

By: Senator(s) Lee, Rayborn

To: Highways and
Transportation;
Finance

SENATE BILL NO. 2709

1 AN ACT TO AMEND SECTIONS 27-5-101, 27-19-43, 27-19-309,
2 27-55-11, 27-55-313, 27-57-37, 27-59-11, 27-65-75 AND 65-39-35,
3 MISSISSIPPI CODE OF 1972, TO CONTINUE CERTAIN TAXES AND FEES
4 BEYOND THE DATE OF THE COMPLETION OF FUNDING OF THE FOUR-LANE
5 HIGHWAY PROGRAM AND THE GAMING COUNTIES INFRASTRUCTURE PROGRAM; TO
6 PROVIDE THAT THE TAXES AND FEES LEVIED AND CHARGED TO SUPPORT THE
7 FOUR-LANE HIGHWAY PROGRAM AND THE GAMING COUNTIES INFRASTRUCTURE
8 PROGRAM SHALL BE DEPOSITED INTO THE STATE AID ROAD FUND AFTER
9 COMPLETION OF SUCH PROGRAMS; AND FOR RELATED PURPOSES.

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

11 SECTION 1. Section 27-5-101, Mississippi Code of 1972, is
12 amended as follows:

13 **[With regard to any county which is exempt from the**
14 **provisions of Section 19-2-3, this section shall read as follows:]**

15 27-5-101. Unless otherwise provided in this section, on or
16 before the fifteenth day of each month, all gasoline, diesel fuel
17 or kerosene taxes which are levied under the laws of this state
18 and collected during the previous month shall be paid and
19 apportioned by the State Tax Commission as follows:

20 (a) (i) From the gross amount of gasoline, diesel fuel
21 or kerosene taxes produced by the state, there shall be deducted
22 an amount equal to one-sixth (1/6) of principal and interest
23 certified by the State Treasurer to the State Tax Commission to be
24 due on the next semiannual bond and interest payment date, as
25 required under the provisions of Chapter 130, Laws of 1938, and
26 subsequent acts authorizing the issuance of bonds payable from
27 gasoline, diesel fuel or kerosene tax revenue on a parity with the
28 bonds issued under authority of said Chapter 130. The State
29 Treasurer shall certify to the State Tax Commission on or before

30 the fifteenth day of each month the amount to be paid to the
31 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
32 of 1938, and subsequent acts authorizing the issuance of bonds
33 payable from gasoline, diesel fuel or kerosene tax revenue, on a
34 parity with the bonds issued under authority of said Chapter 130;
35 and the State Tax Commission shall, on or before the twenty-fifth
36 day of each month, pay into the State Treasury for credit to the
37 "Highway Bonds Sinking Fund" the amount so certified to him by the
38 State Treasurer due to be paid into such fund each month. The
39 payments to the "Highway Bonds Sinking Fund" shall be made out of
40 gross gasoline, diesel fuel or kerosene tax collections before
41 deductions of any nature are considered; however, such payments
42 shall be deducted from the allocation to the Mississippi
43 Department of Transportation under paragraph (c) of this section.

44 (ii) From collections derived from the portion of
45 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
46 from the portion of the tax on aviation gas under Section 27-55-11
47 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
48 portion of the diesel fuel tax levied under Section 27-55-313 that
49 exceeds Ten Cents (10¢) per gallon, from the portion of the taxes
50 levied under Section 27-57-315 that exceeds One Cent (1¢) per
51 gallon on oil and Five and One-fourth Cents (5.25¢) per gallon on
52 oil used as aircraft fuel, from the portion of the excise tax on
53 compressed gas used as a motor fuel that exceeds the rate of tax
54 in effect on June 30, 1987, and from the portion of the gasoline
55 excise tax in excess of Seven Cents (7¢) per gallon and the diesel
56 excise tax in excess of Ten Cents (10¢) per gallon under Section
57 27-61-5 there shall be deducted:

58 1. An amount as provided in Section
59 27-65-75(4) to the credit of a special fund designated as the
60 "Office of State Aid Road Construction."

61 2. An amount equal to the tax collections
62 derived from Two Cents (2¢) per gallon of the gasoline excise tax
63 for distribution to the State Highway Fund to be used exclusively
64 for the construction, reconstruction and maintenance of highways
65 of the State of Mississippi or the payment of interest and
66 principal on bonds when specifically authorized by the Legislature

67 for that purpose.

68 3. The balance shall be deposited in the
69 State Treasury to the credit of the State Highway Fund.

