

By: Representatives Newman, Gunn, Eubanks,
Tullos, Brown (20th), Williamson, Hopkins,
Arnold, Kinkade, Ford (73rd), Bain

To: Public Health and Human
Services

HOUSE BILL NO. 1125

1 AN ACT TO CREATE THE "REGULATE EXPERIMENTAL ADOLESCENT
2 PROCEDURES (REAP)" ACT FOR ANY PERSON UNDER EIGHTEEN YEARS OF AGE;
3 TO PROVIDE DEFINITIONS FOR THE ACT; TO PROHIBIT THE DIRECT OR
4 INDIRECT USE, GRANT, PAYMENT OR DISTRIBUTION OF PUBLIC FUNDS TO
5 ANY ENTITY, ORGANIZATION OR INDIVIDUAL THAT PROVIDES GENDER
6 TRANSITION PROCEDURES TO A PERSON UNDER EIGHTEEN YEARS OF AGE; TO
7 PROVIDE THAT HEALTH CARE SERVICES FURNISHED IN A STATE OR
8 LOCALLY-OWNED HEALTH CARE FACILITY OR BY A PHYSICIAN OR OTHER
9 HEALTH CARE PROFESSIONAL EMPLOYED BY THE STATE OR LOCAL GOVERNMENT
10 SHALL NOT INCLUDE GENDER TRANSITION PROCEDURES FOR A PERSON UNDER
11 EIGHTEEN YEARS OF AGE; TO PROVIDE THAT AMOUNTS PAID DURING A
12 TAXABLE YEAR FOR PROVISION OF GENDER TRANSITION PROCEDURES OR AS
13 PREMIUMS FOR HEALTH CARE COVERAGE THAT INCLUDES COVERAGE FOR
14 GENDER TRANSITION PROCEDURES ARE NOT DEDUCTIBLE UNDER THE STATE
15 INCOME TAX LAWS; TO AUTHORIZE THE ATTORNEY GENERAL TO BRING AN
16 ACTION TO ENFORCE COMPLIANCE WITH THIS ACT; TO CREATE NEW SECTION
17 43-13-117.7, MISSISSIPPI CODE OF 1972, TO PROHIBIT THE DIVISION OF
18 MEDICAID FROM REIMBURSING OR PROVIDING COVERAGE FOR GENDER
19 TRANSITION PROCEDURES FOR A PERSON UNDER EIGHTEEN YEARS OF AGE; TO
20 AMEND SECTION 83-9-22, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
21 HEALTH COVERAGE PLANS ARE NOT REQUIRED TO INCLUDE GENDER
22 TRANSITION PROCEDURES; TO CREATE NEW SECTION 83-9-37, MISSISSIPPI
23 CODE OF 1972, TO PROVIDE THAT A HEALTH BENEFIT PLAN UNDER AN
24 INSURANCE POLICY OR OTHER PLAN PROVIDING HEALTH CARE COVERAGE
25 SHALL NOT INCLUDE REIMBURSEMENT FOR GENDER TRANSITION PROCEDURES
26 FOR A PERSON UNDER EIGHTEEN YEARS OF AGE; TO AMEND SECTIONS
27 27-7-17, 73-15-29 AND 73-25-29, MISSISSIPPI CODE OF 1972, TO
28 CONFORM TO THE PROVISIONS OF THIS ACT; TO AMEND SECTION 73-25-33,
29 MISSISSIPPI CODE OF 1972, TO EXCLUDE THE PERFORMANCE GENDER
30 TRANSITION PROCEDURES FROM THE "PRACTICE OF MEDICINE" MEANING; TO
31 AMEND SECTION 11-46-5, MISSISSIPPI CODE OF 1972, TO EXCLUDE FROM
32 TORT IMMUNITY VIOLATIONS OF THIS ACT; TO AMEND SECTION 41-41-219,
33 MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING SECTION; TO



34 PROVIDE SEVERABILITY IF ANY PART OF THIS ACT IS FOUND
35 UNCONSTITUTIONAL; AND FOR RELATED PURPOSES.

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

37 **SECTION 1.** This act shall be known and may be cited as the
38 "Regulate Experimental Adolescent Procedures (REAP) Act.

39 **SECTION 2.** For purposes of this act, the following terms
40 shall have the meanings ascribed herein:

41 (a) "Sex" means the biological indication of male and
42 female in the context of reproductive potential or capacity, such
43 as sex chromosomes, naturally occurring sex hormones, gonads, and
44 nonambiguous internal and external genitalia present at birth,
45 without regard to an individual's psychological, chosen, or
46 subjective experience of gender;

47 (b) "Cross-sex hormones" means:

48 (i) Testosterone or other androgens given to
49 females in amounts that are larger or more potent than would
50 normally occur naturally in healthy sex females; and

51 (ii) Estrogen given to males in amounts that are
52 larger or more potent than would normally occur naturally in
53 healthy sex males;

54 (c) "Gender" means the psychological, behavioral,
55 social, and cultural aspects of being male or female;

56 (d) "Gender reassignment surgery" means any medical or
57 surgical service that seeks to surgically alter or remove healthy
58 physical or anatomical characteristics or features, except for a
59 male circumcision that are typical for the individual's sex, in



60 order to instill or create physiological or anatomical
61 characteristics that resemble a sex different from the
62 individual's sex, including, without limitation:

63 (i) Surgical procedures such as penectomy,
64 castration, orchiectomy, vaginoplasty, clitoroplasty, or
65 vulvoplasty for male patients;

66 (ii) Surgical procedures such as hysterectomy,
67 oophorectomy, reconstruction of the urethra, metoidioplasty,
68 phalloplasty, vaginectomy, scrotoplasty, or implantation of
69 erection or testicular prostheses for female patients;

70 (iii) Surgical procedures such as augmentation
71 mammoplasty, facial feminization surgery, liposuction,
72 lipofilling, voice surgery, thyroid cartilage reduction, gluteal
73 augmentation, hair reconstruction, or various aesthetic procedures
74 for male patients; or

75 (iv) Surgical procedures such as subcutaneous
76 mastectomy, voice surgery, liposuction, lipofilling, pectoral
77 implants, or various aesthetic procedures for female patients;

78 (e) "Gender transition" means the process in which a
79 person goes from identifying with and living as a gender that
80 corresponds to his or her sex to identifying with and living as a
81 gender different from his or her sex, and may involve social,
82 legal, or physical changes;



(f) (i) "Gender transition procedures" means any of the following medical or surgical services performed for the purpose of assisting an individual with a gender transition:

1. Prescribing or administering puberty-blocking drugs;
2. Prescribing or administering cross-sex hormones; or
3. Performing gender reassignment surgeries.

