

By: Representative Brown

To: Ways and Means

HOUSE BILL NO. 1680

1 AN ACT TO PROVIDE FOR A ONE-TIME MOTOR VEHICLE TITLE
2 PRIVILEGE TAX ON PASSENGER MOTOR VEHICLES AND LIGHT TRUCKS
3 WHENEVER TITLE TO THOSE TYPES OF VEHICLES IS TRANSFERRED; TO
4 PROVIDE FOR AN ANNUAL RENEWAL MOTOR VEHICLE TITLE PRIVILEGE TAX ON
5 THOSE TYPES OF VEHICLES; TO PROVIDE FOR AN ANNUAL MOTOR VEHICLE
6 TAG FEE FOR PASSENGER MOTOR VEHICLES AND LIGHT TRUCKS; TO PROVIDE
7 THAT THOSE TAXES AND FEES SHALL BE COLLECTED BY THE COUNTY TAX
8 COLLECTORS AND REMITTED MONTHLY TO THE STATE TAX COMMISSION; TO
9 PROVIDE FOR DISTRIBUTION OF THOSE FUNDS AMONG THE MOTOR VEHICLE
10 TAX REIMBURSEMENT FUND AND THE STATE GENERAL FUND; TO ESTABLISH
11 THE MOTOR VEHICLE TAX REIMBURSEMENT FUND IN THE STATE TREASURY; TO
12 PROVIDE THAT THE STATE TAX COMMISSION SHALL MAKE MONTHLY PAYMENTS
13 FROM THE MOTOR VEHICLE TAX REIMBURSEMENT FUND TO REIMBURSE THE
14 COUNTIES, CITIES, SCHOOL DISTRICTS AND OTHER TAXING DISTRICTS FOR
15 AD VALOREM TAXES, ROAD AND BRIDGE PRIVILEGE TAXES AND AD VALOREM
16 TAX COLLECTION FEES LOST AS A RESULT OF THE EXEMPTIONS PROVIDED
17 FOR IN THIS ACT; TO PROVIDE FOR PAYMENTS TO CITIES TO REIMBURSE
18 THEM FOR SALES TAX REVENUES LOST AS A RESULT OF THE MOTOR VEHICLE
19 SALES TAX EXEMPTION PROVIDED FOR IN THIS ACT; TO PROVIDE FOR THE
20 ADMINISTRATION AND ENFORCEMENT OF THIS ACT; TO AMEND SECTIONS
21 27-19-5 AND 27-19-11, MISSISSIPPI CODE OF 1972, TO EXEMPT
22 PASSENGER MOTOR VEHICLES AND LIGHT TRUCKS FROM THE ANNUAL ROAD AND
23 BRIDGE PRIVILEGE TAX; TO AMEND SECTION 27-51-41, MISSISSIPPI CODE
24 OF 1972, TO EXEMPT THOSE TYPES OF VEHICLES FROM CERTAIN AD VALOREM
25 TAX MILLAGE; TO AMEND SECTION 27-51-33, MISSISSIPPI CODE OF 1972,
26 TO PROVIDE THAT THE AD VALOREM TAX EXEMPTION PROVIDED FOR IN THIS
27 ACT SHALL NOT AFFECT THE TOTAL ASSESSED VALUE OF COUNTIES AND
28 MUNICIPALITIES; TO AMEND SECTION 27-7-17, MISSISSIPPI CODE OF
29 1972, TO PROVIDE AN INCOME TAX DEDUCTION FOR PAYMENT OF THE MOTOR
30 VEHICLE TITLE PRIVILEGE TAX AND MOTOR VEHICLE TAG FEE; TO AMEND
31 SECTIONS 27-65-111 AND 27-65-201, MISSISSIPPI CODE OF 1972, TO
32 EXEMPT SALES OF PASSENGER MOTOR VEHICLES AND LIGHT TRUCKS FROM
33 SALES TAX; TO AMEND SECTION 25-7-21, MISSISSIPPI CODE OF 1972, TO
34 PROVIDE THAT THE TAX COLLECTOR SHALL NOT RECEIVE A FEE FOR
35 REMITTING PAYMENTS FROM THE MOTOR VEHICLE TAX REIMBURSEMENT FUND
36 TO THE CITIES, SCHOOL DISTRICTS AND OTHER TAXING DISTRICTS; TO
37 AMEND SECTION 27-19-43, MISSISSIPPI CODE OF 1972, TO INCREASE THE
38 MOTOR VEHICLE REGISTRATION FEE AND DELETE THE REFERENCES TO THAT
39 FEE AS A "TAG FEE"; TO AMEND SECTIONS 27-19-45, 27-19-49,
40 27-19-56.5, 27-19-56.12, 27-19-56.13, 27-19-69, 27-19-71,
41 27-19-73, 27-19-99 AND 27-19-155, MISSISSIPPI CODE OF 1972, IN
42 CONFORMITY TO THE PRECEDING SECTION; TO AMEND SECTIONS 27-29-11,
43 27-51-25 AND 27-51-29, MISSISSIPPI CODE OF 1972, IN CONFORMITY
44 WITH THE PROVISIONS OF THIS ACT; TO AMEND SECTION 27-65-17,
45 MISSISSIPPI CODE OF 1972, TO ELIMINATE THE ADDITIONAL TWO PERCENT
46 SALES TAX ON THE RETAIL SALES OF PASSENGER MOTOR VEHICLES AND
47 LIGHT TRUCKS; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
48 TO DELETE THE PROVISIONS FOR SALES TAXES COLLECTED ON RETAIL SALES
49 OF PASSENGER MOTOR VEHICLES AND LIGHT TRUCKS TO BE DEPOSITED INTO
50 THE MOTOR VEHICLE AD VALOREM TAX REDUCTION FUND; TO AMEND SECTION
51 27-67-31, MISSISSIPPI CODE OF 1972, TO DELETE THE PROVISIONS FOR
52 USE TAXES COLLECTED ON RETAIL SALES OF PASSENGER MOTOR VEHICLES

53 AND LIGHT TRUCKS TO BE DEPOSITED INTO THE MOTOR VEHICLE AD VALOREM
54 TAX REDUCTION FUND; TO REPEAL SECTIONS 27-51-101, 27-51-103,
55 27-51-105 AND 27-51-107, MISSISSIPPI CODE OF 1972, WHICH PROVIDE
56 FOR DEFINITIONS, PROVIDE FOR A CREDIT AGAINST MOTOR VEHICLE AD
57 VALOREM TAXES FOR PASSENGER MOTOR VEHICLES AND LIGHT TRUCKS,
58 ESTABLISH THE MOTOR VEHICLE AD VALOREM TAX REDUCTION FUND, AND
59 PROVIDE FOR DISTRIBUTIONS FROM THE FUND; AND FOR RELATED PURPOSES.

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

61 SECTION 1. (1) From and after October 1, 1999, whenever
62 title to a private carrier of passengers or light carrier of
63 property is transferred, there is imposed upon the person to whom
64 the title is transferred a one-time initial motor vehicle title
65 privilege tax in the following amounts:

66 True Value of	Assessed Value of	Motor Vehicle
67 Motor Vehicle	Motor Vehicle	Title Privilege Tax
68 More than \$30,000.00	More than \$9,000.00	\$2,100.00
69 \$30,000.00 - \$25,000.00	\$9,000.00 - \$7,500.00	\$1,750.00
70 \$24,999.99 - \$20,000.00	\$7,499.99 - \$6,000.00	\$1,450.00
71 \$19,999.99 - \$15,000.00	\$5,999.99 - \$4,500.00	\$1,000.00
72 \$14,999.99 - \$10,000.00	\$4,499.99 - \$3,000.00	\$ 700.00
73 \$ 9,999.99 - \$ 5,000.00	\$2,999.99 - \$1,500.00	\$ 500.00
74 \$ 4,999.99 - \$ 3,000.00	\$1,499.99 - \$ 900.00	\$ 300.00
75 Less than \$3,000.00	Less than \$900.00	\$ 200.00

76 (2) Where a motor vehicle is sold and a trade-in of another
77 motor vehicle is taken as partial payment on the motor vehicle
78 being sold, the calculation of the initial motor vehicle title
79 privilege tax under subsection (1) of this section shall be based
80 only upon the difference between the true value of the motor
81 vehicle and the amount allowed for the trade-in motor vehicle.

82 (3) Upon each owner of a motor vehicle for which the initial
83 motor vehicle title privilege tax was imposed under subsection (1)
84 of this section at the time the owner acquired title to the
85 vehicle, there is imposed annually a renewal motor vehicle title
86 privilege tax of Two Dollars (\$2.00).

87 (4) From and after October 1, 1999, upon each owner of a
88 private carrier of passengers or light carrier of property, there
89 is imposed annually a motor vehicle tag fee in the following

90 amounts:

91	True Value of	Assessed Value of	Motor Vehicle
92	Motor Vehicle	Motor Vehicle	Tag Fee
93	More than \$30,000.00	More than \$9,000.00	\$225.00
94	\$30,000.00 - \$25,000.00	\$9,000.00 - \$7,500.00	\$200.00
95	\$24,999.99 - \$20,000.00	\$7,499.99 - \$6,000.00	\$150.00
96	\$19,999.99 - \$15,000.00	\$5,999.99 - \$4,500.00	\$125.00
97	\$14,999.99 - \$10,000.00	\$4,499.99 - \$3,000.00	\$100.00
98	\$ 9,999.99 - \$ 5,000.00	\$2,999.99 - \$1,500.00	\$ 75.00
99	\$ 4,999.99 - \$ 3,000.00	\$1,499.99 - \$ 900.00	\$ 50.00
100	Less than \$3,000.00	Less than \$900.00	\$ 30.00

101 (5) All private carriers of passengers and light carriers of
102 property that are exempt from all ad valorem taxes under state law
103 shall be exempt from payment of the motor vehicle tag fee imposed
104 under subsection (4) of this section.

105 (6) The taxes and fees provided for in this section shall be
106 paid at the same time the registration fee imposed under Section
107 27-19-43 is paid, and the payment of those taxes and fees shall be
108 a prerequisite to the issuance of a license tag or decals.

109 (7) As used in Sections 1 through 6 of this act, unless the
110 context requires otherwise:

111 (a) "Private carrier of passengers" shall be defined as
112 provided in Section 27-19-3, but shall not be construed to include
113 motorcycles.

114 (b) "Light carrier of property" means any motor vehicle
115 with a gross weight, as defined in Section 27-19-3, of six
116 thousand (6,000) pounds or less that is designed and constructed
117 for the primary purpose of transporting property on the roads and
118 highways.

119 (c) "Fiscal year" means the period beginning on October
120 1 and ending on September 30 of the following year.

121 (d) "Commission" means the State Tax Commission.

122 SECTION 2. (1) The taxes and fees imposed under Section 1
123 of this act shall be collected by the county tax collectors. The

124 tax collectors shall be liable for the taxes and fees that they
125 are required to collect and that they actually collect under
126 Section 1 of this act, and failure to properly collect or maintain
127 proper records shall not relieve the tax collectors of that
128 liability.

129 (2) Within twenty (20) days after the end of October 1999
130 and each succeeding month thereafter, each county tax collector
131 shall file a report with the State Tax Commission on all taxes and
132 fees collected under Section 1 of this act. The report shall
133 cover all collections made during the calendar month next
134 preceding the date on which the report is due and filed, and shall
135 indicate the specific amount that was collected from each type of
136 tax or fee. Any error in the report to the commission may be
137 adjusted on a subsequent report. If the error was in the
138 collection by the tax collector, it shall be adjusted through the
139 tax collector with the owner of the motor vehicle before credit is
140 allowed. All information relating to the collection of the taxes
141 and fees by tax collectors under Section 1 of this act and any
142 records as the commission may require shall be preserved in the
143 tax collector's office for a period of three (3) years for audit
144 by the commission.

145 (3) All taxes and fees collected by the tax collectors under
146 Section 1 of this act shall be remitted monthly to the commission
147 within twenty (20) days after the end of October 1999 and each
148 succeeding month thereafter, along with the report filed under
149 subsection (2) of this section. The tax collectors shall not be
150 authorized to retain any portion of the taxes and fees collected
151 under Section 1 of this act.

152 (4) Seventy-five percent (75%) of the amount collected under
153 subsection (1) of Section 1 and all of the amount collected under
154 subsections (3) and (4) of Section 1 shall be deposited by the
155 commission in the Motor Vehicle Tax Reimbursement Fund created in
156 Section 3 of this act. From the remaining twenty-five percent
157 (25%) of the amount collected under subsection (1) of Section 1,

158 the commission first shall make monthly payments to municipalities
159 as provided in Section 5 of this act. After those payments have
160 been made, the remainder of the twenty-five percent (25%) of the
161 amount collected under subsection (1) of Section 1 shall be
162 deposited by the commission in the State General Fund.

163 SECTION 3. (1) There is established in the State Treasury a
164 special fund to be known as the Motor Vehicle Tax Reimbursement
165 Fund, for the purpose of:

166 (a) Reimbursing counties, municipalities, school
167 districts and other taxing districts for motor vehicle ad valorem
168 taxes that are lost as a result of the ad valorem tax exemption
169 for private carriers of passengers and light carriers of property
170 that is provided for in subsection (2)(h) of Section 27-51-41;

171 (b) Reimbursing counties for road and bridge privilege
172 taxes that are lost as a result of the exemption of private
173 carriers of passengers and light carriers of property from road
174 and bridge privilege taxes that is provided for in Sections
175 27-19-5 and 27-19-11 as amended by Sections 7 and 8 of this act;
176 and

177 (c) Reimbursing counties for fees of the county tax
178 collectors for collecting motor vehicle ad valorem taxes for
179 municipalities, municipal school districts and other taxing
180 districts that are lost as a result of the ad valorem tax
181 exemption for private carriers of passengers and light carriers of
182 property that is provided for in subsection (2)(h) of Section
183 27-51-41.

184 (2) Monies in the fund shall be provided from the initial
185 and renewal motor vehicle title privilege tax and the motor
186 vehicle tag fee imposed on motor vehicles under Section 1 of this
187 act. The fund shall be administered by the State Tax Commission,
188 and monies in the fund shall be expended upon appropriation by the
189 Legislature. Unexpended amounts remaining in the fund at the end
190 of the state fiscal year shall not lapse into the State General
191 Fund, and any interest earned on amounts in the fund shall be

192 deposited to the credit of the fund.

193 SECTION 4. (1) Within fifteen (15) days after the end of
194 November 1999 and each succeeding month thereafter, the State Tax
195 Commission shall make payments from the Motor Vehicle Tax
196 Reimbursement Fund established in Section 3 of this act to the
197 county tax collectors for distribution to the counties,
198 municipalities, school districts and other taxing district as
199 reimbursement for motor vehicle ad valorem taxes that are lost as
200 a result of the ad valorem tax exemption for private carriers of
201 passengers and light carriers of property that is provided for in
202 subsection (2)(h) of Section 27-51-41. These payments shall be in
203 amounts that will provide each county, municipality, school
204 district and other taxing district for which the tax collector
205 collects motor vehicle ad valorem taxes with an aggregate amount
206 from the fund for that purpose for each fiscal year that is equal
207 to the total amount of ad valorem taxes that were collected on
208 private carriers of passengers and light carriers of property in
209 the county, municipality, school district or other taxing district
210 during the 1998-1999 fiscal year. The amount that each county,
211 municipality, school district and other taxing district will
212 receive for each fiscal year under this subsection shall be
213 determined by the commission based on documentation provided by
214 the tax collectors about motor vehicle ad valorem taxes collected
215 during the 1998-1999 fiscal year.