70 (b) Subject to the provisions that said basis of
71 distribution shall in nowise affect adversely the amount
72 specifically pledged in paragraph (a) of this section to be paid
73 into the "Highway Bonds Sinking Fund," the following shall be
74 deducted from the amount produced by the state tax on gasoline,
75 diesel fuel or kerosene tax collections, excluding collections
76 derived from the portion of the gasoline excise tax that exceeds
77 Seven Cents (7¢) per gallon, from the portion of the tax on
78 aviation gas under Section 27-55-11 that exceeds Six and
79 Four-tenths Cents (6.4¢) per gallon, from the portion of the
80 diesel fuel tax levied under Section 27-55-313 that exceeds Ten
81 Cents (10¢) per gallon, from the portion of the taxes levied under
82 Section 27-57-315 that exceeds One Cent (1¢) per gallon on oil and
83 Five and One-fourth Cents (5.25¢) per gallon on oil used as
84 aircraft fuel, from the portion of the excise tax on compressed
85 gas used as a motor fuel that exceeds the rate of tax in effect on
86 June 30, 1987, and from the portion of the gasoline excise tax in
87 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
88 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

89 (i) Twenty percent (20%) of such amount which
90 shall be earmarked and set aside for the construction,
91 reconstruction and maintenance of the highways and roads of the
92 state, provided that if such twenty percent (20%) should reduce
93 any county to a lesser amount than that received in the fiscal
94 year ending June 30, 1966, then such twenty percent (20%) shall be
95 reduced to a percentage to provide that no county shall receive
96 less than its portion for the fiscal year ending June 30, 1966;

97 (ii) The amount allowed as refund on gasoline or
98 as tax credit on diesel fuel or kerosene used for agricultural,
99 maritime, industrial, domestic, and nonhighway purposes;

100 (iii) Five percent (5%) of such amount shall be
101 paid to the State Highway Fund;

102 (iv) The amount or portion thereof authorized by
103 legislative appropriation to the Fisheries and Wildlife Fund
104 created under Section 59-21-25;

105 (v) The amount for deposit into the special
106 aviation fund under paragraph (d) of this section; and

107 (vi) The remainder shall be divided on a basis of
108 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
109 same basis as Four and One-half Cents (4-1/2¢) and Two and
110 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
111 six and forty-three one-hundredths (6.43) and three and
112 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
113 fuel or kerosene). The amount produced by the nine-fourteenths
114 (9/14) division shall be allocated to the Transportation
115 Department and paid into the State Treasury as provided in this
116 section and in Section 27-5-103 and the five-fourteenths (5/14)
117 division shall be returned to the counties of the state on the
118 following basis:

119 1. In each fiscal year, each county shall be
120 paid each month the same percentage of the monthly total to be
121 distributed as was paid to that county during the same month in
122 the fiscal year which ended April 9, 1960, until the county
123 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
124 fiscal year, at which time funds shall be distributed under the
125 provisions of paragraph (b)(vi)4 of this section.

126 2. If after payments in 1 above, any county
127 has not received a total of One Hundred Ninety Thousand Dollars
128 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
129 and each fiscal year thereafter, then any available funds not
130 distributed under 1 above shall be used to bring such county or
131 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
132 or such funds shall be divided equally among such counties not

133 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
134 there is not sufficient money to bring all the counties to said
135 One Hundred Ninety Thousand Dollars (\$190,000.00).

136 3. When a county has been paid an amount
137 equal to the total which was paid to the same county during the
138 fiscal year ended April 9, 1960, such county shall receive no
139 further payments during the then current fiscal year until the
140 last month of such current fiscal year, at which time distribution
141 will be made under 2 above, except as set out in 4 below.

142 4. During the last month of the current
143 fiscal year, should it be determined that there are funds
144 available in excess of the amount distributed for the year under 1
145 and 2 above, then such excess funds shall be distributed among the
146 various counties as follows:

147 One-third (1/3) of such excess to be
148 divided equally among the counties;

149 One-third (1/3) of such excess to be paid
150 to the counties in the proportion which the population of each
151 county bears to the total population of the state according to the
152 last federal census;

153 One-third (1/3) of such excess to be paid
154 to the counties in the proportion which the number of square miles
155 of each county bears to the total square miles in the state.

156 5. It is the declared purpose and intent of
157 the Legislature that no county shall be paid less than was paid
158 during the year ended April 9, 1960, unless the amount to be
159 distributed to all counties in any year is less than the amount
160 distributed to all counties during the year ended April 9, 1960.

161 The Municipal Aid Fund as established by Section 27-5-103
162 shall not participate in any portion of any funds allocated to any
163 county hereunder over and above One Hundred Ninety Thousand
164 Dollars (\$190,000.00).