(ii) "Gender transition procedures" do not include:

1. Services to persons born with a medically verifiable disorder of sex development, including a person with external sex characteristics that are irresolvably ambiguous, such as those born with forty-six (46) XX chromosomes with virilization, forty-six (46) XY chromosomes with undervirilization, or having both ovarian and testicular tissue;
2. Services provided when a physician has otherwise diagnosed a disorder of sexual development that the physician has determined through genetic or biochemical testing that the person does not have normal sex chromosome structure, sex steroid hormone production, or sex steroid hormone action;
3. The treatment of any infection, injury, disease, or disorder that has been caused by or exacerbated by the performance of gender transition procedures, whether or not the gender transition procedure was performed in accordance with state



and federal law or whether or not the funding for the gender transition procedure is permissible under this act; or

4. Any procedure for a male circumcision;

(g) "Health care professional" means a person who is licensed, certified, or otherwise authorized by the laws of this state to administer health care in the ordinary course of the practice of his or her profession;

(h) "Physician" means a person who is licensed to practice medicine in this state as provided in Sections 73-25-1 etc.;

(i) "Puberty-blocking drugs" means gonadotropin-releasing hormone analogues or other synthetic drugs used in males to stop luteinizing hormone secretion and therefore testosterone secretion, or synthetic drugs used in females which stop the production of estrogens and progesterone, when used to delay or suppress pubertal development in children for the purpose of assisting an individual with a gender transition; and

(j) "Public funds" means federal, state, county, or local government monies, in addition to any department, agency, or instrumentality authorized or appropriated under state law or derived from any fund in which such monies are deposited.

SECTION 3. (1) A person shall not knowingly provide gender transition procedures to any person under eighteen (18) years of age.



(2) A person shall not knowingly engage in conduct that aids or abets the performance or inducement of gender transition procedures to any person under eighteen (18) years of age. This subsection may not be construed to impose liability on any speech protected by federal or state law.

SECTION 4. Prohibition on use of public funds or tax deduction for gender transition procedures. (1) Public funds, resources, facilities, personnel or any other thing of value that is provided by the United States or the State of Mississippi shall not be directly or indirectly used, granted, paid, or distributed to any entity, organization, or individual that provides gender transition procedures to a person under eighteen (18) years of age in violation of this act.

(2) Health care services furnished in the following situations shall not include gender transition procedures for a person under eighteen (18) years of age:

(a) By or in a health care facility owned by the state or a county or local government; or

(b) By a physician or other health care professional employed by the state or a county or local government.

(3) Any amount paid by an individual or an entity during a taxable year for provision of gender transition procedures or as premiums for health care coverage that includes coverage for gender transition procedures is not deductible under the state income tax laws.



SECTION 5. Enforcement.

(1) Any violation of Section 3 by a physician or other health care professional shall be considered outside the applicable standard of care and is unprofessional conduct. A physician who violates Section 3 shall have his or her license to practice medicine in the State of Mississippi revoked pursuant to action taken by the Mississippi State Board of Medical Licensure. A nonphysician healthcare professional who violates Section 3 shall have his or her license to practice their healthcare profession in the State of Mississippi revoked pursuant to action taken by the applicable licensing entity.

(2) A person may assert an actual or threatened violation of this act as a claim or defense in a judicial or administrative proceeding and obtain compensatory damages, punitive damages, injunctive relief, declaratory relief, or any other appropriate relief. Such claim may be brought against any facility, individual or entity causing or contributing to a violation of this act.

(3) (a) A person must bring a claim for a violation of this act no later than thirty (30) years after the day the cause of action accrues.

(b) A person under eighteen (18) years of age may bring an action throughout their minority through a parent or next friend, and may bring an action in their own name upon reaching majority at any time from that point until thirty (30) years after reaching the age of majority.



182 (4) Notwithstanding any other provision of law, an action
183 under this act may be commenced, and relief may be granted, in a
184 judicial proceeding without regard to whether the person
185 commencing the action has sought or exhausted available
186 administrative remedies.

187 (5) In any action or proceeding to enforce a provision of
188 this act, a prevailing party who establishes a violation of this
189 act shall recover reasonable attorney's fees.

190 (6) (a) The Attorney General shall bring an action to
191 enforce compliance with this act.

192 (b) This act does not deny, impair, or otherwise affect
193 any right or authority of the Attorney General, the State of
194 Mississippi, or any agency, officer, or employee of the state,
195 acting under any law other than this act, to institute or
196 intervene in any proceeding.

197 **SECTION 6.** Section 27-7-17, Mississippi Code of 1972, is
198 amended as follows:

199 27-7-17. In computing taxable income, there shall be allowed
200 as deductions:

201 (1) **Business deductions.**

202 (a) **Business expenses.** All the ordinary and necessary
203 expenses paid or incurred during the taxable year in carrying on
204 any trade or business, including a reasonable allowance for
205 salaries or other compensation for personal services actually
206 rendered; nonreimbursable traveling expenses incident to current



207 employment, including a reasonable amount expended for meals and
208 lodging while away from home in the pursuit of a trade or
209 business; and rentals or other payments required to be made as a
210 condition of the continued use or possession, for purposes of the
211 trade or business of property to which the taxpayer has not taken
212 or is not taking title or in which he had no equity. Expense
213 incurred in connection with earning and distributing nontaxable
214 income is not an allowable deduction. Limitations on
215 entertainment expenses shall conform to the provisions of the
216 Internal Revenue Code of 1986. There shall also be allowed a
217 deduction for expenses as provided in Section 41-137-51.

