

By: Senator(s) Fillingane

To: Finance

SENATE BILL NO. 2210  
(As Sent to Governor)

1 AN ACT TO CREATE THE "ENDOW MISSISSIPPI PROGRAM" TO PROMOTE  
2 PHILANTHROPIC INVESTMENTS IN LOCAL COMMUNITY DEVELOPMENT PROGRAMS  
3 BY PROVIDING A TAX CREDIT FOR CHARITABLE GIFTS MADE BY TAXPAYERS  
4 TO ENDOWED FUNDS HELD BY COMMUNITY FOUNDATIONS IN MISSISSIPPI; TO  
5 PROVIDE THAT THE TAX CREDIT SHALL BE 25% OF A QUALIFIED  
6 CONTRIBUTION TO AN ENDOWED FUND AT A QUALIFIED COMMUNITY  
7 FOUNDATION SUBJECT TO CERTAIN REQUIREMENTS; TO PROVIDE THAT THE  
8 AGGREGATE AMOUNT OF TAX CREDITS AUTHORIZED UNDER THIS ACT SHALL  
9 NOT EXCEED \$500,000.00 IN ANY ONE CALENDAR YEAR; TO PROVIDE THAT  
10 FROM AND AFTER JANUARY 1, 2024, NO CREDITS MAY BE AUTHORIZED UNDER  
11 THIS ACT; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** This act shall be known and may be cited as the  
14 "Endow Mississippi Program."

15 **SECTION 2.** The purpose of this act is to promote  
16 philanthropic investments in local community development programs  
17 and activities, and to enhance the quality of life for  
18 Mississippi's children, families and communities, by providing a  
19 tax credit for charitable gifts made by taxpayers to endowed funds  
20 held by community foundations in Mississippi.

21 **SECTION 3.** As used in this act:



22 (a) "Qualified community foundation" means an entity  
23 that is exempt from federal income taxation under Section  
24 501(c)(3) of the Internal Revenue Code that is recognized by the  
25 Mississippi Association of Grantmakers as meeting the following  
26 requirements:

27 (i) It is organized by articles of incorporation  
28 in the State of Mississippi to serve the State of Mississippi, or  
29 one or more Mississippi counties or municipalities, or a  
30 combination thereof;

31 (ii) It is comprised of permanent, component funds  
32 established by multiple separate donors;

33 (iii) It supports broad-based charitable interests  
34 that benefit the residents of a defined geographic area, no larger  
35 than the State of Mississippi;

36 (iv) It is directed by a board of directors that  
37 is comprised of community representatives and is independent in  
38 that it is not subject to the control of another entity;

39 (v) It actively engages in charitable activities,  
40 including, but not limited to, supporting two (2) or more  
41 unaffiliated tax-exempt organizations through grants or other  
42 professionally accepted means of charitable support, and serving  
43 in leadership roles on important community issues;

44 (vi) It complies with the guidelines of the  
45 Mississippi Association of Grantmakers, or its successor entity,  
46 for membership by a community foundation; and



47 (vii) It is in good standing with having complied  
48 with Endow Mississippi certification, reporting, and data privacy  
49 requirements.

50 (b) "Endowment gift" means an irrevocable contribution  
51 to an endowed fund held by a qualified community foundation.

52 (c) "Qualified contribution" means an endowment gift of  
53 at least One Thousand Dollars (\$1,000.00) made to a qualified  
54 community foundation for an endowed fund established to  
55 substantially benefit charitable causes in this state, and that is  
56 a charitable gift as defined in Section 170(c) of the Internal  
57 Revenue Code. A qualified contribution may take any form, subject  
58 to the giving policies of the qualified community foundation  
59 receiving it.

60 (d) "Endowed fund" means a fund held in a qualified  
61 community foundation that provides benefit to charitable causes in  
62 Mississippi that is intended to exist in perpetuity. An endowed  
63 fund may include, but is not limited to, donor-advised funds,  
64 community foundation affiliate funds, field-of-interest funds,  
65 agency funds and designated organizational funds.

66 **SECTION 4.** (1) Subject to the limitations provided for in  
67 this section, through calendar year 2023 a taxpayer shall be  
68 allowed a credit against the tax imposed by Chapter 7, Title 27,  
69 in an amount equal to twenty-five percent (25%) of a qualified  
70 contribution to an endowed fund at a qualified community  
71 foundation, subject to the following:



72           (a) The minimum amount of a qualified contribution  
73 shall be One Thousand Dollars (\$1,000.00).

74           (b) The maximum amount of a qualified contribution  
75 shall be Two Hundred Thousand Dollars (\$200,000.00).

76           (c) The total qualified contributions from any  
77 qualified taxpayer eligible for the tax credit authorized under  
78 this section shall be Two Hundred Thousand Dollars (\$200,000.00)  
79 per year.