165 In any county having countywide road or bridge bonds, or

166 supervisors district or district road or bridge bonds outstanding,
167 which exceed, in the aggregate, twelve percent (12%) of the
168 assessed valuation of the taxable property of the county or
169 district, it shall be the duty of the board of supervisors to set
170 aside not less than sixty percent (60%) of such county's share or
171 district's share of the gasoline, diesel fuel or kerosene taxes to
172 be used in paying the principal and interest on such road or
173 bridge bonds as they mature.

174 In any county having such countywide road or bridge bonds or
175 district road or bridge bonds outstanding which exceed, in the
176 aggregate, eight percent (8%) of the assessed valuation of the
177 taxable property of the county, but which do not exceed, in the
178 aggregate, twelve percent (12%) of the assessed valuation of the
179 taxable property of the county, it shall be the duty of the board
180 of supervisors to set aside not less than thirty-five percent
181 (35%) of such county's share of the gasoline, diesel fuel or
182 kerosene taxes to be used in paying the principal and interest of
183 such road or bridge bonds as they mature.

184 In any county having such countywide road or bridge bonds or
185 district road or bridge bonds outstanding which exceed, in the
186 aggregate, five percent (5%) of the assessed valuation of the
187 taxable property of the county, but which do not exceed, in the
188 aggregate, eight percent (8%) of the assessed valuation of the
189 taxable property of the county, it shall be the duty of the board
190 of supervisors to set aside not less than twenty percent (20%) of
191 such county's share of the gasoline, diesel fuel or kerosene taxes
192 to be used in paying the principal and interest of such road and
193 bridge bonds as they mature.

194 In any county having such countywide road or bridge bonds or
195 district road or bridge bonds outstanding which do not exceed, in
196 the aggregate, five percent (5%) of the assessed valuation of the
197 taxable property of the county, it shall be the duty of the board
198 of supervisors to set aside not less than ten percent (10%) of

199 such county's share of the gasoline, diesel fuel or kerosene taxes
200 to be used in paying the principal and interest on such road or
201 bridge bonds as they mature.

202 The portion of any such county's share of the gasoline,
203 diesel fuel or kerosene taxes thus set aside for the payment of
204 the principal and interest of road or bridge bonds, as provided
205 for in this section, shall be used first in paying the currently
206 maturing installments of the principal and interest of such
207 countywide road or bridge bonds, if there be any such countywide
208 road or bridge bonds outstanding, and secondly, in paying the
209 currently maturing installments of principal and interest of
210 district road or bridge bonds outstanding. It shall be the duty
211 of the board of supervisors to pay bonds and interest maturing in
212 each supervisors district out of the supervisors district's share
213 of the gasoline, diesel fuel or kerosene taxes of such district.

214 The remaining portion of such county's share of the gasoline,
215 diesel fuel or kerosene taxes, after setting aside the portion
216 above provided for the payment of the principal and interest of
217 bonds, shall be used in the construction and maintenance of any
218 public highways, bridges, or culverts of the county, including the
219 roads in special or separate road districts, in the discretion of
220 the board of supervisors, or in paying the interest and principal
221 of county road and bridge bonds or district road and bridge bonds,
222 in the discretion of the board of supervisors.

223 In any county having no countywide road or bridge bonds or
224 district road or bridge bonds outstanding, all such county's share
225 of the gasoline, diesel fuel or kerosene taxes shall be used in
226 the construction, reconstruction, and maintenance of the public
227 highways, bridges, or culverts of the county as the board of
228 supervisors may determine.

229 In every county in which there are county road bonds or
230 seawall or road protection bonds outstanding which were issued for
231 the purpose of building bridges or constructing public roads or

232 seawalls, such funds shall be used in the manner provided by law.

233 (c) From the amount produced by the nine-fourteenths
234 (9/14) division allocated to the Transportation Department, there
235 shall be deducted:

236 (i) The amount paid to the State Treasurer for the
237 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

238 (ii) Any amounts due counties in accordance with
239 Section 65-33-45 which have outstanding bonds issued for seawall
240 or road protection purposes, issued under provisions of Chapter
241 319, Laws of 1924, and amendments thereto;

242 (iii) Beginning August 15, 2002, and on or before
243 the fifteenth day of each month thereafter, an amount equal to
244 one-sixth (1/6) of the principal and interest certified by the
245 State Treasurer to the State Tax Commission to be due on the next
246 semiannual bond and interest payment date for the bonds issued
247 under Sections 65-39-5 through 65-39-33. On or before the
248 twenty-fifth day of each month the State Tax Commission shall pay
249 into the State Treasury for credit to the Gaming Counties Bond
250 Sinking Fund created in Section 65-39-3, the amount so certified
251 by the State Treasurer.