218 (b) **Interest.** All interest paid or accrued during the
219 taxable year on business indebtedness, except interest upon the
220 indebtedness for the purchase of tax-free bonds, or any stocks,
221 the dividends from which are nontaxable under the provisions of
222 this article; provided, however, in the case of securities
223 dealers, interest payments or accruals on loans, the proceeds of
224 which are used to purchase tax-exempt securities, shall be
225 deductible if income from otherwise tax-free securities is
226 reported as income. Investment interest expense shall be limited
227 to investment income. Interest expense incurred for the purchase
228 of treasury stock, to pay dividends, or incurred as a result of an
229 undercapitalized affiliated corporation may not be deducted unless
230 an ordinary and necessary business purpose can be established to
231 the satisfaction of the commissioner. For the purposes of this



paragraph, the phrase "interest upon the indebtedness for the purchase of tax-free bonds" applies only to the indebtedness incurred for the purpose of directly purchasing tax-free bonds and does not apply to any other indebtedness incurred in the regular course of the taxpayer's business. Any corporation, association, organization or other entity taxable under Section 27-7-23(c) shall allocate interest expense as provided in Section 27-7-23(c) (3) (I).

(c) **Taxes.** Taxes paid or accrued within the taxable year, except state and federal income taxes, excise taxes based on or measured by net income, estate and inheritance taxes, gift taxes, cigar and cigarette taxes, gasoline taxes, and sales and use taxes unless incurred as an item of expense in a trade or business or in the production of taxable income. In the case of an individual, taxes permitted as an itemized deduction under the provisions of subsection (3) (a) of this section are to be claimed thereunder.

(d) **Business losses.**

(i) Losses sustained during the taxable year not compensated for by insurance or otherwise, if incurred in trade or business, or nonbusiness transactions entered into for profit.

(ii) Limitations on losses from passive activities and rental real estate shall conform to the provisions of the Internal Revenue Code of 1986.



256 (e) **Bad debts.** Losses from debts ascertained to be
257 worthless and charged off during the taxable year, if sustained in
258 the conduct of the regular trade or business of the taxpayer;
259 provided, that such losses shall be allowed only when the taxpayer
260 has reported as income, on the accrual basis, the amount of such
261 debt or account.

262 (f) **Depreciation.** A reasonable allowance for
263 exhaustion, wear and tear of property used in the trade or
264 business, or rental property, and depreciation upon buildings
265 based upon their reasonable value as of March 16, 1912, if
266 acquired prior thereto, and upon cost if acquired subsequent to
267 that date. In the case of new or used aircraft, equipment,
268 engines, or other parts and tools used for aviation, allowance for
269 bonus depreciation conforms with the federal bonus depreciation
270 rates and reasonable allowance for depreciation under this section
271 is no less than one hundred percent (100%).

272 (g) **Depletion.** In the case of mines, oil and gas
273 wells, other natural deposits and timber, a reasonable allowance
274 for depletion and for depreciation of improvements, based upon
275 cost, including cost of development, not otherwise deducted, or
276 fair market value as of March 16, 1912, if acquired prior to that
277 date, such allowance to be made upon regulations prescribed by the
278 commissioner, with the approval of the Governor.

279 (h) **Contributions or gifts.** Except as otherwise
280 provided in paragraph (p) of this subsection or subsection (3)(a)



of this section for individuals, contributions or gifts made by corporations within the taxable year to corporations, organizations, associations or institutions, including Community Chest funds, foundations and trusts created solely and exclusively for religious, charitable, scientific or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inure to the benefit of any private stockholder or individual. This deduction shall be allowed in an amount not to exceed twenty percent (20%) of the net income. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the commissioner, with the approval of the Governor. Contributions made in any form other than cash shall be allowed as a deduction, subject to the limitations herein provided, in an amount equal to the actual market value of the contributions at the time the contribution is actually made and consummated.

(i) **Reserve funds - insurance companies.** In the case of insurance companies the net additions required by law to be made within the taxable year to reserve funds when such reserve funds are maintained for the purpose of liquidating policies at maturity.

(j) **Annuity income.** The sums, other than dividends, paid within the taxpayer year on policy or annuity contracts when such income has been included in gross income.



(k) **Contributions to employee pension plans.**

Contributions made by an employer to a plan or a trust forming part of a pension plan, stock bonus plan, disability or death-benefit plan, or profit-sharing plan of such employer for the exclusive benefit of some or all of his, their, or its employees, or their beneficiaries, shall be deductible from his, their, or its income only to the extent that, and for the taxable year in which, the contribution is deductible for federal income tax purposes under the Internal Revenue Code of 1986 and any other provisions of similar purport in the Internal Revenue Laws of the United States, and the rules, regulations, rulings and determinations promulgated thereunder, provided that:

(i) The plan or trust be irrevocable.

(ii) The plan or trust constitute a part of a pension plan, stock bonus plan, disability or death-benefit plan, or profit-sharing plan for the exclusive benefit of some or all of the employer's employees and/or officers, or their beneficiaries, for the purpose of distributing the corpus and income of the plan or trust to such employees and/or officers, or their beneficiaries.

(iii) No part of the corpus or income of the plan or trust can be used for purposes other than for the exclusive benefit of employees and/or officers, or their beneficiaries.

Contributions to all plans or to all trusts of real or personal property (or real and personal property combined) or to



insured plans created under a retirement plan for which provision has been made under the laws of the United States of America, making such contributions deductible from income for federal income tax purposes, shall be deductible only to the same extent under the Income Tax Laws of the State of Mississippi.

(1) **Net operating loss carrybacks and carryovers.** A net operating loss for any taxable year ending after December 31, 1993, and taxable years thereafter, shall be a net operating loss carryback to each of the three (3) taxable years preceding the taxable year of the loss. If the net operating loss for any taxable year is not exhausted by carrybacks to the three (3) taxable years preceding the taxable year of the loss, then there shall be a net operating loss carryover to each of the fifteen (15) taxable years following the taxable year of the loss beginning with any taxable year after December 31, 1991.