216 (2) At the same time as the payments under subsection (1) of
217 this section are made, the commission shall make additional
218 payments from the Motor Vehicle Tax Reimbursement Fund to the
219 counties as reimbursement for road and bridge privilege taxes that
220 are lost as a result of the exemption of private carriers of
221 passengers and light carriers of property from road and bridge
222 privilege taxes that is provided for in Sections 27-19-5 and
223 27-19-11 as amended by Sections 7 and 8 of this act. These
224 payments shall be made to the chancery clerk for deposit in the
225 county road fund. The payments shall be in amounts that will

226 provide each county with an aggregate amount from the fund for
227 that purpose for each fiscal year that is equal to the total
228 amount of road and bridge privilege taxes that were collected on
229 private carriers of passengers and light carriers of property in
230 the county during the 1998-1999 fiscal year. The amount that each
231 county will receive for each fiscal year under this subsection
232 shall be determined by the commission based on documentation
233 provided by the tax collectors about road and bridge privilege
234 taxes collected during the 1998-1999 fiscal year.

235 (3) At the same time as the payments under subsections (1)
236 and (2) of this section are made, the commission shall make
237 additional payments from the Motor Vehicle Tax Reimbursement Fund
238 to the counties as reimbursement for fees of the county tax
239 collectors for collecting motor vehicle ad valorem taxes for
240 municipalities, municipal school districts and other taxing
241 districts, as provided for in Sections 25-7-21 and 27-51-29, that
242 are lost as a result of the ad valorem tax exemption for private
243 carriers of passengers and light carriers of property that is
244 provided for in subsection (2)(h) of Section 27-51-41. These
245 payments shall be made to the chancery clerk for deposit in the
246 county general fund. The payments shall be in amounts that will
247 provide each county with an aggregate amount from the fund for
248 that purpose for each fiscal year that is equal to the total
249 amount of the fees that the county tax collector retained from ad
250 valorem taxes collected for municipalities, municipal school
251 districts and other taxing districts on private carriers of
252 passengers and motor vehicle carriers of property during the
253 1998-1999 fiscal year. The amount that each county will receive
254 for each fiscal year under this subsection shall be determined by
255 the commission based on documentation provided by the tax
256 collectors about fees retained by the county tax collectors from
257 motor vehicle ad valorem taxes collected for municipalities,
258 municipal school districts and other taxing districts during the
259 1998-1999 fiscal year.

260 (4) If there are surplus monies in the Motor Vehicle Tax
261 Reimbursement Fund after all the required payments under
262 subsections (1), (2) and (3) of this section have been made for
263 any fiscal year, the commission shall make payments of those
264 surplus monies to the county tax collectors within forty-five (45)
265 days after the end of the fiscal year for distribution to the
266 counties, municipalities, school districts and other taxing
267 districts. These payments shall be in amounts that will provide
268 each county, municipality, school district and other taxing
269 district for which the tax collector collects motor vehicle ad
270 valorem taxes with its pro rata share of that surplus monies,
271 based on the percentage of the total ad valorem taxes collected on
272 private carriers of passengers and light carriers of property in
273 all counties, municipalities, school districts and other taxing
274 districts during the 1998-1999 fiscal year that were collected in
275 the individual county, municipality, school district or other
276 taxing district. The applicable percentage for each county,
277 municipality, school district and other taxing district under this
278 subsection, and the amount of any surplus monies that each county,
279 municipality, school district and other taxing district will
280 receive under this subsection, shall be determined by the
281 commission based on documentation provided by the tax collectors
282 about motor vehicle ad valorem taxes collected during the
283 1998-1999 fiscal year.

284 (5) Within ten (10) days after receipt of the payments from
285 the commission under subsections (1) and (4) of this section, the
286 county tax collectors shall remit the appropriate amount of the
287 payments to the chancery clerk and to any municipalities,
288 municipal school districts and other taxing districts for which
289 the county tax collector collects motor vehicle ad valorem taxes.
290 The appropriate amount to be remitted to each chancery clerk,
291 municipality, school district and other taxing district shall be
292 specified by the commission at the time it makes the payments to
293 the tax collectors.

294 (6) Funds received by counties, municipalities, school
295 districts and other taxing districts from the payments under
296 subsections (1) and (4) of this section shall be considered to be,
297 and shall be used in the same manner as, the proceeds of motor
298 vehicle ad valorem taxes. Funds received by counties from the
299 payments under subsection (2) of this section shall be considered
300 to be, and shall be used in the same manner as, road and bridge
301 privilege taxes that are deposited in the county road fund.

302 SECTION 5. From the twenty-five percent (25%) of the amount
303 collected under subsection (1) of Section 1 that is not to be
304 deposited in the Motor Vehicle Tax Reimbursement Fund, the State
305 Tax Commission shall make monthly payments to municipalities in
306 amounts that will provide each municipality with a total amount
307 from those payments for each fiscal year that is not less than
308 five hundred fifty-five thousandths percent (0.555%) of the total
309 amount of the sales prices of all private carriers of passengers
310 and light carriers of property that were sold within the
311 municipality by motor vehicle dealers, as defined in Section
312 27-19-3, during the preceding fiscal year. The commission shall
313 require all motor vehicle dealers to report to it on a regular
314 basis, as specified by the commission, the total amount of the
315 sales prices of all of those vehicles sold by each dealer in each
316 municipality during the preceding reporting period. The payments
317 made under this section shall be made at the same time as the
318 payments under Section 4 are made to municipalities and shall be
319 made directly to the municipalities for deposit in the appropriate
320 municipal fund.

321 In any county having a county seat that is not an
322 incorporated municipality, the payments made under this section
323 shall be made as though the county seat were an incorporated
324 municipality; however, the payments to the county seat shall be
325 paid to the county treasury in which the county seat is located,
326 and those funds shall be used for road, bridge and street
327 construction or maintenance therein.

328 SECTION 6. (1) The motor vehicle privilege tax law (Section
329 27-19-1 et seq.) shall be applicable to the administration and
330 enforcement of Sections 1 through 6 of this act to the extent that
331 it does not conflict with those sections. The State Tax
332 Commission shall adopt rules and regulations as necessary for the
333 administration and enforcement of Sections 1 through 6 of this
334 act.

335 (2) The motor vehicle tag fee imposed under subsection (4)
336 of Section 1 shall be considered to be the same as the road and
337 bridge privilege tax, highway privilege tax or privilege license
338 tax for the purposes of the motor vehicle privilege tax law and
339 for the purposes of any other provision that refers to the road
340 and bridge privilege tax, highway privilege tax or privilege
341 license tax, to the extent that the privilege tax law or other
342 provision does not conflict with Sections 1 through 6 of this act.
343 Application for, payment, collection and enforcement of,
344 penalties for and refunds of the motor vehicle tag fee shall be
345 carried out under the motor vehicle privilege tax law in the same
346 manner as if the motor vehicle tag fee were the road and bridge
347 privilege tax, highway privilege tax or privilege license tax, to
348 the extent that the privilege tax law does not conflict with
349 Sections 1 through 6 of this act. In addition, application for
350 payment, collection and enforcement of, penalties for and refunds
351 of the initial and renewal motor vehicle title privilege tax shall
352 be carried out under the motor vehicle privilege tax law using the
353 same procedures that are applicable to the road and bridge
354 privilege tax, highway privilege tax or privilege license tax, to
355 the extent that the privilege tax law does not conflict with
356 Sections 1 through 6 of this act.

357 (3) Payment of the motor vehicle tag fee imposed under
358 subsection (4) of Section 1 shall be considered to be the same as
359 payment of the road and bridge privilege tax, highway privilege
360 tax, privilege license tax or privilege license for the purposes
361 of any provision that requires payment of that tax or license as a

362 prerequisite for authorization to take some action or receive some
363 benefit or privilege.

364 (4) Any vehicle that is required to pay the motor vehicle
365 tag fee imposed under subsection (4) of Section 1 shall be
366 considered to be a vehicle that is required to have a motor
367 vehicle privilege license, and an application for payment of the
368 motor vehicle tag fee shall be considered to be an application for
369 a motor vehicle privilege license. The issuance of a license tag
370 or decals to any person who has paid the motor vehicle tag fee
371 shall be considered to be the issuance of the motor vehicle
372 privilege license for the vehicle for which the tag or decals were
373 issued.

374 SECTION 7. Section 27-19-5, Mississippi Code of 1972, is
375 amended as follows:

376 27-19-5. (1) There is * * * levied the following annual
377 highway privilege tax on operators of motorcycles as reasonable
378 compensation for the use of the highways of this state:

379 * * *

380 On each motorcycle, per annum \$8.00

381 (2) Private carriers of passengers are exempt from the
382 annual highway privilege tax levied under this article.

383 SECTION 8. Section 27-19-11, Mississippi Code of 1972, is
384 amended as follows:

385 27-19-11. On each carrier of property, for each motor
386 vehicle, truck-tractor or road tractor used in the operation of
387 any business as such, and on each bus, there is * * * levied an
388 annual highway privilege tax in accordance with the following
389 schedule, except that the gross vehicle weight of buses shall be
390 the gross weight of the vehicle plus one hundred fifty (150)
391 pounds per each regular seat.

392 RATE OF TAX

393 GROSS WEIGHT	PRIVATE COMMERCIAL	PRIVATE	PRIVATE
394 OF VEHICLE	CARRIERS OF PROPERTY	COMMERCIAL	CARRIERS
395 NOT TO EXCEED	WITH A GROSS VEHICLE	CARRIERS OF	OF

	IN POUNDS	WEIGHT IN EXCESS OF	PROPERTY WITH	PROPERTY
396		60,000 POUNDS,	A GROSS VEHICLE	
397		COMMON AND CONTRACT	WEIGHT OF 60,000	
398		CARRIERS OF PROPERTY	POUNDS OR LESS	
399		AND BUSES		
400				
401	0000-6000	<u>Exempt</u>	<u>Exempt</u>	<u>Exempt</u>
402	6001-10000	\$ 33.60	\$ 25.20	\$ 16.80
403	10001-16000	78.40	70.70	39.20
404	16001-20000	156.00	129.00	78.00
405	20001-26000	228.00	192.00	114.00
406	26001-30000	300.00	247.00	150.00
407	30001-36000	384.00	318.00	192.00
408	36001-40000	456.00	378.00	228.00
409	40001-42000	504.00	420.00	264.00
410	42001-44000	528.00	444.00	276.00
411	44001-46000	552.00	456.00	282.00
412	46001-48000	588.00	492.00	300.00
413	48001-50000	612.00	507.00	312.00
414	50001-52000	660.00	540.00	336.00
415	52001-54000	684.00	564.00	348.00
416	54001-56000	708.00	588.00	360.00
417	56001-58000	756.00	624.00	384.00
418	58001-60000	780.00	642.00	396.00
419	60001-62000	828.00		420.00
420	62001-64000	852.00		432.00
421	64001-66000	900.00		482.00
422	66001-68000	936.00		504.00
423	68001-70000	972.00		
424	516.00 70001-72000		996.00	
425	528.00			
426	72001-74000	1,128.00		576.00
427	74001-76000	1,248.00		512.00
428	76001-78000	1,380.00		720.00
429	78001-80000	1,512.00		864.00

430 In addition to the above levied annual highway privilege tax
431 on vehicles with a gross weight exceeding ten thousand (10,000)
432 pounds, there is levied and shall be collected an additional
433 privilege tax in the amount of One Thousand Three Hundred Fifty
434 Dollars (\$1,350.00) for each current or later year model vehicle
435 based upon a licensed weight of eighty thousand (80,000) pounds.
436 This additional privilege tax shall be reduced by the amount of
437 One Hundred Seventy-five Dollars (\$175.00) for each year of age to
438 a minimum of Fifty Dollars (\$50.00) and further reduced by the
439 ratio of licensed weight to the maximum weight of eighty thousand
440 (80,000) pounds. During the first year only, the privilege tax
441 monies collected under the provisions of this paragraph shall be
442 distributed to the various counties of the state on the basis of
443 the ratio of the last year of annual ad valorem taxes collected by
444 such counties on such vehicles to the total ad valorem taxes
445 collected by all counties on such vehicles in the same year. In
446 all subsequent years, such distribution to the counties shall be
447 made on the basis of the ratio of the number of motor vehicles
448 registered in excess of ten thousand (10,000) pounds, in each
449 taxing district in each county, to the total number of such
450 vehicles registered statewide. The counties should then
451 distribute these proceeds as they would if these collections were
452 ad valorem taxes. * * * However, until July 1, 1993, vehicles
453 which are subject to the provisions of this section and were
454 licensed in another state shall not be subject to any other taxes
455 when registered in this state.

456 From the privilege tax monies collected under this section,
457 Three Million Seven Hundred Thirty-two Thousand Four Hundred Three
458 Dollars and Eleven Cents (\$3,732,403.11) shall be earmarked and
459 set aside to be apportioned and paid to the counties of the state
460 in the manner provided by Section 27-19-159. Any excess privilege
461 tax monies collected under this section shall be deposited into
462 the State Highway Fund for the construction, maintenance and
463 reconstruction of highways and roads of the State of Mississippi

464 or the payment of interest and principal on bonds authorized by
465 the 1972 Regular Session of the Legislature for construction and
466 reconstruction of highways.

467 * * * No privilege license shall be issued for any period of
468 time for less than One Dollar (\$1.00).

469 All vehicles owned by the State of Mississippi or any county,
470 levee district, school or drainage district, or any other
471 political subdivision thereof, including municipalities, used for
472 the transportation of property, shall be classified as private
473 carriers of property and shall be registered as such.

474 The annual highway privilege tax imposed on operators engaged
475 exclusively in the transportation of household goods shall be the
476 same as the tax imposed upon private commercial carriers by this
477 section. However, in determining the amount of privilege taxes
478 due under the provisions of this section, there shall be allowed a
479 maximum tolerance of five hundred (500) pounds on all classes of
480 carriers except carriers of liquefied compressed gases and in the
481 case of carriers of liquefied compressed gases there shall be
482 allowed a maximum tolerance of two thousand (2,000) pounds.

483 * * * However, any owner or operator who operates a motor
484 vehicle on the public highways, with a license tag attached
485 thereto which was issued for another or different vehicle, shall
486 be liable for the privilege tax on the vehicle for twelve (12)
487 months plus a penalty thereon of twenty-five percent (25%).

488 * * * Carriers of property duly registered and licensed in
489 another state and being used to transport farm harvesting
490 machinery or equipment to and from a particular county in this
491 state may, upon adoption of a resolution by the board of
492 supervisors of the county where such machinery or equipment is
493 being exclusively used in harvesting farm crops within the county,
494 be exempt from the taxes herein levied when the resolution is
495 filed with the State Tax Commission. Such exemption shall not
496 exceed a period of forty (40) days for any annual period without a
497 second resolution of approval by the board of supervisors who

498 shall have the authority to extend the exemption not to exceed an
499 additional period of twenty (20) days during any annual period.

500 * * * A private commercial carrier of property hauling
501 interstate may purchase a common and contract carrier of property
502 license plate at the prescribed fee to allow the carrier to lease
503 on a one-way basis per trip without qualifying with the Public
504 Service Commission.