252 (iv) The remainder shall be paid by the State Tax
253 Commission to the State Treasurer on the fifteenth day of each
254 month next succeeding the month in which the gasoline, diesel fuel
255 or kerosene taxes were collected to the credit of the State
256 Highway Fund.

257 The funds allocated for the construction, reconstruction, and
258 improvement of state highways, bridges, and culverts, or so much
259 thereof as may be necessary, shall first be used in conjunction
260 with funds supplied by the federal government for such purposes
261 and allocated to the State Transportation Department to be
262 expended on the state highway system. It is specifically provided
263 hereby that the necessary portion of such funds hereinabove
264 allocated to the State Transportation Department may be used for

265 the prompt payment of principal and interest on highway bonds
266 heretofore issued, including such bonds issued or to be issued
267 under the provisions of Chapter 312, Laws of 1956, and amendments
268 thereto.

269 Nothing contained in this section shall be construed to
270 reduce the amount of such gasoline, diesel fuel or kerosene excise
271 taxes levied by the state, allotted under the provisions of Title
272 65, Chapter 33, Mississippi Code of 1972, to counties in which
273 there are outstanding bonds issued for seawall or road protection
274 purposes issued under the provisions of Chapter 319, Laws of 1924,
275 and amendments thereto; the amount of said gasoline, diesel fuel
276 or kerosene excise taxes designated in this section for the
277 payment of bonds and interest authorized and issued or to be
278 issued under the provisions of Chapter 130, Laws of 1938, and
279 subsequent acts authorizing the issuance of bonds payable from
280 gasoline, diesel fuel or kerosene tax revenue, shall, in such
281 counties, be considered as being paid "into the State Treasury to
282 the credit of the State Highway Fund" within the meaning of
283 Section 65-33-45 in computing the amount to be paid to such
284 counties under the provisions of said section, and this section
285 shall be administered in connection with Title 65, Chapter 33,
286 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
287 65-33-49 dealing with seawalls, as if made a part of this section.

288 (d) The proceeds of the Five and One-fourth Cents
289 (5.25¢) of the tax per gallon on oils used as a propellant for jet
290 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
291 per gallon on aviation gasoline and the tax of One Cent (1¢) per
292 gallon for each gallon of gasoline for which a refund has been
293 made pursuant to Section 27-55-23 because such gasoline was used
294 for aviation purposes, shall be paid to the State Treasury into a
295 special fund to be used exclusively, pursuant to legislative
296 appropriation, for the support and development of aeronautics as
297 defined in Section 61-1-3.

298 (e) State highway funds in an amount equal to the
299 difference between Forty-two Million Dollars (\$42,000,000.00) and
300 the annual debt service payable on the state's highway revenue
301 refunding bonds, Series 1985, shall be expended for the
302 construction or reconstruction of highways designated under the
303 Four-Lane Highway Program created under Section 65-3-97.

304 (f) Beginning on the fifteenth day of the month after
305 the date the Mississippi Transportation Commission and the State
306 Treasurer make the certifications provided for in Section
307 65-39-35, and on or before the fifteenth day of each month
308 thereafter, the proceeds of Three and Six-tenths Cents (3.6¢) per
309 gallon of the tax levied pursuant to Section 27-55-11, the
310 proceeds of Three and One-fourth Cents (3.25¢) per gallon of the
311 tax levied pursuant to Section 27-55-313 and the proceeds of Three
312 and Six-tenths Cents (3.6¢) per gallon of the tax levied pursuant
313 to Section 27-59-11 (2) and (4) shall be paid to the State
314 Treasurer for deposit into the State Aid Road Fund.

315 (g) "Gasoline, diesel fuel or kerosene taxes" as used
316 in this section shall be deemed to mean and include state
317 gasoline, diesel fuel or kerosene taxes levied and imposed on
318 distributors of gasoline, diesel fuel or kerosene, and all state
319 excise taxes derived from any fuel used to propel vehicles upon
320 the highways of this state, when levied by any statute.