80           (2) Except as otherwise provided in this subsection, the  
81 aggregate amount of tax credits authorized under this act shall  
82 not exceed Five Hundred Thousand Dollars (\$500,000.00) in any one  
83 (1) calendar year. The credits shall be awarded on a first-come,  
84 first-served basis. If the tax credits authorized for used in any  
85 calendar year are not utilized, the amount not utilized may be  
86 awarded or carried forward in up to five (5) subsequent calendar  
87 years from the year in which such credits are made available.

88           (3) If the amount allowable as a credit exceeds the tax  
89 imposed by Chapter 7, Title 27, the amount of such excess may be  
90 carried forward for not more than five (5) subsequent taxable  
91 years.

92           (4) From and after January 1, 2024, no additional credits  
93 shall be authorized under this section; however, any tax credits  
94 authorized prior to January 1, 2024, and not used, may be carried  
95 forward for not more than five (5) taxable years subsequent to  
96 calendar year 2023.



97           **SECTION 5.** For each calendar year, a total of ten percent  
98 (10%) of the authorized tax credits shall be reserved for  
99 qualified contributions to each of the qualified community  
100 foundations in Mississippi for a period of nine (9) months. Any  
101 credits that are not utilized within the nine-month period shall  
102 be utilized for qualified contributions to any qualified community  
103 foundation on a first-come, first-served basis. Any credits not  
104 specifically reserved under this section shall also be available  
105 to any qualified community foundation on a first-come,  
106 first-served basis. The Mississippi Association of Grantmakers,  
107 or its successor entity, shall, in cooperation with qualified  
108 community foundations, develop, establish and maintain records  
109 that determine the priority for the awarding of tax credits under  
110 this act.

111           **SECTION 6.** (1) The Mississippi Association of Grantmakers,  
112 or its successor entity, in cooperation with qualified community  
113 foundations in Mississippi, shall develop application forms,  
114 procedures for the review and approval of applications for tax  
115 credits authorized under this act, for the issuance of tax credits  
116 authorized under this act, and to establish reporting and  
117 monitoring requirements for the tax credits authorized by this  
118 act. The Mississippi Association of Grantmakers, or its successor  
119 entity, shall also develop or revise forms by which the tax  
120 credits are reported to the State of Mississippi.



121 (2) Application forms shall be available online and in print  
122 from the Mississippi Association of Grantmakers, or its successor  
123 entity, and qualifying community foundations.

124 (3) Applications shall be filed jointly by the qualified  
125 taxpayer seeking the tax credit and the qualified community  
126 foundation that is to receive the proposed qualifying  
127 contribution. The qualified community foundation shall:

128 (a) Log the date and time each application is received;

129 (b) Review each application for compliance with this  
130 section;

131 (c) Forward required documentation for applications to  
132 the Mississippi Association of Grantmakers, or its successor  
133 entity; and

134 (d) Certify that the applications are for qualifying  
135 contributions that are eligible for tax credits.

136 (4) The Mississippi Association of Grantmakers, or its  
137 successor entity, shall review the applications and documentation.  
138 The Mississippi Association of Grantmakers, or its successor  
139 entity, shall provide lists of approved applications to qualified  
140 community foundations, who in turn shall issue notice of approval  
141 of tax credits to the taxpayer seeking the credit. Upon notice of  
142 approval, the qualifying contribution shall be made by the  
143 qualified taxpayer within a reasonable time, dependent on the form  
144 of the qualifying contribution and the giving policies of the  
145 qualified community foundation.



146 (5) The Mississippi Association of Grantmakers, or its  
147 successor entity, shall monitor all tax credits issued pursuant to  
148 this act and, on or before December 31 of each year, certify to  
149 the Mississippi Department of Revenue all tax credits approved  
150 pursuant to this act and provide the department with all data  
151 required to ensure that qualified taxpayers receive any credit to  
152 which they are entitled.

153 **SECTION 7.** (1) No tax credits issued under this act to any  
154 qualified taxpayer shall be sold or otherwise transferable to any  
155 other taxpayer.

156 (2) Should the total amount of tax credits available,  
157 whether reserved to qualified community foundations or otherwise,  
158 be less than the total amount of tax credit requested under the  
159 provisions of this act, the Mississippi Association of  
160 Grantmakers, or its successor entity, shall determine the process  
161 for the allocation of any available tax credits.

162 (3) All applications for tax credits and any subsequent  
163 documentation of the process of application and issuance of tax  
164 credits shall be subject to applicable privacy laws.

165 (4) The Mississippi Association of Grantmakers, or its  
166 successor entity, may request qualifying community foundations to  
167 periodically report on the impact of tax credits issued under this  
168 act, including, but not limited to:

169 (a) Increases to endowed funds held by qualified  
170 community foundations;



171 (b) Capture of generational transfer of wealth for the  
172 benefit of Mississippi communities and organizations; and

173 (c) Improvements to and support of community  
174 development programs, projects and activities.

175 **SECTION 8.** This act shall take effect and be in force from  
176 and after January 1, 2019.