505 SECTION 9. Section 27-51-41, Mississippi Code of 1972, is
506 amended as follows:

507 27-51-41. (1) The exemptions from the provisions of this
508 chapter shall be confined to those persons or property exempted by
509 this chapter or by the provisions of the Constitution of the
510 United States or the State of Mississippi. No exemption as now
511 provided by any other statute shall be valid as against the tax
512 levied by this chapter. Any subsequent exemption from the tax
513 levied hereunder shall be provided by amendment to this section
514 which shall be inserted in the bill at length.

515 (2) The following shall be exempt from ad valorem taxation:

516 (a) All motor vehicles, as defined in this chapter, and
517 including motor-propelled farm implements and vehicles, while in
518 the hands of bona fide dealers as merchandise and which are not
519 being operated upon the highways of this state, shall be exempt
520 from all ad valorem taxes.

521 (b) All motor vehicles belonging to the federal
522 government or the State of Mississippi or any agencies or
523 instrumentalities thereof shall be exempt from all ad valorem
524 taxes.

525 (c) All motor vehicles owned by any school district in
526 the state shall be exempt from all ad valorem taxes.

527 (d) All motor vehicles owned by any fire protection
528 district incorporated in accordance with Sections 19-5-151 through
529 19-5-207 or by any fire protection grading district incorporated
530 in accordance with Sections 19-5-215 through 19-5-243 shall be
531 exempt from all ad valorem taxes.

532 (e) All motor vehicles owned by units of the
533 Mississippi National Guard shall be exempt from all ad valorem
534 taxes.

535 (f) All motor vehicles which are exempted from highway
536 privilege taxes under Section 27-19-1 et seq., except for private
537 carriers of passengers and light carriers of property, shall be
538 exempt from ad valorem taxes. As used in this paragraph (f),
539 "private carrier of passengers" and "light carrier of property"
540 shall be defined as provided in subsection (7) of Section 1 of
541 this act.

542 (g) All motor vehicles operated in this state as common
543 and contract carriers of property, private commercial carriers of
544 property, private carriers of property and buses, all of which
545 have a gross weight in excess of ten thousand (10,000) pounds,
546 shall be exempt from all ad valorem taxes.

547 (h) Each private carrier of passengers and light
548 carrier of property shall be exempt from the number of mills of ad
549 valorem tax that was levied for the 1998-1999 fiscal year by each
550 respective county, municipality, school district and other taxing
551 district in which the vehicle otherwise would be subject to ad
552 valorem taxation during the then current taxable year; however,
553 those vehicles shall be subject to any ad valorem tax millage
554 levied by any such county, municipality, school district or other
555 taxing district for the then current fiscal year that exceeds the
556 number of mills exempted by this paragraph (h) in the county,
557 municipality, school district or other taxing district. As used
558 in this paragraph (h), "private carrier of passengers," "light
559 carrier of property" and "fiscal year" shall be defined as
560 provided in subsection (7) of Section 1 of this act.

561 (i) Antique automobiles as defined in Section 27-19-47
562 shall be exempt from all ad valorem taxes.

563 (j) Street rods as defined in Section 27-19-56.6 shall
564 be exempt from all ad valorem taxes.

565 (k) Motor vehicles owned by disabled American veterans,

566 or by spouses of deceased disabled American veterans, in
567 accordance with Section 27-19-53, shall be exempt from all ad
568 valorem taxes.

569 (l) One (1) motor vehicle owned by the unremarried
570 surviving spouse of a member of the Armed Forces of the United
571 States who, while on active duty, is killed or dies and one (1)
572 motor vehicle owned by the unremarried surviving spouse of a
573 member of a reserve component of the Armed Forces of the United
574 States or of the National Guard who, while on active duty for
575 training, is killed or dies shall be exempt from ad valorem taxes.

576 (m) Motor vehicles owned by recipients of the
577 Congressional Medal of Honor or by former prisoners of war, or by
578 spouses of such deceased persons, in accordance with Section
579 27-19-54, shall be exempt from all ad valorem taxes.

580 (n) Any religious society, ecclesiastical body or any
581 congregation thereof shall be exempt from ad valorem taxation on
582 one (1) private carrier of passengers, as defined in Section
583 27-19-3, owned by it, which is used exclusively for such society
584 and not for profit. All motor vehicles owned by any such
585 religious society or any educational institution having a seating
586 capacity greater than seven (7) passengers and used exclusively
587 for transporting passengers for religious or educational purposes
588 and not for profit shall be exempt from all ad valorem taxes.

589 (o) All motor vehicles primarily used as rentals under
590 rental agreements with a term of not more than thirty (30)
591 continuous days each and under the control of persons who are
592 engaged in the business of renting such motor vehicles and who are
593 subject to the tax under Section 27-65-231 shall be exempt from
594 all ad valorem taxes.

595 (p) Antique motorcycles as defined in Section
596 27-19-47.1, shall be exempt from all ad valorem taxes.

597 (3) Any claim for tax exemption by authority of the
598 above-mentioned code sections or by any other legal authority
599 shall be set out in the application for the road and bridge

600 privilege license, and the specific legal authority for such tax
601 exemption claim shall be cited in the application, and such
602 authority cited shall be shown by the tax collector on the tax
603 receipt as his authority for not collecting such ad valorem taxes,
604 and the tax collector shall carry forward such information in his
605 tax collection reports.

606 (4) Any motor vehicle driven over the highways of this state
607 to the extent that the owner of such motor vehicle is required to
608 purchase a road and bridge privilege license in this state, yet
609 the legal situs of such motor vehicle is located in another state,
610 shall be exempt from ad valorem taxes authorized by this chapter.

611 (5) If a taxpayer shall sell, trade or otherwise dispose of
612 a vehicle on which the ad valorem and road and bridge privilege
613 taxes have been paid in any county in the state, he shall remove
614 the license plate from the vehicle. Such license plate must be
615 surrendered to the issuing authority with the corresponding tax
616 receipt, if required, and credit shall be allowed for the taxes
617 paid for the remaining tax year on like privilege or ad valorem
618 taxes due on another vehicle owned by the seller or transferor or
619 by the seller's or transferor's spouse or dependent child. If the
620 seller or transferor does not elect to receive such credit at the
621 time the license plate is surrendered, the issuing authority shall
622 issue a certificate of credit to the seller or transferor, or to
623 the seller's or transferor's spouse or dependent child, or to any
624 other person, business or corporation, at the direction of the
625 seller or transferor, for the remaining unexpired taxes prorated
626 from the first day of the month following the month in which the
627 license plate is surrendered. The total of such credit may be
628 used by the person or entity to whom the certificate of credit is
629 issued, regardless of the relative amounts attributed to privilege
630 taxes or to county, school or municipal ad valorem taxes. Any
631 credit allowed for taxes due or any certificate of credit issued
632 may be applied to like taxes owed in any county by the person to
633 whom the credit is allowed or by the person possessing the

634 certificate of credit. No credit, however, shall be allowed on
635 the charge made for the license plate. Such license plates
636 surrendered to the tax collector shall be retained by him, and in
637 no event shall such license plate be attached to any vehicle after
638 being surrendered to the tax collector, nor shall any license
639 plate be transferred from one (1) vehicle to any other vehicle.

640 (6) If the person owning a vehicle subject to taxation under
641 the provisions of this chapter does not operate such vehicle on
642 the highways of this state from the date of acquisition or, if
643 previously registered, from the end of the anniversary month of
644 the tag and decals to the date on which he makes application for a
645 current license tag or decals, he shall pay such ad valorem tax
646 for a period of twelve (12) months beginning with the first day of
647 the month in which he applies for a current license tag or decals
648 under Chapter 19, Title 27, Mississippi Code of 1972. The owner
649 shall submit an affidavit with an application attesting to the
650 fact that the vehicle was not operated on the highways of this
651 state from the date of acquisition or, if previously registered,
652 from the end of the anniversary month of the tag and decals to the
653 date on which he makes application for the current license tag or
654 decals.

655 (7) Any person found violating any of the provisions of this
656 section shall be arrested and tried, and if found guilty shall be
657 fined in an amount double the total amount of taxes involved.

658 SECTION 10. Section 27-51-33, Mississippi Code of 1972, is
659 amended as follows:

660 27-51-33. Upon enactment of this law, the tax assessors of
661 the various counties and municipalities of the state shall not be
662 required to assess motor vehicles, as defined in this chapter, in
663 preparing their regular assessment rolls from year to year.

664 The total assessed value of all motor vehicles as reflected
665 by the annual report of the county tax collector shall be
666 considered as a legal part of the assessed value of personal
667 property in the county and the total assessed value of motor

668 vehicles on which taxes were paid during the next preceding fiscal
669 year shall be used in determining the total assessed value of a
670 county for classification purposes, and the total assessed value
671 of all such motor vehicles of the municipality for the same
672 period, as reflected by the annual report of the county tax
673 collector, shall be considered as a legal part of the assessed
674 value of personal property in the municipality in determining the
675 total assessed value of such municipality. The assessed value of
676 all private carriers of passengers and light carriers of property
677 in a county or municipality that are subject to the ad valorem tax
678 exemption provided for in subsection (2)(h) of Section 27-51-41
679 shall be included in the total assessed value of the county or
680 municipality, regardless of whether any ad valorem taxes were paid
681 on those motor vehicles during the next preceding fiscal year. As
682 used in this paragraph, "private carrier of passengers" and "light
683 carrier of property" shall be defined as provided in subsection
684 (7) of Section 1 of this act.

685 Any order legally adopted and made of minute record by the
686 municipal authorities directing the county tax collector to
687 collect its ad valorem taxes on motor vehicles as provided by this
688 chapter shall remain in force from year to year until rescinded by
689 official order duly recorded and certified to the county tax
690 collector and the municipal assessor. Further, any such order
691 shall comply with the provisions of Section 27-41-2.

692 For any year, any municipality may adopt an order rescinding
693 its former order authorizing the county tax collector to collect
694 its ad valorem taxes on motor vehicles, provided that such
695 rescinding order is duly adopted, made of minute record, and
696 certified to the county tax collector at least sixty (60) days
697 prior to the beginning of the ensuing fiscal year, and such order
698 shall be published one (1) time in a newspaper having general
699 circulation in the subject municipality.

700 SECTION 11. Section 27-7-17, Mississippi Code of 1972, is
701 amended as follows:

702 27-7-17. In computing taxable income, there shall be allowed
703 as deductions:

704 (1) **Business deductions.**

705 (a) Business expenses. All the ordinary and necessary
706 expenses paid or incurred during the taxable year in carrying on
707 any trade or business, including a reasonable allowance for
708 salaries or other compensation for personal services actually
709 rendered; nonreimbursable traveling expenses incident to current
710 employment, including a reasonable amount expended for meals and
711 lodging while away from home in the pursuit of a trade or
712 business; and rentals or other payments required to be made as a
713 condition of the continued use or possession, for purposes of the
714 trade or business of property to which the taxpayer has not taken
715 or is not taking title or in which he had no equity. Expense
716 incurred in connection with earning and distributing nontaxable
717 income is not an allowable deduction. Limitations on
718 entertainment expenses shall conform to the provisions of the
719 Internal Revenue Code of 1986.

720 (b) Interest. All interest paid or accrued during the
721 taxable year on business indebtedness, except interest upon the
722 indebtedness for the purchase of tax-free bonds, or any stocks,
723 the dividends from which are nontaxable under the provisions of
724 this article; provided, however, in the case of securities
725 dealers, interest payments or accruals on loans, the proceeds of
726 which are used to purchase tax-exempt securities, shall be
727 deductible if income from otherwise tax-free securities is
728 reported as income. Investment interest expense shall be limited
729 to investment income. Interest expense incurred for the purchase
730 of treasury stock, to pay dividends, or incurred as a result of an
731 undercapitalized affiliated corporation may not be deducted unless
732 an ordinary and necessary business purpose can be established to
733 the satisfaction of the commissioner. For the purposes of this
734 paragraph, the phrase "interest upon the indebtedness for the
735 purchase of tax-free bonds" applies only to the indebtedness

736 incurred for the purpose of directly purchasing tax-free bonds and
737 does not apply to any other indebtedness incurred in the regular
738 course of the taxpayer's business. Any corporation, association,
739 organization or other entity taxable under Section 27-7-23(c)
740 shall allocate interest expense as provided in Section
741 27-7-23(c)(4)(H).

742 (c) Taxes. Taxes paid or accrued within the taxable
743 year, except state and federal income taxes, excise taxes based on
744 or measured by net income, estate and inheritance taxes, gift
745 taxes, cigar and cigarette taxes, gasoline taxes, and sales and
746 use taxes unless incurred as an item of expense in a trade or
747 business or in the production of taxable income. In the case of
748 an individual, taxes permitted as an itemized deduction under the
749 provisions of subsection (2)(a) of this section are to be claimed
750 thereunder.

751 (d) Business losses.

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

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

758 (e) Bad debts. Losses from debts ascertained to be
759 worthless and charged off during the taxable year, if sustained in
760 the conduct of the regular trade or business of the taxpayer;
761 provided, that such losses shall be allowed only when the taxpayer
762 has reported as income, on the accrual basis, the amount of such
763 debt or account.

764 (f) Depreciation. A reasonable allowance for
765 exhaustion, wear and tear of property used in the trade or
766 business, or rental property, and depreciation upon buildings
767 based upon their reasonable value as of March 16, 1912, if
768 acquired prior thereto, and upon cost if acquired subsequent to
769 that date.

770 (g) Depletion. In the case of mines, oil and gas
771 wells, other natural deposits and timber, a reasonable allowance
772 for depletion and for depreciation of improvements, based upon
773 cost, including cost of development, not otherwise deducted, or
774 fair market value as of March 16, 1912, if acquired prior to that
775 date, such allowance to be made upon regulations prescribed by the
776 commissioner, with the approval of the Governor.

777 (h) Contributions or gifts. Except as otherwise
778 provided in subsection (2)(a) of this section for individuals,
779 contributions or gifts made by corporations within the taxable
780 year to corporations, organizations, associations or institutions,
781 including Community Chest funds, foundations and trusts created
782 solely and exclusively for religious, charitable, scientific or
783 educational purposes, or for the prevention of cruelty to children
784 or animals, no part of the net earnings of which inure to the
785 benefit of any private stockholder or individual. This deduction
786 shall be allowed in an amount not to exceed twenty percent (20%)
787 of the net income. Such contributions or gifts shall be allowable
788 as deductions only if verified under rules and regulations
789 prescribed by the commissioner, with the approval of the Governor.

790 Contributions made in any form other than cash shall be allowed
791 as a deduction, subject to the limitations herein provided, in an
792 amount equal to the actual market value of the contributions at
793 the time the contribution is actually made and consummated.

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

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

802 (k) Contributions to employee pension plans.
803 Contributions made by an employer to a plan or a trust forming

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

814 (i) The plan or trust be irrevocable.

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

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

825 Contributions to all plans or to all trusts of real or
826 personal property (or real and personal property combined) or to
827 insured plans created under a retirement plan for which provision
828 has been made under the laws of the United States of America,
829 making such contributions deductible from income for federal
830 income tax purposes, shall be deductible only to the same extent
831 under the Income Tax Laws of the State of Mississippi.

832 (1) Net operating loss carrybacks and carryovers.

833 A net operating loss for any taxable year ending after December
834 31, 1993, and taxable years thereafter, shall be a net operating
835 loss carryback to each of the three (3) taxable years preceding
836 the taxable year of the loss. If the net operating loss for any
837 taxable year is not exhausted by carrybacks to the three (3)

838 taxable years preceding the taxable year of the loss, then there
839 shall be a net operating loss carryover to each of the fifteen
840 (15) taxable years following the taxable year of the loss
841 beginning with any taxable year after December 31, 1991.