For any taxable year ending after December 31, 1997, the period for net operating loss carrybacks and net operating loss carryovers shall be the same as those established by the Internal Revenue Code and the rules, regulations, rulings and determinations promulgated thereunder as in effect at the taxable year end or on December 31, 2000, whichever is earlier.

A net operating loss for any taxable year ending after December 31, 2001, and taxable years thereafter, shall be a net operating loss carryback to each of the two (2) taxable years preceding the taxable year of the loss. If the net operating loss



for any taxable year is not exhausted by carrybacks to the two (2) taxable years preceding the taxable year of the loss, then there shall be a net operating loss carryover to each of the twenty (20) taxable years following the taxable year of the loss beginning with any taxable year after the taxable year of the loss.

The term "net operating loss," for the purposes of this paragraph, shall be the excess of the deductions allowed over the gross income; provided, however, the following deductions shall not be allowed in computing same:

(i) No net operating loss deduction shall be allowed.

(ii) No personal exemption deduction shall be allowed.

(iii) Allowable deductions which are not attributable to taxpayer's trade or business shall be allowed only to the extent of the amount of gross income not derived from such trade or business.

Any taxpayer entitled to a carryback period as provided by this paragraph may elect to relinquish the entire carryback period with respect to a net operating loss for any taxable year ending after December 31, 1991. The election shall be made in the manner prescribed by the Department of Revenue and shall be made by the due date, including extensions of time, for filing the taxpayer's return for the taxable year of the net operating loss for which



the election is to be in effect. The election, once made for any taxable year, shall be irrevocable for that taxable year.

(m) **Amortization of pollution or environmental control facilities.** Allowance of deduction. Every taxpayer, at his election, shall be entitled to a deduction for pollution or environmental control facilities to the same extent as that allowed under the Internal Revenue Code and the rules, regulations, rulings and determinations promulgated thereunder.

(n) **Dividend distributions - real estate investment trusts.** "Real estate investment trust" (hereinafter referred to as REIT) shall have the meaning ascribed to such term in Section 856 of the federal Internal Revenue Code of 1986, as amended. A REIT is allowed a dividend distributed deduction if the dividend distributions meet the requirements of Section 857 or are otherwise deductible under Section 858 or 860, federal Internal Revenue Code of 1986, as amended. In addition:

(i) A dividend distributed deduction shall only be allowed for dividends paid by a publicly traded REIT. A qualified REIT subsidiary shall be allowed a dividend distributed deduction if its owner is a publicly traded REIT.

(ii) Income generated from real estate contributed or sold to a REIT by a shareholder or related party shall not give rise to a dividend distributed deduction, unless the shareholder or related party would have received the dividend distributed deduction under this chapter.



(iii) A holding corporation receiving a dividend from a REIT shall not be allowed the deduction in Section 27-7-15(4) (t) .

(iv) Any REIT not allowed the dividend distributed deduction in the federal Internal Revenue Code of 1986, as amended, shall not be allowed a dividend distributed deduction under this chapter.

The commissioner is authorized to promulgate rules and regulations consistent with the provisions in Section 269 of the federal Internal Revenue Code of 1986, as amended, so as to prevent the evasion or avoidance of state income tax.

(o) **Contributions to college savings trust fund accounts.** Contributions or payments to a Mississippi Affordable College Savings Program account are deductible as provided under Section 37-155-113. Payments made under a prepaid tuition contract entered into under the Mississippi Prepaid Affordable College Tuition Program are deductible as provided under Section 37-155-17.

(p) **Contributions of human pharmaceutical products.** To the extent that a "major supplier" as defined in Section 27-13-13(2) (d) contributes human pharmaceutical products in excess of Two Hundred Fifty Million Dollars (\$250,000,000.00) as determined under Section 170 of the Internal Revenue Code, the charitable contribution limitation associated with those donations



shall follow the federal limitation but cannot result in the Mississippi net income being reduced below zero.

(q) **Contributions to ABLE trust fund accounts.**

Contributions or payments to a Mississippi Achieving a Better Life Experience (ABLE) Program account are deductible as provided under Section 43-28-13.

(2) **Restrictions on the deductibility of certain intangible expenses and interest expenses with a related member.**

(a) As used in this subsection (2):

(i) "Intangible expenses and costs" include:

1. Expenses, losses and costs for, related to, or in connection directly or indirectly with the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange or any other disposition of intangible property to the extent such amounts are allowed as deductions or costs in determining taxable income under this chapter;

2. Expenses or losses related to or incurred in connection directly or indirectly with factoring transactions or discounting transactions;

3. Royalty, patent, technical and copyright fees;

4. Licensing fees; and

5. Other similar expenses and costs.



451 (ii) "Intangible property" means patents, patent
452 applications, trade names, trademarks, service marks, copyrights
453 and similar types of intangible assets.

454 (iii) "Interest expenses and cost" means amounts
455 directly or indirectly allowed as deductions for purposes of
456 determining taxable income under this chapter to the extent such
457 interest expenses and costs are directly or indirectly for,
458 related to, or in connection with the direct or indirect
459 acquisition, maintenance, management, ownership, sale, exchange or
460 disposition of intangible property.

461 (iv) "Related member" means an entity or person
462 that, with respect to the taxpayer during all or any portion of
463 the taxable year, is a related entity, a component member as
464 defined in the Internal Revenue Code, or is an entity or a person
465 to or from whom there is attribution of stock ownership in
466 accordance with Section 1563(e) of the Internal Revenue Code.

467 (v) "Related entity" means:

468 1. A stockholder who is an individual or a
469 member of the stockholder's family, as defined in regulations
470 prescribed by the commissioner, if the stockholder and the members
471 of the stockholder's family own, directly, indirectly,
472 beneficially or constructively, in the aggregate, at least fifty
473 percent (50%) of the value of the taxpayer's outstanding stock;

474 2. A stockholder, or a stockholder's
475 partnership, limited liability company, estate, trust or



corporation, if the stockholder and the stockholder's partnerships, limited liability companies, estates, trusts and corporations own, directly, indirectly, beneficially or constructively, in the aggregate, at least fifty percent (50%) of the value of the taxpayer's outstanding stock;

3. A corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation, if the taxpayer owns, directly, indirectly, beneficially or constructively, at least fifty percent (50%) of the value of the corporation's outstanding stock under regulation prescribed by the commissioner;

4. Any entity or person which would be a related member under this section if the taxpayer were considered a corporation for purposes of this section.

