

By: Senator(s) Cuevas

To: Finance

SENATE BILL NO. 2482

1 AN ACT TO AMEND SECTIONS 27-65-17, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT SALES OF CERTAIN HOME MEDICAL EQUIPMENT AND HOME
3 MEDICAL SUPPLIES SHALL BE TAXED AT RATES LOWER THAN SEVEN PERCENT;
4 AND FOR RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF
5 THE STATE OF MISSISSIPPI:

6
7 SECTION 1. Section 27-65-17, Mississippi Code of 1972, is
8 amended as follows:

9 27-65-17. (1) Upon every person engaging or continuing
10 within this state in the business of selling any tangible personal
11 property whatsoever there is hereby levied, assessed and shall be
12 collected a tax equal to seven percent (7%) of the gross proceeds
13 of the retail sales of the business, except as otherwise provided
14 herein.

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

17 Retail sales of farm implements sold to farmers and used
18 directly in the production of poultry, ratite, domesticated fish
19 as defined in Section 69-7-501, livestock, livestock products,
20 agricultural crops or ornamental plant crops or used for other
21 agricultural purposes shall be taxed at the rate of three percent
22 (3%) when used on the farm. The three percent (3%) rate shall
23 also apply to all equipment used in logging, pulpwood operations
24 or tree farming which is either (a) self-propelled or which is (b)
25 mounted so that it is (i) permanently attached to other equipment
26 which is self-propelled or (ii) permanently attached to other
27 equipment drawn by a vehicle which is self-propelled.

28 Retail sales of aircraft, automobiles, trucks,

29 truck-tractors, semitrailers and mobile homes shall be taxed at
30 the rate of three percent (3%).

31 Sales of manufacturing machinery or manufacturing machine
32 parts when made to a manufacturer or custom processor for plant
33 use only when said machinery and machine parts will be used
34 exclusively and directly within this state in manufacturing a
35 commodity for sale, rental or in processing for a fee shall be
36 taxed at the rate of one and one-half percent (1-1/2%).

37 Sales of materials for use in track and track structures to a
38 railroad whose rates are fixed by the Interstate Commerce
39 Commission or the Mississippi Public Service Commission shall be
40 taxed at the rate of three percent (3%).

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

45
46 Wholesale sales of beer shall be taxed at the rate of seven
47 percent (7%), and the retailer shall file a return and compute the
48 retail tax on retail sales but may take credit for the amount of
49 the tax paid to the wholesaler on said return covering the
50 subsequent sales of same property, provided adequate invoices and
51 records are maintained to substantiate the credit.

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

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

59 Any person exercising any privilege taxable under Section
60 27-65-15 and selling his natural resource products at wholesale or
61 to exempt persons shall pay the tax levied by said section in lieu

62 of the tax levied by this section.

63 (2) From and after January 1, 1995, retail sales of private
64 carriers of passengers and light carriers of property, as defined
65 in Section 27-51-101, shall be taxed an additional two percent
66 (2%).

67 SECTION 2. Nothing in this act shall affect or defeat any
68 claim, assessment, appeal, suit, right or cause of action for
69 taxes due or accrued under the sales tax laws before the date on
70 which this act becomes effective, whether such claims,
71 assessments, appeals, suits or actions have been begun before the
72 date on which this act becomes effective or are begun thereafter;
73 and the provisions of the sales tax laws are expressly continued
74 in full force, effect and operation for the purpose of the
75 assessment, collection and enrollment of liens for any taxes due
76 or accrued and the execution of any warrant under such laws before
77 the date on which this act becomes effective, and for the
78 imposition of any penalties, forfeitures or claims for failure to
79 comply with such laws.

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