842 For any taxable year ending after December 31, 1997, the
843 period for net operating loss carrybacks and net operating loss
844 carryovers shall be the same as those established by the Internal
845 Revenue Code and the rules, regulations, rulings and
846 determinations promulgated thereunder.

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

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

853 (ii) No personal exemption deduction shall be
854 allowed.

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

859 Any taxpayer entitled to a carryback period as provided by
860 this paragraph may elect to relinquish the entire carryback period
861 with respect to a net operating loss for any taxable year ending
862 after December 31, 1991. The election shall be made in the manner
863 prescribed by the State Tax Commission and shall be made by the
864 due date, including extensions of time, for filing the taxpayer's
865 return for the taxable year of the net operating loss for which
866 the election is to be in effect. The election, once made for any
867 taxable year, shall be irrevocable for that taxable year.

868 (m) Amortization of pollution or environmental control
869 facilities.

870 Allowance of deduction. Every taxpayer, at his election,
871 shall be entitled to a deduction for pollution or environmental

872 control facilities to the same extent as that allowed under the
873 Internal Revenue Code and the rules, regulations, rulings and
874 determinations promulgated thereunder.

875 (n) Dividend distributions - investment trusts.
876 Dividends distributed by an investment trust defined in Section
877 79-15-3, if the dividend distributions meet the requirements of
878 Section 857 or are otherwise deductible under Section 858 or 860,
879 federal Internal Revenue Code of 1986, as amended. The deductions
880 allowed in this paragraph shall be effective for the 1985 taxable
881 year of the investment trust and for each taxable year thereafter.

882 (2) **Individual nonbusiness deductions.**

883 (a) The amount allowable for individual nonbusiness
884 itemized deductions for federal income tax purposes, except the
885 deduction for state income taxes paid, where the individual is
886 eligible to elect, for the taxable year, to itemize deductions on
887 his federal return, and the amount paid by the individual during
888 the taxable year for the initial motor vehicle title privilege
889 tax, the renewal motor vehicle title privilege tax, the motor
890 vehicle tag fee, or any combination thereof, imposed by Section 1
891 of this act, if that tax or fee is not allowable as an individual
892 nonbusiness itemized deduction for federal income tax purposes; or

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

898 (i) Three Thousand Four Hundred Dollars
899 (\$3,400.00) through calendar year 1997, Four Thousand Two Hundred
900 Dollars (\$4,200.00) for the calendar year 1998 and Four Thousand
901 Six Hundred Dollars (\$4,600.00) for each calendar year thereafter
902 in the case of married individuals filing a joint or combined
903 return;

904 (ii) One Thousand Seven Hundred Dollars
905 (\$1,700.00) through calendar year 1997, Two Thousand One Hundred

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

910 (iii) Three Thousand Four Hundred Dollars
911 (\$3,400.00) in the case of a head of family; or

912 (iv) Two Thousand Three Hundred Dollars
913 (\$2,300.00) in the case of an individual who is not married.

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

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

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

930 SECTION 12. Section 27-65-111, Mississippi Code of 1972, is
931 amended as follows:

932 27-65-111. The exemptions from the provisions of this
933 chapter which are not industrial, agricultural or governmental, or
934 which do not relate to utilities or taxes, or which are not
935 properly classified as one of the exemption classifications of
936 this chapter, shall be confined to persons or property exempted by
937 this section or by the Constitution of the United States or the
938 State of Mississippi. No exemptions as now provided by any other
939 section, except the classified exemption sections of this chapter

940 set forth herein, shall be valid as against the tax herein levied.
941 Any subsequent exemption from the tax levied hereunder, except as
942 indicated above, shall be provided by amendments to this section.

943 No exemption provided in this section shall apply to taxes
944 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

945 The tax levied by this chapter shall not apply to the
946 following:

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

952 Only sales of tangible personal property or services which
953 are ordinary and necessary to the operation of such hospitals and
954 infirmaries are exempted from tax.

955 (b) Sales of daily or weekly newspapers, and
956 periodicals or publications of scientific, literary or educational
957 organizations exempt from federal income taxation under Section
958 501(c)(3) of the Internal Revenue Code of 1954, as it exists as of
959 March 31, 1975, and subscription sales of all magazines.

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

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

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

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

974 (g) Sales to elementary and secondary grade schools,
975 junior and senior colleges owned and operated by a corporation or
976 association in which no part of the net earnings inures to the
977 benefit of any private shareholder, group or individual, and which
978 are exempt from state income taxation, provided that this
979 exemption does not apply to sales of property or services which
980 are not to be used in the ordinary operation of the school, or
981 which are to be resold to the students or the public.

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

984 (i) Prescribed for the treatment of a human being
985 by a person authorized to prescribe the medicines, and dispensed
986 or prescription filled by a registered pharmacist in accordance
987 with law; or

988 (ii) Furnished by a licensed physician, surgeon,
989 dentist or podiatrist to his own patient for treatment of the
990 patient; or

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

994 (iv) Sold to a licensed physician, surgeon,
995 podiatrist, dentist or hospital for the treatment of a human
996 being; or

997 (v) Sold to this state or any political
998 subdivision or municipal corporation thereof, for use in the
999 treatment of a human being or furnished for the treatment of a
1000 human being by a medical facility or clinic maintained by this
1001 state or any political subdivision or municipal corporation
1002 thereof.

1003 "Medicines," as used in this paragraph, shall mean and
1004 include any substance or preparation intended for use by external
1005 or internal application to the human body in the diagnosis, cure,
1006 mitigation, treatment or prevention of disease and which is
1007 commonly recognized as a substance or preparation intended for

1008 such use; provided that "medicines" do not include any auditory,
1009 prosthetic, ophthalmic or ocular device or appliance, any dentures
1010 or parts thereof or any artificial limbs or their replacement
1011 parts, articles which are in the nature of splints, bandages,
1012 pads, compresses, supports, dressings, instruments, apparatus,
1013 contrivances, appliances, devices or other mechanical, electronic,
1014 optical or physical equipment or article or the component parts
1015 and accessories thereof, or any alcoholic beverage or any other
1016 drug or medicine not commonly referred to as a prescription drug.

1017 Notwithstanding the preceding sentence of this subsection,
1018 "medicines" as used in this subsection, shall mean and include
1019 sutures, whether or not permanently implanted, bone screws, bone
1020 pins, pacemakers and other articles permanently implanted in the
1021 human body to assist the functioning of any natural organ, artery,
1022 vein or limb and which remain or dissolve in the body.

1023 "Hospital," as used in this paragraph, shall have the meaning
1024 ascribed to it in Section 41-9-3, Mississippi Code of 1972.

1025 Insulin furnished by a registered pharmacist to a person for
1026 treatment of diabetes as directed by a physician shall be deemed
1027 to be dispensed on prescription within the meaning of this
1028 subsection.

1029 (i) Retail sales of automobiles, trucks and
1030 truck-tractors if exported from this state within forty-eight (48)
1031 hours and registered and first used in another state.

1032 (j) Sales of tangible personal property or services to
1033 the Salvation Army and the Muscular Dystrophy Association, Inc.

1034 (k) From July 1, 1985, through December 31, 1992,
1035 retail sales of "alcohol blended fuel" as such term is defined in
1036 Section 75-55-5. The gasoline-alcohol blend or the straight
1037 alcohol eligible for this exemption shall not contain alcohol
1038 distilled outside the State of Mississippi.

1039 (l) Sales of tangible personal property or services to
1040 the Institute for Technology Development.

1041 (m) The gross proceeds of retail sales of food and

1042 drink for human consumption made through vending machines serviced
1043 by full line vendors from and not connected with other taxable
1044 businesses.

1045 (n) The gross proceeds of sales of motor fuel.

1046 (o) Retail sales of food for human consumption
1047 purchased with food stamps issued by the United States Department
1048 of Agriculture, or other federal agency, from and after October 1,
1049 1987, or from and after the expiration of any waiver granted
1050 pursuant to federal law, the effect of which waiver is to permit
1051 the collection by the state of tax on such retail sales of food
1052 for human consumption purchased with food stamps.

1053 (p) Sales of cookies for human consumption by the Girl
1054 Scouts of America no part of the net earnings from which sales
1055 inures to the benefit of any private group or individual.

1056 (q) Gifts or sales of tangible personal property or
1057 services to public or private nonprofit museums of art.

1058 (r) Sales of tangible personal property or services to
1059 alumni associations of state-supported colleges or universities.

1060 (s) Sales of tangible personal property or services to
1061 chapters of the National Association of Junior Auxiliaries, Inc.

1062 (t) Sales of tangible personal property or services to
1063 domestic violence shelters which qualify for state funding under
1064 Sections 93-21-101 through 93-21-113.

1065 (u) Sales of tangible personal property or services to
1066 the National Multiple Sclerosis Society, Mississippi Chapter.

1067 (v) Retail sales of food for human consumption
1068 purchased with food instruments issued the Mississippi Band of
1069 Choctaw Indians under the Women, Infants and Children Program
1070 (WIC) funded by the United States Department of Agriculture.

1071 (w) Sales of tangible personal property or services to
1072 a private company, as defined in Section 57-61-5, which is making
1073 such purchases with proceeds of bonds issued under Section 57-61-1
1074 et seq., the Mississippi Business Investment Act.

1075 (x) The gross collections from the operation of

1076 self-service, coin-operated car washing equipment and sales of the
1077 service of washing motor vehicles with portable high pressure
1078 washing equipment on the premises of the customer.

1079 (y) Sales of private carriers of passengers and light
1080 carriers of property. As used in this paragraph (y), "private
1081 carrier of passengers" and "light carrier of property" shall be
1082 defined as provided in subsection (7) of Section 1 of this act.

1083 SECTION 13. Section 27-65-201, Mississippi Code of 1972, is
1084 amended as follows:

1085 27-65-201. (1) For the purposes of this section, unless the
1086 context otherwise requires, the term "motor vehicle" means a motor
1087 vehicle required to be registered or licensed by the county tax
1088 collectors pursuant to Section 27-19-43.

1089 (2) Upon every person, firm or corporation purchasing other
1090 than at wholesale within this state any motor vehicle required to
1091 be registered or licensed with the tax collector of any county in
1092 this state from any person, firm or corporation which is not a
1093 licensed dealer engaged in selling motor vehicles, there shall be
1094 levied and collected a sales tax at the rate of three percent (3%)
1095 of the true value of the motor vehicle as calculated by using the
1096 most current official motor vehicle assessment schedule supplied
1097 by the State Tax Commission.

1098 (3) Upon every person, firm or corporation purchasing other
1099 than at wholesale outside the state any motor vehicle required to
1100 be registered or licensed with the tax collector of any county in
1101 this state from any person, firm or corporation which is not a
1102 licensed dealer engaged in selling motor vehicles, for use,
1103 storage or other consumption within this state there is levied a
1104 use tax at the rate of three percent (3%) of the true value of the
1105 motor vehicle as calculated by using the most current official
1106 motor vehicle assessment schedule supplied by the State Tax
1107 Commission.

1108 (4) Where any motor vehicle is taken in trade as a credit or
1109 part payment on the sale of a motor vehicle taxable under this

1110 section, the tax levied by this section shall be paid on the net
1111 difference, that is, the true value of the motor vehicle sold less
1112 the credit for the motor vehicle taken in trade.

1113 (5) The tax levied by this section shall be collected by the
1114 tax collector at the time of, and as a prerequisite to, the
1115 registration of or licensing of any such motor vehicle. The tax
1116 collector shall give to the person registering the vehicle a
1117 receipt in a form prescribed and furnished by the State Tax
1118 Commission for the amount of tax collected.

1119 (6) County tax collectors shall be liable for the tax they
1120 are required to collect, and taxes which are in fact collected,
1121 under this section and failure to properly collect or maintain
1122 proper records shall not relieve them of liability for payment to
1123 the State Tax Commission. Deficiencies in collection or payment
1124 shall be assessed against the tax collector, or his successor, in
1125 the same manner and subject to the same penalties and provisions
1126 for appeal as are deficiencies assessed against taxpayers under
1127 Chapter 65, Title 27, Mississippi Code of 1972.

1128 Each tax collector of the several counties shall, on or
1129 before the twentieth day of each month, file a report with and pay
1130 to the State Tax Commission all funds collected under the
1131 provisions of this section, less a commission of three percent
1132 (3%) which shall be retained by the tax collector as a commission
1133 for collecting such tax, and such commission shall be deposited in
1134 the county general fund. The report required to be filed shall
1135 cover all collections made during the calendar month next
1136 preceding the date on which the report is due and filed. All
1137 funds remitted to the State Tax Commission shall be deposited to
1138 the credit of the State General Fund.

1139 Any error in the report and remittance to the State Tax
1140 Commission may be adjusted on a subsequent report. If the error
1141 was in the collection by the tax collector, it shall be adjusted
1142 through the tax collector with the taxpayer before credit is
1143 allowed by the State Tax Commission.

1144 All information relating to the collection of this tax by tax
1145 collectors and such records as the State Tax Commission may
1146 require shall be preserved in the tax collector's office for a
1147 period of three (3) years for audit by the State Tax Commission.

1148 (7) The tax levied by this section shall not apply to the
1149 following:

1150 (a) Transfers of legal ownership of motor vehicles
1151 between husband and wife, parent and child, or grandparents and
1152 grandchildren, unless the transferor is a licensed dealer of motor
1153 vehicles and the transfer of the motor vehicle is made in the
1154 regular course of business.

1155 (b) Transfers of legal ownership of motor vehicles
1156 pursuant to a will or pursuant to any law providing for the
1157 distribution of the property of one dying intestate.

1158 (c) Transfers of legal ownership of motor vehicles ten
1159 (10) or more years after the date of the manufacture of such
1160 vehicle.

1161 (d) Sales and other transfers of legal ownership of
1162 private carriers of passengers and light carriers of property. As
1163 used in this paragraph (d), "private carrier of passengers" and
1164 "light carrier of property" shall be defined as provided in
1165 subsection (7) of Section 1 of this act.

1166 SECTION 14. Section 25-7-21, Mississippi Code of 1972, is
1167 amended as follows:

1168 25-7-21. (1) From and after October 1, 1985, there will be
1169 no fees for the services of the tax collector, with the exception
1170 of taxes collected for taxing authorities other than the board of
1171 supervisors. For collecting taxes for authorities other than the
1172 board of supervisors, the fee shall be five percent (5%) of the
1173 taxes collected or an amount authorized by contract between the
1174 county and the outside taxing authority. However, the tax
1175 collector shall not receive any fee for remitting payments from
1176 the Motor Vehicle Tax Reimbursement Fund to municipalities,
1177 municipal school districts and other taxing districts under

1178 Section 4 of this act. A tax collector shall keep a complete
1179 account of every such fee collected and shall file an itemized
1180 statement thereof monthly, under oath, with the clerk of the board
1181 of supervisors of the county who shall preserve same as a part of
1182 the records of the office. The tax collector shall make a
1183 remittance to the clerk of the board of supervisors of the county
1184 on or before the twentieth of each month for deposit into the
1185 general fund of the county of all those fees collected during the
1186 preceding month.

1187 (2) For the purpose of the limitations set forth in Section
1188 27-39-321, commissions for levies set by the board of supervisors
1189 shall be added to base collections of the general county fund for
1190 the 1984-1985 year only.