321 **[With regard to any county which is required to operate on a**
322 **countywide system of road administration as described in Section**
323 **19-2-3, this section shall read as follows:]**

324 27-5-101. Unless otherwise provided in this section, on or
325 before the fifteenth day of each month, all gasoline, diesel fuel
326 or kerosene taxes which are levied under the laws of this state
327 and collected during the previous month shall be paid and
328 apportioned by the State Tax Commission as follows:

329 (a) (i) From the gross amount of gasoline, diesel fuel
330 or kerosene taxes produced by the state, there shall be deducted

331 an amount equal to one-sixth (1/6) of principal and interest
332 certified by the State Treasurer to the State Tax Commission to be
333 due on the next semiannual bond and interest payment date, as
334 required under the provisions of Chapter 130, Laws of 1938, and
335 subsequent acts authorizing the issuance of bonds payable from
336 gasoline, diesel fuel or kerosene tax revenue on a parity with the
337 bonds issued under authority of said Chapter 130. The State
338 Treasurer shall certify to the State Tax Commission on or before
339 the fifteenth day of each month the amount to be paid to the
340 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
341 of 1938, and subsequent acts authorizing the issuance of bonds
342 payable from gasoline, diesel fuel or kerosene tax revenue, on a
343 parity with the bonds issued under authority of said Chapter 130;
344 and the State Tax Commission shall, on or before the twenty-fifth
345 day of each month, pay into the State Treasury for credit to the
346 "Highway Bonds Sinking Fund" the amount so certified to him by the
347 State Treasurer due to be paid into such fund each month. The
348 payments to the "Highway Bonds Sinking Fund" shall be made out of
349 gross gasoline, diesel fuel or kerosene tax collections before
350 deductions of any nature are considered; however, such payments
351 shall be deducted from the allocation to the Transportation
352 Department under paragraph (c) of this section.

353 (ii) From collections derived from the portion of
354 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
355 from the portion of the tax on aviation gas under Section 27-55-11
356 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
357 portion of the diesel fuel tax levied under Section 27-55-313 that
358 exceeds Ten Cents (10¢) per gallon, from the portion of the taxes
359 levied under Section 27-57-315 that exceeds One Cent (1¢) per
360 gallon on oil and Five and One-fourth Cents (5.25¢) per gallon on
361 oil used as aircraft fuel, from the portion of the excise tax on
362 compressed gas used as a motor fuel that exceeds the rate of tax
363 in effect on June 30, 1987, and from the portion of the gasoline

364 excise tax in excess of Seven Cents (7¢) per gallon and the diesel
365 excise tax in excess of Ten Cents (10¢) per gallon under Section
366 27-61-5 there shall be deducted:

367 1. An amount as provided in Section
368 27-65-75(4) to the credit of a special fund designated as the
369 "Office of State Aid Road Construction."

370 2. An amount equal to the tax collections
371 derived from Two Cents (2¢) per gallon of the gasoline excise tax
372 for distribution to the State Highway Fund to be used exclusively
373 for the construction, reconstruction and maintenance of highways
374 of the State of Mississippi or the payment of interest and
375 principal on bonds when specifically authorized by the Legislature
376 for that purpose.

377 3. The balance shall be deposited in the
378 State Treasury to the credit of the State Highway Fund.

379 (b) Subject to the provisions that said basis of
380 distribution shall in nowise affect adversely the amount
381 specifically pledged in paragraph (a) of this section to be paid
382 into the "Highway Bonds Sinking Fund," the following shall be
383 deducted from the amount produced by the state tax on gasoline,
384 diesel fuel or kerosene tax collections, excluding collections
385 derived from the portion of the gasoline excise tax that exceeds
386 Seven Cents (7¢) per gallon, from the portion of the tax on
387 aviation gas under Section 27-55-11 that exceeds Six and
388 Four-tenths Cents (6.4¢) per gallon, from the portion of the
389 diesel fuel tax levied under Section 27-55-313, that exceeds Ten
390 Cents (10¢) per gallon, from the portion of the taxes levied under
391 Section 27-57-315, that exceeds One Cent (1¢) per gallon on oil
392 and Five and One-fourth Cents (5.25¢) per gallon on oil used as
393 aircraft fuel, from the portion of the excise tax on compressed
394 gas used as a motor fuel that exceeds the rate of tax in effect on
395 June 30, 1987, and from the portion of the gasoline excise tax in
396 excess of Seven Cents (7¢) per gallon and the diesel excise tax in

397 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

398 (i) Twenty percent (20%) of such amount which
399 shall be earmarked and set aside for the construction,
400 reconstruction and maintenance of the highways and roads of the
401 state, provided that if such twenty percent (20%) should reduce
402 any county to a lesser amount than that received in the fiscal
403 year ending June 30, 1966, then such twenty percent (20%) shall be
404 reduced to a percentage to provide that no county shall receive
405 less than its portion for the fiscal year ending June 30, 1966;

406 (ii) The amount allowed as refund on gasoline or
407 as tax credit on diesel fuel or kerosene used for agricultural,
408 maritime, industrial, domestic and nonhighway purposes;

