

By: Representative Taylor

To: Ways and Means

HOUSE BILL NO. 303

1 AN ACT TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972,
2 TO EXEMPT DIXIE YOUTH BASEBALL ORGANIZATIONS FROM SALES TAX; AND
3 FOR RELATED PURPOSES.

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

5 SECTION 1. Section 27-65-111, Mississippi Code of 1972, is
6 amended as follows:

7 27-65-111. The exemptions from the provisions of this
8 chapter which are not industrial, agricultural or governmental, or
9 which do not relate to utilities or taxes, or which are not
10 properly classified as one of the exemption classifications of
11 this chapter, shall be confined to persons or property exempted by
12 this section or by the Constitution of the United States or the
13 State of Mississippi. No exemptions as now provided by any other
14 section, except the classified exemption sections of this chapter
15 set forth herein, shall be valid as against the tax herein levied.
16 Any subsequent exemption from the tax levied hereunder, except as
17 indicated above, shall be provided by amendments to this section.

18 No exemption provided in this section shall apply to taxes
19 levied by Section 27-65-15 or 27-65-21.

20 The tax levied by this chapter shall not apply to the
21 following:

22 (a) Sales of tangible personal property and services to
23 hospitals or infirmaries owned and operated by a corporation or
24 association in which no part of the net earnings inures to the
25 benefit of any private shareholder, group or individual, and which
26 are subject to and governed by Sections 41-7-123 through 41-7-127.

27 Only sales of tangible personal property or services which
28 are ordinary and necessary to the operation of such hospitals and
29 infirmaries are exempted from tax.

30 (b) Sales of daily or weekly newspapers, and
31 periodicals or publications of scientific, literary or educational
32 organizations exempt from federal income taxation under Section
33 501(c)(3) of the Internal Revenue Code of 1954, as it exists as of
34 March 31, 1975, and subscription sales of all magazines.

35 (c) Sales of coffins, caskets and other materials used
36 in the preparation of human bodies for burial.

37 (d) Sales of tangible personal property for immediate
38 export to a foreign country.

39 (e) Sales of tangible personal property to an
40 orphanage, old men's or ladies' home, supported wholly or in part
41 by a religious denomination, fraternal nonprofit organization or
42 other nonprofit organization.

43 (f) Sales of tangible personal property, labor or
44 services taxable under Sections 27-65-17, 27-65-19, and 27-65-23,
45 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a
46 corporation or association in which no part of the net earnings
47 inures to the benefit of any private shareholder, group or
48 individual.

49 (g) Sales to elementary and secondary grade schools,
50 junior and senior colleges owned and operated by a corporation or
51 association in which no part of the net earnings inures to the
52 benefit of any private shareholder, group or individual, and which
53 are exempt from state income taxation, provided that this
54 exemption does not apply to sales of property or services which
55 are not to be used in the ordinary operation of the school, or
56 which are to be resold to the students or the public.

57 (h) The gross proceeds of retail sales and the use or
58 consumption in this state of drugs and medicines:

59 (i) Prescribed for the treatment of a human being

60 by a person authorized to prescribe the medicines, and dispensed
61 or prescription filled by a registered pharmacist in accordance
62 with law; or

63 (ii) Furnished by a licensed physician, surgeon,
64 dentist or podiatrist to his own patient for treatment of the
65 patient; or

66 (iii) Furnished by a hospital for treatment of any
67 person pursuant to the order of a licensed physician, surgeon,
68 dentist or podiatrist; or

69 (iv) Sold to a licensed physician, surgeon,
70 podiatrist, dentist or hospital for the treatment of a human
71 being; or

72 (v) Sold to this state or any political
73 subdivision or municipal corporation thereof, for use in the
74 treatment of a human being or furnished for the treatment of a
75 human being by a medical facility or clinic maintained by this
76 state or any political subdivision or municipal corporation
77 thereof.

78 "Medicines," as used in this paragraph, shall mean and
79 include any substance or preparation intended for use by external
80 or internal application to the human body in the diagnosis, cure,
81 mitigation, treatment or prevention of disease and which is
82 commonly recognized as a substance or preparation intended for
83 such use; provided that "medicines" do not include any auditory,
84 prosthetic, ophthalmic or ocular device or appliance, any dentures
85 or parts thereof or any artificial limbs or their replacement
86 parts, articles which are in the nature of splints, bandages,
87 pads, compresses, supports, dressings, instruments, apparatus,
88 contrivances, appliances, devices or other mechanical, electronic,
89 optical or physical equipment or article or the component parts
90 and accessories thereof, or any alcoholic beverage or any other
91 drug or medicine not commonly referred to as a prescription drug.