1191 (3) Fees of publisher for publication - To the publishers,
1192 payable by the delinquent taxpayer, and to be collected and paid
1193 over by the tax collectors; or if the land be sold to the state to
1194 be paid by the state:

1195 For each separate publication advertising lands for sale for
1196 taxes, for each separately described subdivision, as described and
1197 set out in the assessment rolls for the county..... \$1.50

1198 (4) Fees of chancery clerk for collection of delinquent
1199 taxes:

1200 (a) For abstracting the list of lands sold for taxes,
1201 for each separately described section or subdivision..... \$1.00

1202 (b) For filing and recording deed to land sold for
1203 taxes \$6.00

1204 (c) For abstracting each deed in the sectional index,
1205 per section or subdivision..... \$1.00

1206 (d) For recording redemption of each..... \$6.00

1207 (e) For abstracting each redemption in the sectional
1208 index, per section or subdivision..... \$1.00

1209 (f) And, in addition, one percent (1%) on the amount
1210 necessary to redeem.

1211 The several officers' fees shall be collected by the tax

1212 collector or chancery clerk and paid over to those entitled to
1213 same.

1214 SECTION 15. Section 27-19-43, Mississippi Code of 1972, is
1215 amended as follows:

1216 27-19-43. (1) License tags, substitute tags and decals for
1217 individual fleets and for private carriers of passengers, school
1218 buses (excluding school buses owned by a school district in the
1219 state), church buses, taxicabs, ambulances, hearses, motorcycles
1220 and private carriers of property, and private commercial carriers
1221 of property of a gross weight of ten thousand (10,000) pounds and
1222 less, shall be sold and issued by the tax collectors of the
1223 several counties.

1224 (2) Applications for license tags for motor vehicles in a
1225 corporate fleet registered under Section 27-19-66, and
1226 applications for all other license tags, substitute tags and
1227 decals shall be filed with the commission or the local tax
1228 collector of the respective counties and forwarded to the
1229 commission for issuance to the applicant. All tags and decals for
1230 vehicles owned by the state or any agency or instrumentality
1231 thereof, and vehicles owned by a fire protection district, school
1232 district or a county or municipality, and all vehicles owned by a
1233 road, drainage or levee district shall be issued by the
1234 commission.

1235 (3) In addition to the privilege taxes levied herein or the
1236 motor vehicle tag fees imposed by Section 1 of this act, there
1237 shall be collected a registration * * * fee of Five Dollars
1238 (\$5.00) * * * for the issuance of both a license tag and two (2)
1239 decals or * * * for the issuance of up to two (2) decals
1240 only * * *. No tag or decal shall be issued either by a tax
1241 collector or by the commission without the collection of such
1242 registration fee except substitute tags and decals and license
1243 tags for vehicles owned by the State of Mississippi.

1244 (4) Beginning July 1, 1987, and until the date specified in
1245 Section 65-39-35, there shall be levied a registration fee of Five

1246 Dollars (\$5.00) in addition to the regular registration fee
1247 imposed in * * * subsection (3) of this section. Such additional
1248 registration fee shall be levied in the same manner as the regular
1249 registration fee.

1250 SECTION 16. Section 27-19-45, Mississippi Code of 1972, is
1251 amended as follows:

1252 27-19-45. (1) Owners of motor vehicles who are residents of
1253 the State of Mississippi and who hold an unrevoked and unexpired
1254 official amateur radio station license issued by the Federal
1255 Communications Commission, upon application to the tax collector
1256 in the owner's county of legal residence accompanied by proof of
1257 ownership of such amateur radio station license, and upon payment
1258 of the road and bridge privilege taxes, ad valorem taxes and
1259 registration fees as prescribed by law for passenger cars, pickup
1260 trucks or other noncommercial motor vehicles, and upon payment of
1261 an additional registration * * * fee of Fifteen Dollars (\$15.00)
1262 shall be issued a special license plate upon which, in lieu of the
1263 numbers prescribed by law, shall be inscribed the official amateur
1264 call letters of such applicant as assigned by the Federal
1265 Communications Commission. This special license plate may be used
1266 in place of the regular license tag for passenger cars, pickup
1267 trucks or other noncommercial motor vehicles. The application and
1268 the additional fee, less five percent (5%) thereof to be retained
1269 by the county tax collector, shall be remitted to the State Tax
1270 Commission within seven (7) days of the date the application for
1271 the special license tag is made. The portion of the additional
1272 fee retained by the tax collector shall be deposited into the
1273 county general fund. The portion of the fee remitted to the Tax
1274 Commission shall be deposited into the State Treasury on the day
1275 it is received and shall be deposited by the State Treasurer into
1276 the State General Fund.

1277 The Governor under like terms and provisions shall be * * *
1278 authorized to exhibit on any passenger cars, pickup trucks or
1279 other noncommercial motor vehicles used by him license tag Number

1280 1, with the county of his residence inscribed thereon. The
1281 Lieutenant Governor is likewise authorized to use license plate
1282 Number 2, with the county of his residence appearing thereon. All
1283 former governors, under like terms and provisions, are authorized
1284 to use license plate X-1, with the county of his residence
1285 appearing thereon, and all former lieutenant governors, under like
1286 terms and provisions, are authorized to use license plate X-2,
1287 with the county of his residence appearing thereon.

1288 When a passenger car, pickup truck or other noncommercial
1289 motor vehicle for which a special license tag has been issued is
1290 sold or traded by the owner, the special tag may be transferred to
1291 the new or other passenger car, pickup truck or other
1292 noncommercial motor vehicle which is replacing the passenger car,
1293 pickup truck or other noncommercial motor vehicle for which the
1294 license tag was originally issued, without additional charge, upon
1295 application to the county tax collector, with proof that all taxes
1296 and registration fees as prescribed by law have been paid for such
1297 replacement passenger car, pickup truck or other noncommercial
1298 motor vehicle.

1299 (2) The State Tax Commission shall make such rules and
1300 regulations as necessary to ascertain compliance with all state
1301 license laws relating to use and operation of private passenger
1302 cars, pickup trucks or other noncommercial motor vehicles before
1303 authorizing the issuance of these tags.

1304 (3) This section is supplemental to the motor vehicle
1305 licensing laws of the State of Mississippi, and nothing herein
1306 shall be construed as abridging or amending such laws.

1307 SECTION 17. Section 27-19-49, Mississippi Code of 1972, is
1308 amended as follows:

1309 27-19-49. (1) Owners of motorcycles who are members of a
1310 Shrine motorcycle club, corps or unit of Mississippi may, in their
1311 discretion, purchase and use, in lieu of the motorcycle tag
1312 described in Section 27-19-35, an especially prepared tag of the
1313 same dimensions as the regular motorcycle tag. This distinctive

1314 tag shall be of a yellow background; the Shrine emblem in green
1315 coloring in the middle left of the tag; "Miss." (abbreviated) in
1316 red letters in the lower left of the tag; the year of issuance in
1317 abbreviated form (the last two numbers) in red letters in the
1318 lower right of the tag; and the designated number of the
1319 particular tag in red numbers in the middle right of the tag.
1320 These tags shall be numbered commencing with the numeral "1."

1321 (2) These distinctive Shrine tags shall be ordered through
1322 the commission by an official of each such Shrine club, corps or
1323 unit desiring same. Only one (1) such distinctive tag shall be
1324 allowed to each individual member of any Shrine club, corps or
1325 unit and only for a heavy weight or heavy duty motorcycle.

1326 (3) The individual Shrine members or Shrine club, corps or
1327 unit so ordering such tag or tags shall pay the regular motorcycle
1328 registration fees and taxes as designated by the tax collector's
1329 office of the county in which the motorcycle is registered and
1330 such Shrine members, clubs, corps or units shall pay any
1331 additional charge necessary for the purchase of such distinctive
1332 tag. Each such distinctive Shrine tag will be duly recorded and
1333 registered at the office of the sheriff of the county in which the
1334 individual Shrine member resides.

1335 SECTION 18. Section 27-19-56.5, Mississippi Code of 1972, is
1336 amended as follows:

1337 27-19-56.5. In recognition of the patriotic service rendered
1338 by Mississippians who survived the attack on Pearl Harbor and by
1339 Mississippians who are recipients of the Purple Heart Medal, any
1340 such person is privileged to obtain one (1) distinctive motor
1341 vehicle license plate or tag identifying him as a Pearl Harbor
1342 survivor or a Purple Heart Medal recipient. The distinctive
1343 plates or tags shall be of a color and design designated by the
1344 tax commission.

1345 The distinctive license plates shall be prepared by the tax
1346 commission and shall be issued through the tax collectors of the
1347 counties in the same manner as are other motor vehicle license

1348 plates or tags. An additional * * * fee of Fifteen Dollars
1349 (\$15.00) shall be collected by the tax collector for such license
1350 plates or tags and shall be forwarded to the tax commission which
1351 shall deposit such fee to the credit of the State General Fund. An
1352 applicant for such distinctive plates shall present to the issuing
1353 official either (a) written proof that the applicant is an
1354 honorably discharged former member of one of the Armed Forces of
1355 the United States and, while serving in the Armed Forces of the
1356 United States, was present during the attack on the island of
1357 Oahu, Territory of Hawaii, on December 7, 1941, between the hours
1358 of 7:55 a.m. and 9:45 a.m., Hawaii time, or (b) written proof that
1359 the applicant is a Purple Heart Medal recipient. The distinctive
1360 license plates or tags so issued shall be used only upon a
1361 personally or jointly owned private passenger vehicle (to include
1362 station wagons, recreational motor vehicles and pickup trucks)
1363 registered in the name, or jointly in the name, of the person
1364 making application therefor, and when issued to such person shall
1365 be used upon the vehicle for which issued in lieu of the standard
1366 license plate or license tag normally issued for such vehicle.

1367 The distinctive license plates shall not be transferable
1368 between motor vehicle owners; and in the event the owner of a
1369 vehicle bearing a distinctive plate shall sell, trade, exchange or
1370 otherwise dispose of the vehicle, such plate shall be retained by
1371 such owner and returned to the tax collector.

1372 SECTION 19. Section 27-19-56.12, Mississippi Code of 1972,
1373 is amended as follows:

1374 27-19-56.12. In recognition of the patriotic service
1375 rendered by Mississippians who are honorably discharged veterans
1376 who served in the United States Armed Forces in Saudi Arabia or
1377 Kuwait during Operation Desert Storm or Operation Desert Shield,
1378 in Panama during the invasion, in Grenada during the invasion,
1379 during the Vietnam Conflict, during the Korean Conflict, during
1380 World War II or during World War I, any such person is privileged
1381 to obtain one (1) distinctive motor vehicle license plate or tag

1382 identifying him as a veteran. The State Tax Commission is further
1383 authorized to develop a decal to be affixed to the license tag
1384 indicating the veteran's service in the above enumerated wars or
1385 conflicts. The distinctive plates or tags shall be of a color and
1386 design designated by the Tax Commission.

1387 The distinctive license plates shall be prepared by the Tax
1388 Commission and shall be issued through the tax collectors of the
1389 counties in the same manner as are other motor vehicle license
1390 plates or tags. An additional * * * fee of Thirty Dollars
1391 (\$30.00) shall be collected by the tax collector for such license
1392 plates or tags and shall be forwarded to the Tax Commission which
1393 shall deposit such fee to the credit of a fund to be administered
1394 by the board overseeing the veterans nursing homes in this state
1395 for the benefit of indigent veterans who are residents of such
1396 nursing homes.

1397 An applicant for such distinctive plates shall present to the
1398 issuing official written evidence of the veteran's service. Such
1399 evidence shall include a copy of the applicant's DD-214 form or an
1400 equivalent document. The distinctive license plates or tags so
1401 issued shall be used only upon a personally or jointly owned
1402 private passenger vehicle (to include station wagons, recreational
1403 motor vehicles and pickup trucks) registered in the name, or
1404 jointly in the name, of the person making application therefor,
1405 and when issued to such person shall be used upon the vehicle for
1406 which issued in lieu of the standard license plate or license tag
1407 normally issued for such vehicle.

1408 The distinctive license plates shall not be transferable
1409 between motor vehicle owners; and in the event the owner of a
1410 vehicle bearing a distinctive plate shall sell, trade, exchange or
1411 otherwise dispose of the vehicle, such plate shall be retained by
1412 such owner and returned to the tax collector.

1413 SECTION 20. Section 27-19-56.13, Mississippi Code of 1972,
1414 is amended as follows:

1415 27-19-56.13. In recognition of the patriotic service

1416 rendered by Mississippians who are recipients of the Distinguished
1417 Flying Cross and the Air Medal, any such person is privileged to
1418 obtain one (1) distinctive motor vehicle license plate or tag
1419 identifying him as recipient of the Distinguished Flying Cross or
1420 the Air Medal. The distinctive plates or tags shall be of a color
1421 and design designated by the Tax Commission.

1422 The distinctive license plates shall be prepared by the Tax
1423 Commission and shall be issued through the tax collectors of the
1424 counties in the same manner as are other motor vehicle license
1425 plates or tags. An additional * * * fee of Thirty Dollars
1426 (\$30.00) shall be collected by the tax collector for such license
1427 plates or tags and shall be forwarded to the State Tax Commission
1428 which shall deposit such fee to the credit of the State General
1429 Fund. An applicant for such distinctive plates shall present to
1430 the issuing official written proof that the applicant is a
1431 recipient of the Distinguished Flying Cross or the Air Medal. The
1432 distinctive license plates or tags so issued shall be used only
1433 upon a personally or jointly owned private passenger vehicle (to
1434 include station wagons, recreational motor vehicles and pickup
1435 trucks) registered in the name, or jointly in the name, of the
1436 person making application therefor, and when issued to such person
1437 shall be used upon the vehicle for which issued in lieu of the
1438 standard license plate or license tag normally issued for such
1439 vehicle.

1440 The distinctive license plates shall not be transferable
1441 between motor vehicle owners; and in the event the owner of a
1442 vehicle bearing a distinctive plate shall sell, trade, exchange or
1443 otherwise dispose of the vehicle, such plate shall be retained by
1444 such owner and returned to the tax collector.

1445 SECTION 21. Section 27-19-69, Mississippi Code of 1972, is
1446 amended as follows:

1447 27-19-69. If a carrier of property with a gross vehicle
1448 weight of sixteen thousand (16,000) pounds or greater on which the
1449 privilege tax prescribed by this article has been paid shall be

1450 totally destroyed by fire, tornado, flood, collision, accident or
1451 acts of Providence, then the person or operator who has paid the
1452 privilege tax or the owner of the vehicle, in the event of a sale
1453 thereof after the payment of such taxes, shall be entitled to the
1454 issuance of a new privilege license for the remainder of the
1455 registration year for any vehicle acquired by such owner or
1456 operator as a replacement for the vehicle so destroyed, which
1457 privilege license shall be of the same tax value as the unexpired
1458 portion of the privilege tax on the vehicle destroyed. In no
1459 event shall such person claiming credit under this provision be
1460 entitled to a cash refund, but he shall only be entitled to the
1461 issuance of a license tag and decals in the same classification
1462 and of the same unexpired value as the license tag issued for the
1463 vehicle so destroyed.