409 (iii) Five percent (5%) of such amount shall be
410 paid to the State Highway Fund;

411 (iv) The amount or portion thereof authorized by
412 legislative appropriation to the Fisheries and Wildlife Fund
413 created under Section 59-21-25;

414 (v) The amount for deposit into the special
415 aviation fund under paragraph (d) of this section; and

416 (vi) The remainder shall be divided on a basis of
417 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
418 same basis as Four and One-half Cents (4-1/2¢) and Two and
419 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
420 six and forty-three one-hundredths (6.43) and three and
421 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
422 fuel or kerosene). The amount produced by the nine-fourteenths
423 (9/14) division shall be allocated to the Transportation
424 Department and paid into the State Treasury as provided in this
425 section and in Section 27-5-103 and the five-fourteenths (5/14)
426 division shall be returned to the counties of the state on the
427 following basis:

428 1. In each fiscal year, each county shall be
429 paid each month the same percentage of the monthly total to be

430 distributed as was paid to that county during the same month in
431 the fiscal year which ended April 9, 1960, until the county
432 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
433 fiscal year, at which time funds shall be distributed under the
434 provisions of paragraph (b)(vi)4 of this section.

435 2. If after payments in 1 above, any county
436 has not received a total of One Hundred Ninety Thousand Dollars
437 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
438 and each fiscal year thereafter, then any available funds not
439 distributed under 1 above shall be used to bring such county or
440 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
441 or such funds shall be divided equally among such counties not
442 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
443 there is not sufficient money to bring all the counties to said
444 One Hundred Ninety Thousand Dollars (\$190,000.00).

445 3. When a county has been paid an amount
446 equal to the total which was paid to the same county during the
447 fiscal year ended April 9, 1960, such county shall receive no
448 further payments during the then current fiscal year until the
449 last month of such current fiscal year, at which time distribution
450 will be made under 2 above, except as set out in 4 below.

451 4. During the last month of the current
452 fiscal year, should it be determined that there are funds
453 available in excess of the amount distributed for the year under 1
454 and 2 above, then such excess funds shall be distributed among the
455 various counties as follows:

456 One-third (1/3) of such excess to be
457 divided equally among the counties;

458 One-third (1/3) of such excess to be paid
459 to the counties in the proportion which the population of each
460 county bears to the total population of the state according to the
461 last federal census;

462 One-third (1/3) of such excess to be paid

463 to the counties in the proportion which the number of square miles
464 of each county bears to the total square miles in the state.

465 5. It is the declared purpose and intent of
466 the Legislature that no county shall be paid less than was paid
467 during the year ended April 9, 1960, unless the amount to be
468 distributed to all counties in any year is less than the amount
469 distributed to all counties during the year ended April 9, 1960.

470 The Municipal Aid Fund as established by Section 27-5-103
471 shall not participate in any portion of any funds allocated to any
472 county hereunder over and above One Hundred Ninety Thousand
473 Dollars (\$190,000.00).

474 In any county having road or bridge bonds outstanding which
475 exceed, in the aggregate, twelve percent (12%) of the assessed
476 valuation of the taxable property of the county, it shall be the
477 duty of the board of supervisors to set aside not less than sixty
478 percent (60%) of such county's share of the gasoline, diesel fuel
479 or kerosene taxes to be used in paying the principal and interest
480 on such road or bridge bonds as they mature.

481 In any county having such road or bridge bonds outstanding
482 which exceed, in the aggregate, eight percent (8%) of the assessed
483 valuation of the taxable property of the county, but which do not
484 exceed, in the aggregate, twelve percent (12%) of the assessed
485 valuation of the taxable property of the county, it shall be the
486 duty of the board of supervisors to set aside not less than
487 thirty-five percent (35%) of such county's share of the gasoline,
488 diesel fuel or kerosene taxes to be used in paying the principal
489 and interest of such road or bridge bonds as they mature.

490 In any county having such road or bridge bonds outstanding
491 which exceed, in the aggregate, five percent (5%) of the assessed
492 valuation of the taxable property of the county, but which do not
493 exceed, in the aggregate, eight percent (8%) of the assessed
494 valuation of the taxable property of the county, it shall be the
495 duty of the board of supervisors to set aside not less than twenty

496 percent (20%) of such county's share of the gasoline, diesel fuel
497 or kerosene taxes to be used in paying the principal and interest
498 of such road and bridge bonds as they mature.

499 In any county having such road or bridge bonds outstanding
500 which do not exceed, in the aggregate, five percent (5%) of the
501 assessed valuation of the taxable property of the county, it shall
502 be the duty of the board of supervisors to set aside not less than
503 ten percent (10%) of such county's share of the gasoline, diesel
504 fuel or kerosene taxes to be used in paying the principal and
505 interest on such road or bridge bonds as they mature.