(b) In computing net income, a taxpayer shall add back otherwise deductible interest expenses and costs and intangible expenses and costs directly or indirectly paid, accrued to or incurred, in connection directly or indirectly with one or more direct or indirect transactions with one or more related members.

(c) The adjustments required by this subsection shall not apply to such portion of interest expenses and costs and intangible expenses and costs that the taxpayer can establish meets one (1) of the following:



(i) The related member directly or indirectly paid, accrued or incurred such portion to a person during the same income year who is not a related member; or

(ii) The transaction giving rise to the interest expenses and costs or intangible expenses and costs between the taxpayer and related member was done primarily for a valid business purpose other than the avoidance of taxes, and the related member is not primarily engaged in the acquisition, use, maintenance or management, ownership, sale, exchange or any other disposition of intangible property.

(d) Nothing in this subsection shall require a taxpayer to add to its net income more than once any amount of interest expenses and costs or intangible expenses and costs that the taxpayer pays, accrues or incurs to a related member.

(e) The commissioner may prescribe such regulations as necessary or appropriate to carry out the purposes of this subsection, including, but not limited to, clarifying definitions of terms, rules of stock attribution, factoring and discount transactions.

(3) **Individual nonbusiness deductions.**

(a) The amount allowable for individual nonbusiness itemized deductions for federal income tax purposes where the individual is eligible to elect, for the taxable year, to itemize deductions on his federal return except the following:



(i) The deduction for state income taxes paid or other taxes allowed for federal purposes in lieu of state income taxes paid;

(ii) The deduction for gaming losses from gaming establishments;

(iii) The deduction for taxes collected by licensed gaming establishments pursuant to Section 27-7-901;

(iv) The deduction for taxes collected by gaming establishments pursuant to Section 27-7-903 * * *; and

(v) The deduction for medical expenses for the provision of gender transition procedures as defined in Section 2 of this act.

(b) In lieu of the individual nonbusiness itemized deductions authorized in paragraph (a), for all purposes other than ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, an optional standard deduction of:

(i) Three Thousand Four Hundred Dollars (\$3,400.00) through calendar year 1997, Four Thousand Two Hundred Dollars (\$4,200.00) for the calendar year 1998 and Four Thousand Six Hundred Dollars (\$4,600.00) for each calendar year thereafter in the case of married individuals filing a joint or combined return;

(ii) One Thousand Seven Hundred Dollars (\$1,700.00) through calendar year 1997, Two Thousand One Hundred



Dollars (\$2,100.00) for the calendar year 1998 and Two Thousand
Three Hundred Dollars (\$2,300.00) for each calendar year
thereafter in the case of married individuals filing separate
returns;

(iii) Three Thousand Four Hundred Dollars
(\$3,400.00) in the case of a head of family; or

(iv) Two Thousand Three Hundred Dollars
(\$2,300.00) in the case of an individual who is not married.

In the case of a husband and wife living together, having
separate incomes, and filing combined returns, the standard
deduction authorized may be divided in any manner they choose. In
the case of separate returns by a husband and wife, the standard
deduction shall not be allowed to either if the taxable income of
one of the spouses is determined without regard to the standard
deduction.

(c) A nonresident individual shall be allowed the same
individual nonbusiness deductions as are authorized for resident
individuals in paragraph (a) or (b) of this subsection; however,
the nonresident individual is entitled only to that proportion of
the individual nonbusiness deductions as his net income from
sources within the State of Mississippi bears to his total or
entire net income from all sources.

(4) Nothing in this section shall permit the same item to be
deducted more than once, either in fact or in effect.



(5) Notwithstanding any other provision in Title 27, Mississippi Code of 1972, there shall be allowed an income tax deduction for otherwise deductible expenses if:

(a) The payment(s) for such deductible expenses are made with the grant or loan program of the Paycheck Protection Program as authorized under (i) the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Consolidated Appropriations Act of 2021, (ii) the COVID-19 Economic Injury Disaster Loan Program, (iii) the 2020 COVID-19 Mississippi Business Assistance Act, (iv) the Rental Assistance Grant Program, (v) the Shuttered Venue Operators Grant Program and Restaurant Revitalization Fund authorized by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, and amended by the federal American Rescue Plan Act, and/or (vi) the Mississippi Agriculture Stabilization Act; and

(b) Such deductible expenses shall be allowed as deductions for federal income tax purposes.

SECTION 7. The following shall be codified as Section 43-13-117.7, Mississippi Code of 1972:

43-13-117.7. Notwithstanding any other provisions of Section 43-13-117, the division shall not reimburse or provide coverage for gender transition procedures for a person under eighteen (18) years of age. As used in this section, the term "gender transition procedures" means the same as defined in Section 2 of this act.



598 **SECTION 8.** Section 73-15-29, Mississippi Code of 1972, is
599 amended as follows:

600 73-15-29. (1) The board shall have power to revoke, suspend
601 or refuse to renew any license issued by the board, or to revoke
602 or suspend any privilege to practice, or to deny an application
603 for a license, or to fine, place on probation and/or discipline a
604 licensee, in any manner specified in this article, upon proof that
605 such person:

606 (a) Has committed fraud or deceit in securing or
607 attempting to secure such license;

608 (b) Has been convicted of a felony, or a crime
609 involving moral turpitude or has had accepted by a court a plea of
610 nolo contendere to a felony or a crime involving moral turpitude
611 (a certified copy of the judgment of the court of competent
612 jurisdiction of such conviction or pleas shall be prima facie
613 evidence of such conviction);

614 (c) Has negligently or willfully acted in a manner
615 inconsistent with the health or safety of the persons under the
616 licensee's care;