1464 In order to obtain the issuance of the replacement license,
1465 such person claiming same must present the damaged license tag and
1466 decals to the tax collector of the county of his residence or the
1467 commission or must present proof that such tag and decals have
1468 been destroyed, and must prove to the satisfaction of the tax
1469 collector or commission that the vehicle for which the tag was
1470 issued has been totally destroyed, as above set forth. If the
1471 owner does not elect to receive such credit at the time the tag is
1472 surrendered or proof is offered, the issuing authority shall issue
1473 a certificate of credit to the owner as set forth in Section
1474 27-19-141.

1475 When a replacement license is issued under the provisions of
1476 this article, the certificate of registration and payment of
1477 privilege taxes on the destroyed vehicle shall be cancelled by the
1478 commission. The only charges which shall be made for the issuance
1479 of such a replacement license is the registration * * * fee,
1480 unless the replacement vehicle shall require a greater amount of
1481 privilege tax than the vehicle for which the tag was originally
1482 issued, in which event the person obtaining such license shall be
1483 required to pay the increased amount of tax, prorated from the

1484 first day of the month during which the replacement tag and decals
1485 are obtained until the expiration date thereon.

1486 SECTION 22. Section 27-19-71, Mississippi Code of 1972, is
1487 amended as follows:

1488 27-19-71. If any vehicle on which the privilege tax has been
1489 paid, either as a common or contract carrier of property, a
1490 private commercial carrier of property, a private carrier of
1491 property, a dray, a common and contract carrier of passengers, or
1492 a passenger coach, shall be removed from the State of Mississippi
1493 by the operator thereof, or the use thereof in Mississippi shall
1494 be discontinued entirely by such operator or owner for any reason,
1495 and such vehicle shall be replaced by another and different
1496 vehicle, then the person or operator who has paid such taxes, or
1497 the owner of such vehicle in the event of the sale thereof after
1498 the payment of such tax, shall be entitled to the issuance of new
1499 privilege license for the replacement vehicle for the remainder of
1500 the registration year in the same tax classification and of the
1501 same privilege tax value. In no event shall such person be
1502 entitled to a cash refund under this provision, but he shall only
1503 be entitled to the issuance of a license tag and decals for
1504 replacement vehicle in the same tax classification and of the same
1505 privilege tax value as the license tag and decals issued for the
1506 vehicle, the use of which has been discontinued.

1507 In order to obtain the issuance of such replacement license
1508 the owner or operator claiming same must present an affidavit to
1509 the commission or tax collector of the county of his residence,
1510 setting forth that the use of the vehicle upon which the original
1511 tax was paid has been entirely discontinued in Mississippi by such
1512 owner or operator and giving the reasons for such discontinuance,
1513 and full details with reference thereto, and no replacement
1514 license shall be issued unless the tax collector or commission is
1515 absolutely satisfied that the * * * vehicle is no longer to be
1516 used in Mississippi by such owner or operator. When any such
1517 replacement license is applied for, such owner or operator must

1518 surrender the license tag and decals originally issued, to the tax
1519 collector of the county of his residence, or the commission, and
1520 the commission shall cancel the certificate of registration and
1521 payment of the privilege tax on the original vehicle. The only
1522 charge which shall be made for the issuance of such a replacement
1523 license is the registration * * * fee, unless the replacement
1524 vehicle requires a greater amount of privilege tax than the
1525 vehicle upon which the license was originally paid, in which case
1526 the owner or operator thereof shall pay the increased amount of
1527 tax upon such vehicle prorated from the first day of the month in
1528 which the replacement license is issued until the expiration date
1529 thereon.

1530 SECTION 23. Section 27-19-73, Mississippi Code of 1972, is
1531 amended as follows:

1532 27-19-73. The tax collector or the commission, as the case
1533 may be, is authorized and empowered to refund to any individual,
1534 firm or corporation any motor vehicle privilege license tax,
1535 permit or registration fee which has been paid or collected
1536 through error or otherwise when such person, individual, firm or
1537 corporation was not liable for such tax or fee or when such
1538 individual, firm or corporation has paid any such privilege tax or
1539 fee in excess of the sum properly due, whether such payments were
1540 made under protest or compulsion or not. Taxes erroneously paid
1541 within the meaning of this section shall include, but shall not be
1542 limited to, overpayments, double payments upon the same vehicle,
1543 payments upon vehicles not located within the State of
1544 Mississippi, and all other erroneous or illegal payments.

1545 All claims for refunds under this provision shall be made
1546 within twelve (12) months from the date of the erroneous payment
1547 of such taxes or fees and such refunds, approved by the tax
1548 collector or commission, shall be made out of any monies collected
1549 by the tax collector or commission from the same source of
1550 revenue. If such source of revenue no longer exists, the refund
1551 shall come from the general fund collections. If such refund is

1552 approved by the tax collector, he shall issue a warrant to the
1553 claimant and deduct the proper amounts from his next settlement.
1554 If a claim for refund is disapproved, the claimant shall be
1555 notified of such disapproval and the reasons therefor. Any
1556 claimant aggrieved by the commission's disapproval may, within
1557 thirty (30) days from the date thereof, appeal in writing to the
1558 board of review as hereinafter provided in this chapter.

1559 SECTION 24. Section 27-19-99, Mississippi Code of 1972, is
1560 amended as follows:

1561 27-19-99. The State Tax Commission shall furnish the tax
1562 collector of each county a sufficient supply of license tags or
1563 plates and a sufficient supply of license receipts with which to
1564 make the collection of the taxes imposed by the provisions of this
1565 article, which such tax collectors are required to collect. The
1566 license tag receipts shall be on forms prescribed by the
1567 commission. Upon the payment of the taxes and fees required by
1568 this article, the tax collector shall issue the license receipt in
1569 the form prescribed by the commission. The commission shall keep
1570 account against the tax collector for the license taxes and fees
1571 collected. The tax collector shall keep a similar account.

1572 The tax collector shall, at the end of each month or within
1573 twenty (20) days thereafter, pay into the county road fund all
1574 privilege taxes collected by him during the preceding month upon
1575 motor vehicle privilege licenses which he is entitled to issue,
1576 less the county's commission.

1577 The tax collector shall keep a record of the information
1578 furnished by the owners of each motor vehicle registered. The
1579 record shall be made in numerical order by tag number or decal
1580 number, whichever is appropriate. At the end of each month, or
1581 within twenty (20) days thereafter, the tax collector shall submit
1582 to the commission a copy of such record, together with the copy of
1583 each registration receipt, and shall, at the same time, remit to
1584 the commission the registration fee for each license tag or decal
1585 sold by him during the preceding month. When the tax collector

1586 shall have complied with the provisions of this section and shall
1587 have forwarded to the commission, within the time specified, all
1588 reports required of him hereunder, he shall then be entitled to
1589 retain five percent (5%) of the registration fees imposed in
1590 subsection (3) of Section 27-19-43, to be paid into the county
1591 general fund; otherwise the county's commission shall be
1592 forfeited. The five percent (5%) shall not apply to any
1593 additional registration fee imposed above the amounts imposed in
1594 subsection (3) of Section 27-19-43. The commission shall keep a
1595 record from the duplicates filed by the tax collectors of all
1596 registered vehicles.

1597 Counties that use their existing computer system to
1598 communicate all data regarding vehicle title and registration
1599 transactions to the state's central computer system shall be
1600 allotted Fifty Cents (50¢) for each registration fee collected by
1601 the county and remitted to the State Tax Commission. Such
1602 communication must successfully pass any edit features and
1603 successfully create or update title/registration records on the
1604 network system. This amount paid to the county shall be deposited
1605 into the county general fund to be expended only for costs
1606 incurred for the purchase of equipment, software, maintenance or
1607 other costs directly related to the title/registration network
1608 system.

1609 All monies remitted to the commission by tax collectors as
1610 registration * * * fees from the portion of the rate imposed in
1611 subsection (3) of Section 27-19-43, and all monies received by the
1612 commission directly as registration * * * fees from the portion of
1613 the rate imposed in subsection (3) of Section 27-19-43, shall be
1614 paid by the commission into the General Fund of the State Treasury
1615 on the first day of the month succeeding the month in which such
1616 fees are received by the commission. All monies remitted to the
1617 commission by tax collectors as registration * * * fees from the
1618 additional rate of Five Dollars (\$5.00) imposed in subsection (4)
1619 of Section 27-19-43, and all monies received by the commission

1620 directly as registration * * * tag fees from the additional rate
1621 of Five Dollars (\$5.00) imposed in subsection (4) of Section
1622 27-19-43, shall be paid into the State Treasury to the credit of
1623 the State Highway Fund for the construction or reconstruction of
1624 highways designated under the Four-Lane Highway Program created
1625 under Section 65-3-97.

1626 SECTION 25. Section 27-19-155, Mississippi Code of 1972, is
1627 amended as follows:

1628 27-19-155. The license or number tag herein provided for
1629 shall be purchased by the License Tag Commission, composed of the
1630 Governor, Commissioner of Revenue, Attorney General, and the State
1631 Treasurer, upon competitive bids, after having given three (3)
1632 weeks' notice of the time and place of purchase, by publishing the
1633 notice in at least three (3) newspapers, at least one (1) of which
1634 shall be published in the State of Mississippi, for a period of
1635 three (3) weeks prior to the date of purchase. The successful
1636 bidder shall enter into a bond with some surety company,
1637 authorized to do business in the state, as surety thereon, payable
1638 to the State of Mississippi, in a sum equal to the amount of his
1639 contract, conditioned for the faithful and prompt carrying out of
1640 the bid, and, in the event of the failure to comply with the terms
1641 of the contract, the amount of the bond shall be forfeited as
1642 liquidated damages and may be recovered by the Attorney General in
1643 any appropriate action. The License Tag Commission is * * *
1644 authorized and empowered to renegotiate any contract entered into
1645 for the purchase of license tags in order to obtain any other or
1646 additional tags necessitated by the passage of this article.

1647 All license tags and numbered plates purchased under the
1648 provisions of this article, shall be paid for pursuant to an
1649 appropriation to be made for such purposes. All moneys received
1650 by the State Tax Commission as registration * * * fees, either
1651 from the tax collectors, or from licenses issued by the State Tax
1652 Commission, shall be paid into the State Treasury on the same day
1653 in which such funds are collected by the State Tax Commission.

1654 SECTION 26. Section 27-29-11, Mississippi Code of 1972, is
1655 amended as follows:

1656 27-29-11. The tax collector shall make reports in writing,
1657 verified by his affidavit, on the first day of each month or
1658 within twenty (20) days thereafter, except as hereinafter
1659 provided, to the Auditor of Public Accounts and to the clerk of
1660 the board of supervisors, of all taxes collected by him during the
1661 preceding month for the * * * levee and county, respectively; and
1662 if he has collected none, the report shall be made out and state
1663 that fact. * * * All taxes collected by him for the county shall
1664 be paid into the county depository on the day such taxes are
1665 collected or on the next business day thereafter. The payments
1666 that the tax collector receives from the State Tax Commission
1667 under Section 4 of this act shall be remitted to the chancery
1668 clerk of the county within ten (10) days after he receives the
1669 payments from the commission.

1670 SECTION 27. Section 27-51-25, Mississippi Code of 1972, is
1671 amended as follows:

1672 27-51-25. Within twenty (20) days after the end of the
1673 month, the county tax collector shall file a report showing the
1674 amount of motor vehicle ad valorem taxes collected by him for the
1675 previous month. This report shall be made in part in conjunction
1676 with and as a part of the monthly report made on the collection of
1677 road and bridge privilege taxes for the same period. The form for
1678 this portion of the report shall be prescribed by the
1679 administrator of the road and bridge privilege tax law in
1680 cooperation with the State Tax Commission.

1681 This * * * report shall show, in addition to the information
1682 prescribed by the administrator of the road and bridge privilege
1683 tax law, the following information for each motor vehicle on which
1684 ad valorem taxes were paid: the code number of the vehicle as
1685 fixed by the assessment schedule, the assessed value of the
1686 vehicle, the situs of the vehicle as to school district, road
1687 district, levee district, municipality, the total tax rate

1688 applicable, ad valorem taxes, damages, if any, and the total ad
1689 valorem taxes and damages. These sheets shall be numbered in
1690 consecutive order, and shall be made in quadruplicate. The
1691 original copy of this report shall be placed in a suitable binder
1692 and retained by the county tax collector as a permanent record,
1693 the first and second copies shall be forwarded to the
1694 administrator of the road and bridge privilege tax law and
1695 Commission of Public Safety, respectively, as now provided by law,
1696 and the third copy shall be delivered to the chancery clerk.

1697 When the above-mentioned portion of the report has been
1698 completed, a recapitulation of it shall be made on a separate
1699 sheet, showing by classes the total number of road and bridge
1700 privilege licenses issued, the amount of money collected for the
1701 license plates, the total road and bridge privilege taxes
1702 collected by classes, and the total amount of ad valorem taxes
1703 collected designating the amount collected for each separate
1704 taxing area. This report shall also be made in quadruplicate. The
1705 tax collector shall retain the original as a permanent record, the
1706 first copy shall be forwarded to the administrator of the road and
1707 bridge privilege tax law, the second copy shall be forwarded to
1708 the Tax Commission, and the third copy shall be delivered to the
1709 chancery clerk.

1710 Motor vehicle ad valorem tax collections shall be entered in
1711 the tax collector's cash book as reflected by the * * *
1712 recapitulation, showing by taxing area, the total assessed value
1713 and total such taxes collected each month for each separate taxing
1714 area, and it shall not be necessary that either the tax receipt
1715 number or the taxpayer's name be entered, as required by Section
1716 27-41-39 for other ad valorem tax collections.

1717 In all cases where the county tax collector is ordered to
1718 collect motor vehicle ad valorem taxes for a municipality, the tax
1719 collector shall furnish to each such municipality a certified
1720 statement as to the total assessed value of the motor vehicles on
1721 which taxes were collected for such municipality, together with an

1722 additional statement showing the net amount of taxes collected for
1723 such municipality less his indicated collection fees. This report
1724 shall be made to the municipality at the same time a remittance is
1725 made to the municipality for all such net ad valorem taxes
1726 collected for the * * * municipality for the previous month. This
1727 remittance and report shall be made to the municipality within ten
1728 (10) days after the tax collector receives the payments from the
1729 State Tax Commission under Section 4 of this act.

1730 SECTION 28. Section 27-51-29, Mississippi Code of 1972, is
1731 amended as follows:

1732 27-51-29. Any municipality in the state desiring to have its
1733 motor vehicle ad valorem taxes collected by the county tax
1734 collector at the same time and in the same manner provided for by
1735 this chapter for collecting county * * * ad valorem taxes on motor
1736 vehicles may do so by proceeding as follows:

1737 On or before May 1, the municipal board shall enter an order
1738 upon its minutes signifying its desire to have the county tax
1739 collector collect its motor vehicle ad valorem taxes at the same
1740 time and in the same manner that he collects the county * * * ad
1741 valorem taxes on such motor vehicles for the ensuing fiscal year.

1742 A certified copy of this order shall be furnished the tax
1743 collector of the county, the State Tax Commission, and the
1744 administrator of the road and bridge privilege tax laws. In such
1745 case, it shall be mandatory that such municipal ad valorem taxes
1746 be collected by the county tax collector.

1747 The authorization of the tax collector to collect municipal
1748 taxes on this class of property shall also include the collection
1749 of such taxes on such property located in the municipal separate
1750 school district, if any, although such property is located outside
1751 of the corporate limits of such municipality.

