law related to the purchase of component building materials and equipment for initial construction of facilities or expansion of facilities that are certified by the Mississippi Development Authority;

(ii) All income tax imposed pursuant to law on income earned by the business enterprise certified by the Mississippi Development Authority;

(iii) Franchise tax imposed pursuant to law on the value of capital used, invested or employed by the business enterprise certified by the Mississippi Development Authority; and

(iv) Any sales or use tax imposed on the lease of machinery and equipment acquired in the initial construction to establish the facility or for an expansion certified by the Mississippi Development Authority.

SECTION 2. This act shall take effect and be in force from and after July 1, 2019.

PASSED BY THE HOUSE OF REPRESENTATIVES
February 20, 2019

Philip Gunn

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE
March 19, 2019

Tate Reeves

PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

Phil Bryant

GOVERNOR

3/28/2019 3:37 pm