617 (d) Has had a license or privilege to practice as a
618 registered nurse or a licensed practical nurse suspended or
619 revoked in any jurisdiction, has voluntarily surrendered such
620 license or privilege to practice in any jurisdiction, has been
621 placed on probation as a registered nurse or licensed practical
622 nurse in any jurisdiction or has been placed under a disciplinary



623 order(s) in any manner as a registered nurse or licensed practical
624 nurse in any jurisdiction, (a certified copy of the order of
625 suspension, revocation, probation or disciplinary action shall be
626 prima facie evidence of such action);

627 (e) Has negligently or willfully practiced nursing in a
628 manner that fails to meet generally accepted standards of such
629 nursing practice;

630 (f) Has negligently or willfully violated any order,
631 rule or regulation of the board pertaining to nursing practice or
632 licensure;

633 (g) Has falsified or in a repeatedly negligent manner
634 made incorrect entries or failed to make essential entries on
635 records;

636 (h) Is addicted to or dependent on alcohol or other
637 habit-forming drugs or is a habitual user of narcotics,
638 barbiturates, amphetamines, hallucinogens, or other drugs having
639 similar effect, or has misappropriated any medication;

640 (i) Has a physical, mental or emotional condition that
641 renders the licensee unable to perform nursing services or duties
642 with reasonable skill and safety;

643 (j) Has engaged in any other conduct, whether of the
644 same or of a different character from that specified in this
645 article, that would constitute a crime as defined in Title 97 of
646 the Mississippi Code of 1972, as now or hereafter amended, and



647 that relates to such person's employment as a registered nurse or
648 licensed practical nurse;

649 (k) Engages in conduct likely to deceive, defraud or
650 harm the public;

651 (l) Engages in any unprofessional conduct as identified
652 by the board in its rules;

653 (m) Has violated any provision of this article; * * *

654 (n) Violation(s) of the provisions of Sections 41-121-1
655 through 41-121-9 relating to deceptive advertisement by health
656 care practitioners. This paragraph shall stand repealed on July
657 1, 2025 * * *; or

658 (o) Violation(s) of any provision of Sections 1 through
659 6 of this act.

660 (2) When the board finds any person unqualified because of
661 any of the grounds set forth in subsection (1) of this section, it
662 may enter an order imposing one or more of the following
663 penalties:

664 (a) Denying application for a license or other
665 authorization to practice nursing or practical nursing;

666 (b) Administering a reprimand;

667 (c) Suspending or restricting the license or other
668 authorization to practice as a registered nurse or licensed
669 practical nurse for up to two (2) years without review;

670 (d) Revoking the license or other authorization to
671 practice nursing or practical nursing;



672 (e) Requiring the discipline to submit to care,
673 counseling or treatment by persons and/or agencies approved or
674 designated by the board as a condition for initial, continued or
675 renewed licensure or other authorization to practice nursing or
676 practical nursing;

677 (f) Requiring the discipline to participate in a
678 program of education prescribed by the board as a condition for
679 initial, continued or renewed licensure or other authorization to
680 practice;

681 (g) Requiring the discipline to practice under the
682 supervision of a registered nurse for a specified period of time;
683 or

684 (h) Imposing a fine not to exceed Five Hundred Dollars
685 (\$500.00).

686 (3) In addition to the grounds specified in subsection (1)
687 of this section, the board shall be authorized to suspend the
688 license or privilege to practice of any licensee for being out of
689 compliance with an order for support, as defined in Section
690 93-11-153. The procedure for suspension of a license or privilege
691 to practice for being out of compliance with an order for support,
692 and the procedure for the reissuance or reinstatement of a license
693 or privilege to practice suspended for that purpose, and the
694 payment of any fees for the reissuance or reinstatement of a
695 license or privilege to practice suspended for that purpose, shall
696 be governed by Section 93-11-157 or 93-11-163, as the case may be.



697 If there is any conflict between any provision of Section
698 93-11-157 or 93-11-163 and any provision of this article, the
699 provisions of Section 93-11-157 or 93-11-163, as the case may be,
700 shall control.

701 (4) If the public health, safety or welfare imperatively
702 requires emergency action and the board incorporates a finding to
703 that effect in an order, the board may order summary suspension of
704 a license pending proceedings for revocation or other action.
705 These proceedings shall be promptly instituted and determined by
706 the board.

707 (5) The board may establish by rule an alternative to
708 discipline program for licensees who have an impairment as a
709 result of substance abuse or a mental health condition, which
710 program shall include at least the following components:

711 (a) Participation in the program is voluntary with the
712 licensee, and the licensee must enter the program before the board
713 holds a disciplinary action hearing regarding the licensee;

714 (b) The full cost of participation in the program,
715 including the cost of any care, counseling, treatment and/or
716 education received by the licensee, shall be borne by the
717 licensee;

718 (c) All of the procedures and records regarding the
719 licensee's participation in the program shall be confidential,
720 shall not be disclosed and shall be exempt from the provisions of
721 the Mississippi Public Records Act of 1983; and



(d) A licensee may not participate in the program more often than one (1) time during any period of five (5) years or such longer period as set by the board.

(6) A nurse practitioner who provides a written certification as authorized under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder shall not be subject to any disciplinary action under this section solely due to providing the written certification.

SECTION 9. Section 73-25-29, Mississippi Code of 1972, is amended as follows:

73-25-29. The grounds for the nonissuance, suspension, revocation or restriction of a license or the denial of reinstatement or renewal of a license are:

(1) Habitual personal use of narcotic drugs, or any other drug having addiction-forming or addiction-sustaining liability.

(2) Habitual use of intoxicating liquors, or any beverage, to an extent which affects professional competency.

(3) Administering, dispensing or prescribing any narcotic drug, or any other drug having addiction-forming or addiction-sustaining liability otherwise than in the course of legitimate professional practice.

(4) Conviction of violation of any federal or state law regulating the possession, distribution or use of any narcotic drug or any drug considered a controlled substance under state or



747 federal law, a certified copy of the conviction order or judgment
748 rendered by the trial court being prima facie evidence thereof,
749 notwithstanding the pendency of any appeal.