1752 On or before September 15, the municipal clerk shall certify
1753 to the county tax collector a copy of its official tax levy for
1754 the then ensuing fiscal year. On this tax levy, the clerk shall
1755 not only certify as to the tax levy for each purpose for which it

1756 was levied, but he shall also certify as to the total amount of
1757 the levy for all municipal purposes, and he shall show separately
1758 the total amount of the levy for the municipal separate school
1759 district, if the * * * municipality is a part of a municipal
1760 separate school district.

1761 After collecting such municipal and municipal separate school
1762 district ad valorem taxes, the county tax collector shall retain
1763 the fee as allowed in Section 25-7-21, except in no instance shall
1764 his fee be less than two percent (2%) of such collection for the
1765 services furnished by a county office in collecting municipal
1766 separate school district taxes. Such fees shall be paid into the
1767 county general fund. The tax collector shall * * * remit to the
1768 municipality the remaining portion of such taxes so collected
1769 within ten (10) days after the tax collector receives the payments
1770 from the State Tax Commission under Section 4 of this act. A
1771 report of the total assessed value of the subject motor vehicle on
1772 which such municipal ad valorem taxes were collected for the
1773 preceding month shall be forwarded to the municipality along with
1774 the * * * remittance.

1775 The records of the county tax collector shall be available at
1776 any time during regular office hours for inspection by the
1777 municipal authorities or their authorized agents to determine as
1778 to whether or not any such taxpayer has been properly assessed,
1779 both as to value and as to situs of the subject motor vehicle, and
1780 as to whether or not the proper tax has been collected and
1781 remitted for the benefit of the municipality and municipal
1782 separate school district, in proper cases, if such municipality
1783 has officially authorized the tax collector to collect its motor
1784 vehicle ad valorem taxes as provided hereinabove.

1785 For similar violations of this chapter, the same penalties
1786 shall apply in favor of any municipality, in proper cases, which
1787 apply in favor of the counties. The tax collector shall be liable
1788 on his official bond to the municipality for any failure on his
1789 part to assess, collect and remit the correct amount of taxes due

1790 any municipality under the provisions of this chapter on any motor
1791 vehicle for which he collects county * * * ad valorem taxes.

1792 SECTION 29. Section 27-65-17, Mississippi Code of 1972, is
1793 amended as follows:

1794 27-65-17. * * * Upon every person engaging or continuing
1795 within this state in the business of selling any tangible personal
1796 property whatsoever there is * * * levied, assessed and shall be
1797 collected a tax equal to seven percent (7%) of the gross proceeds
1798 of the retail sales of the business, except as otherwise provided
1799 herein.

1800 Retail sales of farm tractors shall be taxed at the rate of
1801 one percent (1%) when made to farmers for agricultural purposes.

1802 Retail sales of farm implements sold to farmers and used
1803 directly in the production of poultry, ratite, domesticated fish
1804 as defined in Section 69-7-501, livestock, livestock products,
1805 agricultural crops or ornamental plant crops or used for other
1806 agricultural purposes shall be taxed at the rate of three percent
1807 (3%) when used on the farm. The three percent (3%) rate shall
1808 also apply to all equipment used in logging, pulpwood operations
1809 or tree farming which is either (a) self-propelled or which is (b)
1810 mounted so that it is (i) permanently attached to other equipment
1811 which is self-propelled or (ii) permanently attached to other
1812 equipment drawn by a vehicle which is self-propelled.

1813 Retail sales of aircraft, automobiles, trucks,
1814 truck-tractors, semitrailers and mobile homes shall be taxed at
1815 the rate of three percent (3%).

1816 Sales of manufacturing machinery or manufacturing machine
1817 parts when made to a manufacturer or custom processor for plant
1818 use only when the machinery and machine parts will be used
1819 exclusively and directly within this state in manufacturing a
1820 commodity for sale, rental or in processing for a fee shall be
1821 taxed at the rate of one and one-half percent (1-1/2%).

1822 Sales of materials for use in track and track structures to a
1823 railroad whose rates are fixed by the Interstate Commerce

1824 Commission or the Mississippi Public Service Commission shall be
1825 taxed at the rate of three percent (3%).

1826 Sales of tangible personal property to electric power
1827 associations for use in the ordinary and necessary operation of
1828 their generating or distribution systems shall be taxed at the
1829 rate of one percent (1%).

1830 Wholesale sales of beer shall be taxed at the rate of seven
1831 percent (7%), and the retailer shall file a return and compute the
1832 retail tax on retail sales but may take credit for the amount of
1833 the tax paid to the wholesaler on the return covering the
1834 subsequent sales of same property, provided adequate invoices and
1835 records are maintained to substantiate the credit.

1836 Wholesale sales of food and drink for human consumption to
1837 full service vending machine operators to be sold through vending
1838 machines located apart from and not connected with other taxable
1839 businesses shall be taxed at the rate of eight percent (8%).

1840 A manufacturer selling at retail in this state shall be
1841 required to make returns of the gross proceeds of such sales and
1842 pay the tax imposed in this section.

1843 Any person exercising any privilege taxable under Section
1844 27-65-15 and selling his natural resource products at wholesale or
1845 to exempt persons shall pay the tax levied by that section in lieu
1846 of the tax levied by this section.

1847 * * *

1848 SECTION 30. Section 27-65-75, Mississippi Code of 1972, is
1849 amended as follows:

1850 **[Until July 1, 2002, this section reads as follows:]**

1851 27-65-75. On or before the fifteenth day of each month, the
1852 revenue collected under the provisions of this chapter during the
1853 preceding month shall be paid and distributed as follows:

1854 (1) On or before August 15, 1992, and each succeeding month
1855 thereafter through July 15, 1993, eighteen percent (18%) of the
1856 total sales tax revenue collected during the preceding month under
1857 the provisions of this chapter, except that collected under the

1858 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
1859 business activities within a municipal corporation shall be
1860 allocated for distribution to such municipality and paid to such
1861 municipal corporation. On or before August 15, 1993, and each
1862 succeeding month thereafter, eighteen and one-half percent
1863 (18-1/2%) of the total sales tax revenue collected during the
1864 preceding month under the provisions of this chapter, except that
1865 collected under the provisions of Sections 27-65-15, 27-65-19(3)
1866 and 27-65-21, on business activities within a municipal
1867 corporation shall be allocated for distribution to such
1868 municipality and paid to such municipal corporation.

1869 A municipal corporation, for the purpose of distributing the
1870 tax under this subsection, shall mean and include all incorporated
1871 cities, towns and villages.

1872 Monies allocated for distribution and credited to a municipal
1873 corporation under this subsection may be pledged as security for
1874 any loan received by the municipal corporation for the purpose of
1875 capital improvements as authorized under Section 57-1-303, or
1876 loans as authorized under Section 57-44-7, or water systems
1877 improvements as authorized under Section 41-3-16.

1878 In any county having a county seat which is not an
1879 incorporated municipality, the distribution provided hereunder
1880 shall be made as though the county seat was an incorporated
1881 municipality; however, the distribution to such municipality shall
1882 be paid to the county treasury wherein the municipality is located
1883 and such funds shall be used for road, bridge and street
1884 construction or maintenance therein.

1885 (2) On or before September 15, 1987, and each succeeding
1886 month thereafter, from the revenue collected under this chapter
1887 during the preceding month One Million One Hundred Twenty-five
1888 Thousand Dollars (\$1,125,000.00) shall be allocated for
1889 distribution to municipal corporations as defined under subsection
1890 (1) of this section in the proportion that the number of gallons
1891 of gasoline and diesel fuel sold by distributors to consumers and

1892 retailers in each such municipality during the preceding fiscal
1893 year bears to the total gallons of gasoline and diesel fuel sold
1894 by distributors to consumers and retailers in municipalities
1895 statewide during the preceding fiscal year. The State Tax
1896 Commission shall require all distributors of gasoline and diesel
1897 fuel to report to the commission monthly the total number of
1898 gallons of gasoline and diesel fuel sold by them to consumers and
1899 retailers in each municipality during the preceding month. The
1900 State Tax Commission shall have the authority to promulgate such
1901 rules and regulations as is necessary to determine the number of
1902 gallons of gasoline and diesel fuel sold by distributors to
1903 consumers and retailers in each municipality. In determining the
1904 percentage allocation of funds under this subsection for the
1905 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
1906 State Tax Commission may consider gallons of gasoline and diesel
1907 fuel sold for a period of less than one (1) fiscal year. For the
1908 purposes of this subsection, the term "fiscal year" means the
1909 fiscal year beginning July 1 of a year.

1910 (3) On or before September 15, 1987, and on or before the
1911 fifteenth day of each succeeding month, until the date specified
1912 in Section 65-39-35, the proceeds derived from contractors' taxes
1913 levied under Section 27-65-21 on contracts for the construction or
1914 reconstruction of highways designated under the Four-Lane Highway
1915 Program created under Section 65-3-97 shall be deposited into the
1916 State Treasury to the credit of the State Highway Fund to be used
1917 to fund such Four-Lane Highway Program. The Mississippi
1918 Department of Transportation shall provide to the State Tax
1919 Commission such information as is necessary to determine the
1920 amount of proceeds to be distributed under this subsection.

1921 (4) On or before August 15, 1994, and on or before the
1922 fifteenth day of each succeeding month, from the proceeds of
1923 gasoline, diesel fuel or kerosene taxes as provided in Section
1924 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
1925 deposited in the State Treasury to the credit of a special fund

1926 designated as the "State Aid Road Fund," created by Section
1927 65-9-17. Such funds shall be pledged to pay the principal of and
1928 interest on state aid road bonds heretofore issued under Sections
1929 19-9-51 through 19-9-77, in lieu of and in substitution for the
1930 funds heretofore allocated to counties under this section. Such
1931 funds may not be pledged for the payment of any state aid road
1932 bonds issued after April 1, 1981; however, this prohibition
1933 against the pledging of any such funds for the payment of bonds
1934 shall not apply to any bonds for which intent to issue such bonds
1935 has been published, for the first time, as provided by law prior
1936 to March 29, 1981. From the amount of taxes paid into the special
1937 fund pursuant to this subsection and subsection (9) of this
1938 section, there shall be first deducted and paid the amount
1939 necessary to pay the expenses of the Office of State Aid Road
1940 Construction, as authorized by the Legislature for all other
1941 general and special fund agencies. The remainder of the fund
1942 shall be allocated monthly to the several counties in accordance
1943 with the following formula:

1944 (a) One-third (1/3) shall be allocated to all counties
1945 in equal shares;

1946 (b) One-third (1/3) shall be allocated to counties
1947 based on the proportion that the total number of rural road miles
1948 in a county bears to the total number of rural road miles in all
1949 counties of the state; and

1950 (c) One-third (1/3) shall be allocated to counties
1951 based on the proportion that the rural population of the county
1952 bears to the total rural population in all counties of the state,
1953 according to the latest federal decennial census.

1954 For the purposes of this subsection, the term "gasoline,
1955 diesel fuel or kerosene taxes" means such taxes as defined in
1956 paragraph (f) of Section 27-5-101.

1957 The amount of funds allocated to any county under this
1958 subsection for any fiscal year after fiscal year 1994 shall not be
1959 less than the amount allocated to such county for fiscal year

1960 1994. Monies allocated to a county from the State Aid Road Fund
1961 for fiscal year 1995 or any fiscal year thereafter that exceed the
1962 amount of funds allocated to that county from the State Aid Road
1963 Fund for fiscal year 1994, first must be expended by the county
1964 for replacement or rehabilitation of bridges on the state aid road
1965 system that have a sufficiency rating of less than twenty-five
1966 (25), according to National Bridge Inspection standards before
1967 such monies may be approved for expenditure by the State Aid Road
1968 Engineer on other projects that qualify for the use of state aid
1969 road funds.

1970 Any reference in the general laws of this state or the
1971 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
1972 construed to refer and apply to subsection (4) of Section
1973 27-65-75.

1974 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1975 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
1976 the special fund known as the "State Public School Building Fund"
1977 created and existing under the provisions of Sections 37-47-1
1978 through 37-47-67. Such payments into the fund are to be made on
1979 the last day of each succeeding month hereafter.

1980 (6) An amount each month beginning August 15, 1983, through
1981 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
1982 of 1983, shall be paid into the special fund known as the
1983 Correctional Facilities Construction Fund created in Section 6 of
1984 Chapter 542, Laws of 1983.

1985 (7) On or before August 15, 1992, and each succeeding month
1986 thereafter, two and two hundred sixty-six one-thousandths percent
1987 (2.266%) of the total sales tax revenue collected during the
1988 preceding month under the provisions of this chapter, except that
1989 collected under the provisions of Section 27-65-17(2) shall be
1990 deposited by the commission into the School Ad Valorem Tax
1991 Reduction Fund created pursuant to Section 37-61-35.

1992 (8) On or before August 15, 1992, and each succeeding month
1993 thereafter, nine and seventy-three one-thousandths percent

1994 (9.073%) of the total sales tax revenue collected during the
1995 preceding month under the provisions of this chapter, except that
1996 collected under the provisions of Section 27-65-17(2) shall be
1997 deposited into the Education Enhancement Fund created pursuant to
1998 Section 37-61-33.

1999 (9) On or before August 15, 1994, and each succeeding month
2000 thereafter, from the revenue collected under this chapter during
2001 the preceding month, Two Hundred Fifty Thousand Dollars
2002 (\$250,000.00) shall be paid into the State Aid Road Fund.

2003 * * *

2004 (10) On or before July 15, 1994, and on or before the
2005 fifteenth day of each succeeding month thereafter, that portion of
2006 the avails of the tax imposed in Section 27-65-22, which is
2007 derived from activities held on the Mississippi state fairgrounds
2008 complex, shall be paid into a special fund that is created in the
2009 State Treasury and shall be expended pursuant to legislative
2010 appropriations solely to defray the costs of repairs and
2011 renovation at such Trade Mart and Coliseum.

2012 (11) On or before August 15, 1998, and each succeeding month
2013 thereafter through July 15, 2005, that portion of the avails of
2014 the tax imposed in Section 27-65-23 which is derived from sales by
2015 cotton compresses or cotton warehouses and which would otherwise
2016 be paid into the General Fund, shall be deposited in an amount not
2017 to exceed Two Million Dollars (\$2,000,000.00) into the special
2018 fund created pursuant to Section 69-37-39.

2019 (12) The remainder of the amounts collected under the
2020 provisions of this chapter shall be paid into the State Treasury
2021 to the credit of the General Fund.

2022 (13) It shall be the duty of the municipal officials of any
2023 municipality which expands its limits, or of any community which
2024 incorporates as a municipality, to notify the commissioner of such
2025 action thirty (30) days before the effective date. Failure to so
2026 notify the commissioner shall cause such municipality to forfeit
2027 the revenue which it would have been entitled to receive during

2028 this period of time when the commissioner had no knowledge of the
2029 action. If any funds have been erroneously disbursed to any
2030 municipality or any overpayment of tax is recovered by the
2031 taxpayer, the commissioner may make correction and adjust the
2032 error or overpayment with such municipality by withholding the
2033 necessary funds from any subsequent payment to be made to the
2034 municipality.

