



MISSISSIPPI DEPARTMENT OF REVENUE

Tax Policy and Economic Development Notice 80-19-04 December 3, 2019

The Children's Promise Act authorized a credit for businesses that donate to an Eligible Charitable Organization. The credit is capped at \$5,000,000 annually for all taxpayers but there is no cap for each business taxpayer making a donation to claim a credit. This legislation, House Bill 1613, passed in the 2019 session and the \$5,000,000 cap was quickly reached after passage for the 2019 year. To provide all taxpayers an equal opportunity to obtain an allocation of the credit, the Department is publishing these guidelines on how it will determine who will receive allocations.

Applications must be on the official form, the *Application for Allocation of Business Contributions Made to Eligible Charitable Organizations*. Taxpayers donating to Eligible Charitable Organizations certified by the Department as educational services, job training, or workforce development charitable organizations may receive up to fifty percent of the total allocation. However, taxpayers donating to Eligible Charitable Organizations focused on foster care and adoption may receive the full \$5,000,000. Additional information, including the application and a listing of all Eligible Charitable Organizations, is located at <https://www.dor.ms.gov/Business/Pages/Eligible-Charitable-Organizations.aspx>.

Allocations are on a first come, first served basis based on the time and date the application is received by the Department. The Department will begin accepting the Application for Allocation of Business Contributions Made to Eligible Charitable Organizations for the 2020 calendar year on Wednesday, January 1st at 12:00 AM CST by email only. The Department will not be responsible for any problems with technology preventing an e-mail from being delivered. E-mailed applications should be sent to contributiontaxcredit@dor.ms.gov. The date and time received shown on the Department's e-mail system will be used as the official receipt time. Since the Department is closed on January 1st and has no way to accept physical applications until January 2nd, applications by hand delivery or mail will be accepted beginning January 2nd at 8:00 AM CST. Applications received by hand delivery or mail will be stamped as received with the date and time such application is actually received by the Office of Tax Policy and Economic Development. Any applications, whether through e-mail or physical submission, received prior to these dates and times will be returned as ineligible for the 2020 allocation.

Submissions should include only one taxpayer's application. Any e-mail or package that contains more than one taxpayer's application must designate the order in which the applications are to be considered received. If no designation is made, the e-mail will be returned to make the designation.

Proration of the allocation of the credit will only occur if the \$5,000,000 cap is reached in a way that the Department cannot determine which taxpayer was the first to apply. For instance, if the remaining balance of the credit is requested by mail with multiple separate application packets being received at 8:00 a.m. such applications will receive a prorated amount. Prorated amounts will be calculated on actual donations made.