750 (5) Procuring, or attempting to procure, or aiding in,
751 an abortion that is not medically indicated.

752 (6) Conviction of a felony or misdemeanor involving
753 moral turpitude, a certified copy of the conviction order or
754 judgment rendered by the trial court being prima facie evidence
755 thereof, notwithstanding the pendency of any appeal.

756 (7) Obtaining or attempting to obtain a license by
757 fraud or deception.

758 (8) Unprofessional conduct, which includes, but is not
759 limited to:

760 (a) Practicing medicine under a false or assumed
761 name or impersonating another practitioner, living or dead.

762 (b) Knowingly performing any act which in any way
763 assists an unlicensed person to practice medicine.

764 (c) Making or willfully causing to be made any
765 flamboyant claims concerning the licensee's professional
766 excellence.

767 (d) Being guilty of any dishonorable or unethical
768 conduct likely to deceive, defraud or harm the public.

769 (e) Obtaining a fee as personal compensation or
770 gain from a person on fraudulent representation of a disease or
771 injury condition generally considered incurable by competent



772 medical authority in the light of current scientific knowledge and
773 practice can be cured or offering, undertaking, attempting or
774 agreeing to cure or treat the same by a secret method, which he
775 refuses to divulge to the board upon request.

776 (f) Use of any false, fraudulent or forged
777 statement or document, or the use of any fraudulent, deceitful,
778 dishonest or immoral practice in connection with any of the
779 licensing requirements, including the signing in his professional
780 capacity any certificate that is known to be false at the time he
781 makes or signs such certificate.

782 (g) Failing to identify a physician's school of
783 practice in all professional uses of his name by use of his earned
784 degree or a description of his school of practice.

785 (9) The refusal of a licensing authority of another
786 state or jurisdiction to issue or renew a license, permit or
787 certificate to practice medicine in that jurisdiction or the
788 revocation, suspension or other restriction imposed on a license,
789 permit or certificate issued by such licensing authority which
790 prevents or restricts practice in that jurisdiction, a certified
791 copy of the disciplinary order or action taken by the other state
792 or jurisdiction being prima facie evidence thereof,
793 notwithstanding the pendency of any appeal.

794 (10) Surrender of a license or authorization to
795 practice medicine in another state or jurisdiction or surrender of
796 membership on any medical staff or in any medical or professional



797 association or society while under disciplinary investigation by
798 any of those authorities or bodies for acts or conduct similar to
799 acts or conduct which would constitute grounds for action as
800 defined in this section.

801 (11) Final sanctions imposed by the United States
802 Department of Health and Human Services, Office of Inspector
803 General or any successor federal agency or office, based upon a
804 finding of incompetency, gross misconduct or failure to meet
805 professionally recognized standards of health care; a certified
806 copy of the notice of final sanction being prima facie evidence
807 thereof. As used in this paragraph, the term "final sanction"
808 means the written notice to a physician from the United States
809 Department of Health and Human Services, Officer of Inspector
810 General or any successor federal agency or office, which
811 implements the exclusion.

812 (12) Failure to furnish the board, its investigators or
813 representatives information legally requested by the board.

814 (13) Violation of any provision(s) of the Medical
815 Practice Act or the rules and regulations of the board or of any
816 order, stipulation or agreement with the board.

817 (14) Violation(s) of the provisions of Sections
818 41-121-1 through 41-121-9 relating to deceptive advertisement by
819 health care practitioners.



820 (15) Performing or inducing an abortion on a woman in
821 violation of any provision of Sections 41-41-131 through
822 41-41-145.

823 (16) Performing an abortion on a pregnant woman after
824 determining that the unborn human individual that the pregnant
825 woman is carrying has a detectable fetal heartbeat as provided in
826 Section 41-41-34.1.

827 (17) Violation(s) of any provision of Sections 1
828 through 6 of this act.

829 In addition to the grounds specified above, the board shall
830 be authorized to suspend the license of any licensee for being out
831 of compliance with an order for support, as defined in Section
832 93-11-153. The procedure for suspension of a license for being
833 out of compliance with an order for support, and the procedure for
834 the reissuance or reinstatement of a license suspended for that
835 purpose, and the payment of any fees for the reissuance or
836 reinstatement of a license suspended for that purpose, shall be
837 governed by Section 93-11-157 or 93-11-163, as the case may be.
838 If there is any conflict between any provision of Section
839 93-11-157 or 93-11-163 and any provision of this chapter, the
840 provisions of Section 93-11-157 or 93-11-163, as the case may be,
841 shall control.

842 A physician who provides a written certification as
843 authorized under the Mississippi Medical Cannabis Act and in
844 compliance with rules and regulations adopted thereunder shall not



be subject to any disciplinary action under this section solely due to providing the written certification.

SECTION 10. Section 73-25-33, Mississippi Code of 1972, is amended as follows:

73-25-33. (1) The practice of medicine shall mean to suggest, recommend, prescribe, or direct for the use of any person, any drug, medicine, appliance, or other agency, whether material or not material, for the cure, relief, or palliation of any ailment or disease of the mind or body, or for the cure or relief of any wound or fracture or other bodily injury or deformity, or the practice of obstetrics or midwifery, after having received, or with the intent of receiving therefor, either directly or indirectly, any bonus, gift, profit or compensation; provided, that nothing in this section shall apply to females engaged solely in the practice of midwifery.

(2) The practice of medicine shall not mean to provide gender transition procedures for any person under eighteen (18) years of age; or

(3) For purposes of this section, "gender transition procedures" means the same as defined in Section 2 of this act.

SECTION 11. Section 83-9-22, Mississippi Code of 1972, is amended as follows:

83-9-22. (1) (a) Notwithstanding any other provision of the law to the contrary, except as otherwise provided in subsections (3) and (4) of this section, no health coverage plan



870 shall restrict coverage for medically appropriate treatment
871 prescribed by a physician and agreed to by a fully informed
872 insured, or if the insured lacks legal capacity to consent by a
873 person who has legal authority to consent on his or her behalf,
874 based on an insured's diagnosis with a terminal condition.
875 Refusing to pay for treatment rendered to an insured near the end
876 of life that is consistent with best practices for treatment of a
877 disease or condition, approved uses of a drug or device, or uses
878 supported by peer reviewed medical literature, is a per se
879 violation of this section.