506 The portion of any such county's share of the gasoline,
507 diesel fuel or kerosene taxes thus set aside for the payment of
508 the principal and interest of road or bridge bonds, as provided
509 for in this section, shall be used in paying the currently
510 maturing installments of the principal and interest of such road
511 or bridge bonds, if there be any such road or bridge bonds
512 outstanding.

513 The remaining portion of such county's share of the gasoline,
514 diesel fuel or kerosene taxes, after setting aside the portion
515 above provided for the payment of the principal and interest of
516 bonds, shall be used in the construction and maintenance of any
517 public highways, bridges or culverts of the county, in the
518 discretion of the board of supervisors.

519 In any county having no road or bridge bonds outstanding, all
520 such county's share of the gasoline, diesel fuel or kerosene taxes
521 shall be used in the construction, reconstruction and maintenance
522 of the public highways, bridges or culverts of the county, as the
523 board of supervisors may determine.

524 In every county in which there are county road bonds or
525 seawall or road protection bonds outstanding which were issued for
526 the purpose of building bridges or constructing public roads or
527 seawalls, such funds shall be used in the manner provided by law.

528 (c) From the amount produced by the nine-fourteenths

529 (9/14) division allocated to the Transportation Department, there
530 shall be deducted:

531 (i) The amount paid to the State Treasurer for the
532 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

533 (ii) Any amounts due counties in accordance with
534 Section 65-33-45 which have outstanding bonds issued for seawall
535 or road protection purposes, issued under provisions of Chapter
536 319, Laws of 1924, and amendments thereto; and

537 (iii) Beginning August 15, 2002, and on or before
538 the fifteenth day of each month thereafter, an amount equal to
539 one-sixth (1/6) of the principal and interest certified by the
540 State Treasurer to the State Tax Commission to be due on the next
541 semiannual bond and interest payment date for the bonds issued
542 under Sections 65-39-5 through 65-39-33. On or before the
543 twenty-fifth day of each month the State Tax Commission shall pay
544 into the State Treasury for credit to the Gaming Counties Bond
545 Sinking Fund created in Section 65-39-3, the amount certified by
546 the State Treasurer.

547 (iv) The remainder shall be paid by the State Tax
548 Commission to the State Treasurer on the fifteenth day of each
549 month next succeeding the month in which the gasoline, diesel fuel
550 or kerosene taxes were collected to the credit of the State
551 Highway Fund.

552 The funds allocated for the construction, reconstruction and
553 improvement of state highways, bridges and culverts, or so much
554 thereof as may be necessary, shall first be used in conjunction
555 with funds supplied by the federal government for such purposes
556 and allocated to the Transportation Department to be expended on
557 the state highway system. It is specifically provided hereby that
558 the necessary portion of such funds hereinabove allocated to the
559 Transportation Department may be used for the prompt payment of
560 principal and interest on highway bonds heretofore issued,
561 including such bonds issued or to be issued under the provisions

562 of Chapter 312, Laws of 1956, and amendments thereto.

563 Nothing contained in this section shall be construed to
564 reduce the amount of such gasoline, diesel fuel or kerosene excise
565 taxes levied by the state, allotted under the provisions of Title
566 65, Chapter 33, Mississippi Code of 1972, to counties in which
567 there are outstanding bonds issued for seawall or road protection
568 purposes issued under the provisions of Chapter 319, Laws of 1924,
569 and amendments thereto; the amount of said gasoline, diesel fuel
570 or kerosene excise taxes designated in this section for the
571 payment of bonds and interest authorized and issued or to be
572 issued under the provisions of Chapter 130, Laws of 1938, and
573 subsequent acts authorizing the issuance of bonds payable from
574 gasoline, diesel fuel or kerosene tax revenue, shall, in such
575 counties, be considered as being paid "into the State Treasury to
576 the credit of the State Highway Fund" within the meaning of
577 Section 65-33-45 in computing the amount to be paid to such
578 counties under the provisions of said section, and this section
579 shall be administered in connection with Title 65, Chapter 33,
580 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
581 65-33-49 dealing with seawalls, as if made a part of this section.

582 (d) The proceeds of the Five and One-fourth Cents
583 (5.25¢) of the tax per gallon on oils used as a propellant for jet
584 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
585 per gallon on aviation gasoline and the tax of One Cent (1¢) per
586 gallon for each gallon of gasoline for which a refund has been
587 made pursuant to Section 27-55-23 because such gasoline was used
588 for aviation purposes, shall be paid to the State Treasury into a
589 special fund to be used exclusively, pursuant to legislative
590 appropriation, for the support and development of aeronautics as
591 defined in Section 61-1-3.