2035 **[From and after July 1, 2002, this section reads as follows:]**

2036 27-65-75. On or before the fifteenth day of each month, the
2037 revenue collected under the provisions of this chapter during the
2038 preceding month shall be paid and distributed as follows:

2039 (1) On or before August 15, 1992, and each succeeding month
2040 thereafter through July 15, 1993, eighteen percent (18%) of the
2041 total sales tax revenue collected during the preceding month under
2042 the provisions of this chapter, except that collected under the
2043 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
2044 business activities within a municipal corporation shall be
2045 allocated for distribution to such municipality and paid to such
2046 municipal corporation. On or before August 15, 1993, and each
2047 succeeding month thereafter, eighteen and one-half percent
2048 (18-1/2%) of the total sales tax revenue collected during the
2049 preceding month under the provisions of this chapter, except that
2050 collected under the provisions of Sections 27-65-15, 27-65-19(3)
2051 and 27-65-21, on business activities within a municipal
2052 corporation shall be allocated for distribution to such
2053 municipality and paid to such municipal corporation.

2054 A municipal corporation, for the purpose of distributing the
2055 tax under this subsection, shall mean and include all incorporated
2056 cities, towns and villages.

2057 Monies allocated for distribution and credited to a municipal
2058 corporation under this subsection may be pledged as security for
2059 any loan received by the municipal corporation for the purpose of
2060 capital improvements as authorized under Section 57-1-303, or
2061 loans as authorized under Section 57-44-7, or water systems

2062 improvements as authorized under Section 41-3-16.

2063 In any county having a county seat which is not an
2064 incorporated municipality, the distribution provided hereunder
2065 shall be made as though the county seat was an incorporated
2066 municipality; however, the distribution to such municipality shall
2067 be paid to the county treasury wherein the municipality is located
2068 and such funds shall be used for road, bridge and street
2069 construction or maintenance therein.

2070 (2) On or before September 15, 1987, and each succeeding
2071 month thereafter, from the revenue collected under this chapter
2072 during the preceding month One Million One Hundred Twenty-five
2073 Thousand Dollars (\$1,125,000.00) shall be allocated for
2074 distribution to municipal corporations as defined under subsection
2075 (1) of this section in the proportion that the number of gallons
2076 of gasoline and diesel fuel sold by distributors to consumers and
2077 retailers in each such municipality during the preceding fiscal
2078 year bears to the total gallons of gasoline and diesel fuel sold
2079 by distributors to consumers and retailers in municipalities
2080 statewide during the preceding fiscal year. The State Tax
2081 Commission shall require all distributors of gasoline and diesel
2082 fuel to report to the commission monthly the total number of
2083 gallons of gasoline and diesel fuel sold by them to consumers and
2084 retailers in each municipality during the preceding month. The
2085 State Tax Commission shall have the authority to promulgate such
2086 rules and regulations as is necessary to determine the number of
2087 gallons of gasoline and diesel fuel sold by distributors to
2088 consumers and retailers in each municipality. In determining the
2089 percentage allocation of funds under this subsection for the
2090 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
2091 State Tax Commission may consider gallons of gasoline and diesel
2092 fuel sold for a period of less than one (1) fiscal year. For the
2093 purposes of this subsection, the term "fiscal year" means the
2094 fiscal year beginning July 1 of a year.

2095 (3) On or before September 15, 1987, and on or before the

2096 fifteenth day of each succeeding month, until the date specified
2097 in Section 65-39-35, the proceeds derived from contractors' taxes
2098 levied under Section 27-65-21 on contracts for the construction or
2099 reconstruction of highways designated under the Four-Lane Highway
2100 Program created under Section 65-3-97 shall be deposited into the
2101 State Treasury to the credit of the State Highway Fund to be used
2102 to fund such Four-Lane Highway Program. The Mississippi
2103 Department of Transportation shall provide to the State Tax
2104 Commission such information as is necessary to determine the
2105 amount of proceeds to be distributed under this subsection.

2106 (4) On or before August 15, 1994, and on or before the
2107 fifteenth day of each succeeding month, from the proceeds of
2108 gasoline, diesel fuel or kerosene taxes as provided in Section
2109 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
2110 deposited in the State Treasury to the credit of a special fund
2111 designated as the "State Aid Road Fund," created by Section
2112 65-9-17. Such funds shall be pledged to pay the principal of and
2113 interest on state aid road bonds heretofore issued under Sections
2114 19-9-51 through 19-9-77, in lieu of and in substitution for the
2115 funds heretofore allocated to counties under this section. Such
2116 funds may not be pledged for the payment of any state aid road
2117 bonds issued after April 1, 1981; however, this prohibition
2118 against the pledging of any such funds for the payment of bonds
2119 shall not apply to any bonds for which intent to issue such bonds
2120 has been published, for the first time, as provided by law prior
2121 to March 29, 1981. From the amount of taxes paid into the special
2122 fund pursuant to this subsection and subsection (9) of this
2123 section, there shall be first deducted and paid the amount
2124 necessary to pay the expenses of the Office of State Aid Road
2125 Construction, as authorized by the Legislature for all other
2126 general and special fund agencies. The remainder of the fund
2127 shall be allocated monthly to the several counties in accordance
2128 with the following formula:

2129 (a) One-third (1/3) shall be allocated to all counties

2130 in equal shares;

2131 (b) One-third (1/3) shall be allocated to counties
2132 based on the proportion that the total number of rural road miles
2133 in a county bears to the total number of rural road miles in all
2134 counties of the state; and

2135 (c) One-third (1/3) shall be allocated to counties
2136 based on the proportion that the rural population of the county
2137 bears to the total rural population in all counties of the state,
2138 according to the latest federal decennial census.

2139 For the purposes of this subsection, the term "gasoline,
2140 diesel fuel or kerosene taxes" means such taxes as defined in
2141 paragraph (f) of Section 27-5-101.

2142 The amount of funds allocated to any county under this
2143 subsection for any fiscal year after fiscal year 1994 shall not be
2144 less than the amount allocated to such county for fiscal year
2145 1994. Monies allocated to a county from the State Aid Road Fund
2146 for fiscal year 1995 or any fiscal year thereafter that exceed the
2147 amount of funds allocated to that county from the State Aid Road
2148 Fund for fiscal year 1994, first must be expended by the county
2149 for replacement or rehabilitation of bridges on the state aid road
2150 system that have a sufficiency rating of less than twenty-five
2151 (25), according to National Bridge Inspection standards before
2152 such monies may be approved for expenditure by the State Aid Road
2153 Engineer on other projects that qualify for the use of state aid
2154 road funds.

2155 Any reference in the general laws of this state or the
2156 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
2157 construed to refer and apply to subsection (4) of Section
2158 27-65-75.

2159 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
2160 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
2161 the special fund known as the "State Public School Building Fund"
2162 created and existing under the provisions of Sections 37-47-1
2163 through 37-47-67. Such payments into the fund are to be made on

2164 the last day of each succeeding month hereafter.

2165 (6) An amount each month beginning August 15, 1983, through
2166 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
2167 of 1983, shall be paid into the special fund known as the
2168 Correctional Facilities Construction Fund created in Section 6 of
2169 Chapter 542, Laws of 1983.

2170 (7) On or before August 15, 1992, and each succeeding month
2171 thereafter, two and two hundred sixty-six one-thousandths percent
2172 (2.266%) of the total sales tax revenue collected during the
2173 preceding month under the provisions of this chapter, except that
2174 collected under the provisions of Section 27-65-17(2), not to
2175 exceed the fiscal year 1997 appropriated level shall be deposited
2176 by the commission into the School Ad Valorem Tax Reduction Fund
2177 created pursuant to Section 37-61-35, with the balance to be
2178 transferred to the Education Enhancement Fund created under
2179 Section 37-61-33 for appropriation by the Legislature as other
2180 education needs and not subject to the percentage set asides set
2181 forth in Section 37-61-33.

2182 (8) On or before August 15, 1992, and each succeeding month
2183 thereafter, nine and seventy-three one-thousandths percent
2184 (9.073%) of the total sales tax revenue collected during the
2185 preceding month under the provisions of this chapter, except that
2186 collected under the provisions of Section 27-65-17(2) shall be
2187 deposited into the Education Enhancement Fund created pursuant to
2188 Section 37-61-33.

2189 (9) On or before August 15, 1994, and each succeeding month
2190 thereafter, from the revenue collected under this chapter during
2191 the preceding month, Two Hundred Fifty Thousand Dollars
2192 (\$250,000.00) shall be paid into the State Aid Road Fund.

2193 * * *

2194 (10) On or before July 15, 1994, and on or before the
2195 fifteenth day of each succeeding month thereafter, that portion of
2196 the avails of the tax imposed in Section 27-65-22, which is
2197 derived from activities held on the Mississippi state fairgrounds

2198 complex, shall be paid into a special fund that is created in the
2199 State Treasury and shall be expended pursuant to legislative
2200 appropriations solely to defray the costs of repairs and
2201 renovation at such Trade Mart and Coliseum.

2202 (11) On or before August 15, 1998, and each succeeding month
2203 thereafter through July 15, 2005, that portion of the avails of
2204 the tax imposed in Section 27-65-23 which is derived from sales by
2205 cotton compresses or cotton warehouses and which would otherwise
2206 be paid into the General Fund, shall be deposited in an amount not
2207 to exceed Two Million Dollars (\$2,000,000.00) into the special
2208 fund created pursuant to Section 69-37-39.

2209 (12) The remainder of the amounts collected under the
2210 provisions of this chapter shall be paid into the State Treasury
2211 to the credit of the General Fund.

2212 (13) It shall be the duty of the municipal officials of any
2213 municipality which expands its limits, or of any community which
2214 incorporates as a municipality, to notify the commissioner of such
2215 action thirty (30) days before the effective date. Failure to so
2216 notify the commissioner shall cause such municipality to forfeit
2217 the revenue which it would have been entitled to receive during
2218 this period of time when the commissioner had no knowledge of the
2219 action. If any funds have been erroneously disbursed to any
2220 municipality or any overpayment of tax is recovered by the
2221 taxpayer, the commissioner may make correction and adjust the
2222 error or overpayment with such municipality by withholding the
2223 necessary funds from any subsequent payment to be made to the
2224 municipality.

2225 SECTION 31. Section 27-67-31, Mississippi Code of 1972, is
2226 amended as follows:

2227 **[Until July 1, 2002, this section reads as follows:]**

2228 27-67-31. All administrative provisions of the sales tax
2229 law, and amendments thereto, including those which fix damages,
2230 penalties and interest for failure to comply with the provisions
2231 of the sales tax law, and all other requirements and duties

2232 imposed upon taxpayer, shall apply to all persons liable for use
2233 taxes under the provisions of this article. The commissioner
2234 shall exercise all power and authority and perform all duties with
2235 respect to taxpayers under this article as are provided in the
2236 sales tax law, except where there is conflict, then the provisions
2237 of this article shall control.

2238 The commissioner may require transportation companies to
2239 permit the examination of waybills, freight bills, or other
2240 documents covering shipments of tangible personal property into
2241 this state.

2242 On or before the fifteenth day of each month, the amount
2243 received from taxes, damages and interest under the provisions of
2244 this article during the preceding month shall be paid and
2245 distributed as follows:

2246 (a) On or before July 15, 1994, and each succeeding
2247 month thereafter, two and two hundred sixty-six one-thousandths
2248 percent (2.266%) of the total use tax revenue collected during the
2249 preceding month under the provisions of this article shall be
2250 deposited in the School Ad Valorem Tax Reduction Fund created
2251 pursuant to Section 37-61-35.

2252 (b) On or before July 15, 1994, and each succeeding
2253 month thereafter, nine and seventy-three one thousandths percent
2254 (9.073%) of the total use tax revenue collected during the
2255 preceding month under the provisions of this article shall be
2256 deposited into the Education Enhancement Fund created pursuant to
2257 Section 37-61-33.

2258 * * *

2259 (c) The remainder of the amount received from taxes,
2260 damages and interest under the provisions of this article shall be
2261 paid into the General Fund of the State Treasury by the
2262 commissioner.

2263 **[From and after July 1, 2002, this section reads as follows:]**

2264 27-67-31. All administrative provisions of the sales tax
2265 law, and amendments thereto, including those which fix damages,

2266 penalties and interest for failure to comply with the provisions
2267 of the sales tax law, and all other requirements and duties
2268 imposed upon taxpayer, shall apply to all persons liable for use
2269 taxes under the provisions of this article. The commissioner
2270 shall exercise all power and authority and perform all duties with
2271 respect to taxpayers under this article as are provided in the
2272 sales tax law, except where there is conflict, then the provisions
2273 of this article shall control.

2274 The commissioner may require transportation companies to
2275 permit the examination of waybills, freight bills, or other
2276 documents covering shipments of tangible personal property into
2277 this state.

2278 On or before the fifteenth day of each month, the amount
2279 received from taxes, damages and interest under the provisions of
2280 this article during the preceding month shall be paid and
2281 distributed as follows:

2282 (a) On or before July 15, 1994, and each succeeding
2283 month thereafter, two and two hundred sixty-six one-thousandths
2284 percent (2.266%) of the total use tax revenue collected during the
2285 preceding month under the provisions of this article not to exceed
2286 the fiscal year 1997 appropriated level shall be deposited in the
2287 School Ad Valorem Tax Reduction Fund created pursuant to Section
2288 37-61-35, with the balance to be transferred to the Education
2289 Enhancement Fund created under Section 37-61-33 for appropriation
2290 by the Legislature as other education needs and not subject to the
2291 percentage set asides set forth in Section 37-61-33.

2292 (b) On or before July 15, 1994, and each succeeding
2293 month thereafter, nine and seventy-three one-thousandths percent
2294 (9.073%) of the total use tax revenue collected during the
2295 preceding month under the provisions of this article shall be
2296 deposited into the Education Enhancement Fund created pursuant to
2297 Section 37-61-33.

2298 (c) The remainder of the amount received from taxes,
2299 damages and interest under the provisions of this article shall be

2300 paid into the General Fund of the State Treasury by the
2301 commissioner.

2302 SECTION 32. Sections 27-51-101 and 27-51-103, Mississippi
2303 Code of 1972, which provide for definitions and provide for a
2304 credit against motor vehicle ad valorem taxes for passenger motor
2305 vehicles and light trucks, are repealed. Sections 27-51-105 and
2306 27-51-107, Mississippi Code of 1972, which establish the Motor
2307 Vehicle Ad Valorem Tax Reduction Fund and provide for
2308 distributions from the fund, are repealed on November 1, 1999.

2309 SECTION 33. Any monies in the Motor Vehicle Ad Valorem Tax
2310 Reduction Fund on November 1, 1999, shall be transferred to the
2311 Motor Vehicle Tax Reimbursement Fund created in Section 3 of this
2312 act.

2313 SECTION 34. Nothing in this act shall affect or defeat any
2314 claim, assessment, appeal, suit, right or cause of action for
2315 taxes due or accrued under the road and bridge privilege tax laws,
2316 ad valorem tax laws, sales tax laws or income tax laws before the
2317 date on which this act becomes effective, whether such claims,
2318 assessments, appeals, suits or actions have been begun before the
2319 date on which this act becomes effective or are begun thereafter;
2320 and the provisions of the road and bridge privilege tax laws, ad
2321 valorem tax laws, sales tax laws and income tax laws are expressly
2322 continued in full force, effect and operation for the purpose of
2323 the assessment, collection and enrollment of liens for any taxes
2324 due or accrued and the execution of any warrant under such laws
2325 before the date on which this act becomes effective, and for the
2326 imposition of any penalties, forfeitures or claims for failure to
2327 comply with such laws.

2328 SECTION 35. This act shall take effect and be in force from
2329 and after October 1, 1999, except for Sections 30 and 31, which
2330 shall take effect and be in force from and after November 1, 1999.