880 (b) Violations of this section shall constitute an
881 unfair trade practice and subject the violator to the penalties
882 provided by law.

883 (c) As used in this section "terminal condition" means
884 any aggressive malignancy, chronic end-stage cardiovascular or
885 cerebral vascular disease, or any other disease, illness or
886 condition which a physician diagnoses as terminal.

887 (d) As used in this section, a "health coverage plan"
888 shall mean any hospital, health or medical expense insurance
889 policy, hospital or medical service contract, employee welfare
890 benefit plan, contract or agreement with a health maintenance
891 organization or a preferred provider organization, health and
892 accident insurance policy, or any other insurance contract of this
893 type, including a group insurance plan and the State Health and
894 Life Insurance Plan.



895 (2) (a) Notwithstanding any other provision of the law to
896 the contrary, no health benefit paid directly or indirectly with
897 state funds, specifically Medicaid, shall restrict coverage for
898 medically appropriate treatment prescribed by a physician and
899 agreed to by a fully informed individual, or if the individual
900 lacks legal capacity to consent by a person who has legal
901 authority to consent on his or her behalf, based on an
902 individual's diagnosis with a terminal condition.

903 (b) Refusing to pay for treatment rendered to an
904 individual near the end of life that is consistent with best
905 practices for treatment of a disease or condition, approved uses
906 of a drug or device, or uses supported by peer reviewed medical
907 literature, is a per se violation of this section.

908 (c) As used in this section "terminal condition" means
909 any aggressive malignancy, chronic end-stage cardiovascular or
910 cerebral vascular disease, or any other disease, illness or
911 condition which a physician diagnoses as terminal.

912 (3) This section does not require a health coverage plan to
913 cover and pay for the treatment of a person who is a cardholder
914 and registered qualifying patient with medical cannabis that is
915 lawful under the Mississippi Medical Cannabis Act and in
916 compliance with rules and regulations adopted thereunder.

917 (4) This section does not require a health coverage plan to
918 provide coverage for gender transition procedures for a person
919 under eighteen (18) years of age. As used in this section, the



term "gender transition procedures" means the same as defined in
Section 2 of this act.

SECTION 12. The following shall be codified as Section
83-9-37, Mississippi Code of 1972:

83-9-37. (1) As used in this section, the term "gender
transition procedures" means the same as defined in Section 2 of
this act.

(2) A health benefit plan under an insurance policy or other
plan providing health care coverage in this state shall not
include reimbursement for gender transition procedures for a
person under eighteen (18) years of age.

(3) A health benefit plan under an insurance policy or other
plan providing health care coverage in this state is not required
to provide coverage for gender transition procedures for a person
under eighteen (18) years of age.

SECTION 13. Section 11-46-5, Mississippi Code of 1972, is
amended as follows:

11-46-5. (1) Notwithstanding the immunity granted in
Section 11-46-3, or the provisions of any other law to the
contrary, the immunity of the state and its political subdivisions
from claims for money damages arising out of the torts of such
governmental entities and the torts of their employees while
acting within the course and scope of their employment is hereby
waived from and after July 1, 1993, as to the state, and from and
after October 1, 1993, as to political subdivisions; provided,



945 however, immunity of a governmental entity in any such case shall
946 be waived only to the extent of the maximum amount of liability
947 provided for in Section 11-46-15.

948 (2) For the purposes of this chapter an employee shall not
949 be considered as acting within the course and scope of his
950 employment and a governmental entity shall not be liable or be
951 considered to have waived immunity for any conduct of its employee
952 if the employee's conduct constituted fraud, malice, libel,
953 slander, defamation or any criminal offense other than traffic
954 violations.

955 (3) For the purposes of this chapter and not otherwise, it
956 shall be a rebuttable presumption that any act or omission of an
957 employee within the time and at the place of his employment is
958 within the course and scope of his employment, except for actions
959 described in subsection (2) of Section 73-25-33 and subsection (5)
960 of this section.

961 (4) Nothing contained in this chapter shall be construed to
962 waive the immunity of the state from suit in federal courts
963 guaranteed by the Eleventh Amendment to the Constitution of the
964 United States.

965 (5) For purposes of this chapter, an employee shall not be
966 considered as acting within the course and scope of his or her
967 employment and a governmental entity shall be liable or be
968 considered to have waived immunity for any conduct of its employee
969 if the employee's conduct constituted a violation of this act.



SECTION 14. Section 41-41-219, Mississippi Code of 1972, is amended as follows:

41-41-219. (1) Except as otherwise provided in this act, a health-care provider or institution acting in good faith and in accordance with generally accepted health-care standards applicable to the health-care provider or institution is not subject to civil or criminal liability or to discipline for unprofessional conduct for:

(a) Complying with a health-care decision of a person apparently having authority to make a health-care decision for a patient, including a decision to withhold or withdraw health care;

(b) Declining to comply with a health-care decision of a person based on a belief that the person then lacked authority; or

(c) Complying with an advance health-care directive and assuming that the directive was valid when made and has not been revoked or terminated.

(2) An individual acting as agent or surrogate under Sections 41-41-201 through 41-41-229 is not subject to civil or criminal liability or to discipline for unprofessional conduct for health-care decisions made in good faith.

SECTION 15. If any section, paragraph, sentence, clause, phrase or any part of this act passed on or after the effective date of this act is declared to be unconstitutional or void, or if for any reason is declared to be invalid or of no effect, the



995 remaining sections, paragraphs, sentences, clauses, phrases or
996 parts of this act shall be in no manner affected thereby but shall
997 remain in full force and effect.

998 Unless the contrary intent shall clearly appear in the
999 particular act in question, each and every act passed hereafter
1000 shall be read and construed as though the provisions of the first
1001 paragraph of this section form an integral part thereof, whether
1002 expressly set out therein or not.

1003 **SECTION 16.** This act shall take effect and be in force from
1004 and after its passage.