92 Notwithstanding the preceding sentence of this subsection,

93 "medicines" as used in this subsection, shall mean and include
94 sutures, whether or not permanently implanted, bone screws, bone
95 pins, pacemakers and other articles permanently implanted in the
96 human body to assist the functioning of any natural organ, artery,
97 vein or limb and which remain or dissolve in the body.

98 "Hospital," as used in this paragraph, shall have the meaning
99 ascribed to it in Section 41-9-3.

100 Insulin furnished by a registered pharmacist to a person for
101 treatment of diabetes as directed by a physician shall be deemed
102 to be dispensed on prescription within the meaning of this
103 subsection.

104 (i) Retail sales of automobiles, trucks and
105 truck-tractors if exported from this state within forty-eight (48)
106 hours and registered and first used in another state.

107 (j) Sales of tangible personal property or services to
108 the Salvation Army and the Muscular Dystrophy Association, Inc.

109 (k) From July 1, 1985, through December 31, 1992,
110 retail sales of "alcohol blended fuel" as such term is defined in
111 Section 75-55-5. The gasoline-alcohol blend or the straight
112 alcohol eligible for this exemption shall not contain alcohol
113 distilled outside the State of Mississippi.

114 (l) Sales of tangible personal property or services to
115 the Institute for Technology Development.

116 (m) The gross proceeds of retail sales of food and
117 drink for human consumption made through vending machines serviced
118 by full line vendors from and not connected with other taxable
119 businesses.

120 (n) The gross proceeds of sales of motor fuel.

121 (o) Retail sales of food for human consumption
122 purchased with food stamps issued by the United States Department
123 of Agriculture, or other federal agency, from and after October 1,
124 1987, or from and after the expiration of any waiver granted
125 pursuant to federal law, the effect of which waiver is to permit

126 the collection by the state of tax on such retail sales of food
127 for human consumption purchased with food stamps.

128 (p) Sales of cookies for human consumption by the Girl
129 Scouts of America no part of the net earnings from which sales
130 inures to the benefit of any private group or individual.

131 (q) Gifts or sales of tangible personal property or
132 services to public or private nonprofit museums of art.

133 (r) Sales of tangible personal property or services to
134 alumni associations of state-supported colleges or universities.

135 (s) Sales of tangible personal property or services to
136 chapters of the National Association of Junior Auxiliaries, Inc.

137 (t) Sales of tangible personal property or services to
138 domestic violence shelters which qualify for state funding under
139 Sections 93-21-101 through 93-21-113.

140 (u) Sales of tangible personal property or services to
141 the National Multiple Sclerosis Society, Mississippi Chapter.

142 (v) Retail sales of food for human consumption
143 purchased with food instruments issued the Mississippi Band of
144 Choctaw Indians under the Women, Infants and Children Program
145 (WIC) funded by the United States Department of Agriculture.

146 (w) Sales of tangible personal property or services to
147 a private company, as defined in Section 57-61-5, which is making
148 such purchases with proceeds of bonds issued under Section 57-61-1
149 et seq., the Mississippi Business Investment Act.

150 (x) The gross collections from the operation of
151 self-service, coin-operated car washing equipment and sales of the
152 service of washing motor vehicles with portable high pressure
153 washing equipment on the premises of the customer.

154 (y) Sales of tangible personal property, labor or
155 services to Dixie Youth Baseball organizations that are exempt
156 from federal income taxation under 26 USCS Section 501(c).

157 SECTION 2. Nothing in this act shall affect or defeat any
158 claim, assessment, appeal, suit, right or cause of action for

159 taxes due or accrued under the sales tax laws before the date on
160 which this act becomes effective, whether such claims,
161 assessments, appeals, suits or actions have been begun before the
162 date on which this act becomes effective or are begun thereafter;
163 and the provisions of the sales tax laws are expressly continued
164 in full force, effect and operation for the purpose of the
165 assessment, collection and enrollment of liens for any taxes due
166 or accrued and the execution of any warrant under such laws before
167 the date on which this act becomes effective, and for the
168 imposition of any penalties, forfeitures or claims for failure to
169 comply with such laws.

170 SECTION 3. This act shall take effect and be in force from
171 and after July 1, 1999.