592 (e) State highway funds in an amount equal to the
593 difference between Forty-two Million Dollars (\$42,000,000.00) and
594 the annual debt service payable on the state's highway revenue

595 refunding bonds, Series 1985, shall be expended for the
596 construction or reconstruction of highways designated under the
597 Four-Lane Highway Program created under Section 65-3-97.

598 (f) Beginning on the fifteenth day of the month after
599 the date the Mississippi Transportation Commission and the State
600 Treasurer make the certifications provided for in Section
601 65-39-35, and on or before the fifteenth day of each month
602 thereafter, the proceeds of Three and Six-tenths Cents (3.6¢) per
603 gallon of the tax levied pursuant to Section 27-55-11, the
604 proceeds of Three and One-fourth Cents (3.25¢) per gallon of the
605 tax levied pursuant to Section 27-55-313 and the proceeds of Three
606 and Six-tenths Cents (3.6¢) per gallon of the tax levied pursuant
607 to Section 27-59-11(2) and (4) shall be paid to the State
608 Treasurer for deposit into the State Aid Road Fund.

609 (g) "Gasoline, diesel fuel or kerosene taxes" as used
610 in this section shall be deemed to mean and include state
611 gasoline, diesel fuel or kerosene taxes levied and imposed on
612 distributors of gasoline, diesel fuel or kerosene, and all state
613 excise taxes derived from any fuel used to propel vehicles upon
614 the highways of this state, when levied by any statute.

615 SECTION 2. Section 27-19-43, Mississippi Code of 1972, is
616 amended as follows:

617 27-19-43. (1) License tags, substitute tags and decals for
618 individual fleets and for private carriers of passengers, school
619 buses (excluding school buses owned by a school district in the
620 state), church buses, taxicabs, ambulances, hearses, motorcycles
621 and private carriers of property, and private commercial carriers
622 of property of a gross weight of ten thousand (10,000) pounds and
623 less, shall be sold and issued by the tax collectors of the
624 several counties.

625 (2) Applications for license tags for motor vehicles in a
626 corporate fleet registered under Section 27-19-66, and
627 applications for all other license tags, substitute tags and

628 decals shall be filed with the commission or the local tax
629 collector of the respective counties and forwarded to the
630 commission for issuance to the applicant. All tags and decals for
631 vehicles owned by the state or any agency or instrumentality
632 thereof, and vehicles owned by a fire protection district, school
633 district or a county or municipality, and all vehicles owned by a
634 road, drainage or levee district shall be issued by the
635 commission.

636 (3) In addition to the privilege taxes levied herein, there
637 shall be collected the following registration or tag fee:

638 (a) For the issuance of both a license tag and two (2)
639 decals, a fee of Five Dollars (\$5.00).

640 (b) For the issuance of up to two (2) decals only, a
641 fee of Three Dollars and Seventy-five Cents (\$3.75).

642 No tag or decal shall be issued either by a tax collector or
643 by the commission without the collection of such registration fee
644 except substitute tags and decals and license tags for vehicles
645 owned by the State of Mississippi.

646 Beginning July 1, 1987, * * * there shall be levied a
647 registration fee of Five Dollars (\$5.00) in addition to the
648 regular registration fee imposed in paragraphs (a) and (b) of this
649 subsection. Such additional registration fee shall be levied in
650 the same manner as the regular registration fee. After the date
651 specified in Section 65-39-35 such additional fee shall be
652 deposited by the commission in the State Treasury to the credit of
653 the State Aid Road Fund.

654
655 SECTION 3. Section 27-19-309, Mississippi Code of 1972, is
656 amended as follows:
657 27-19-309. (1) An application for a motor vehicle dealer
658 tag permit, new or used, must be accompanied by a fee of One
659 Hundred Dollars (\$100.00). The State Tax Commission shall furnish
660 distinguishing number tags at a fee of Thirty-five Dollars

661 (\$35.00) each and a tag fee of Three Dollars and Seventy-five
662 Cents (\$3.75). A dealer shall be limited to twelve (12) tags at
663 Thirty-five Dollars (\$35.00) each and any additional tags shall be
664 Seventy-five Dollars (\$75.00) each, plus a tag fee of Three
665 Dollars and Seventy-five Cents (\$3.75) for each tag. Provided,
666 that the application required herein shall have a space on same
667 for the inclusion of the sales tax number of the applicant.

668 (2) If a motor vehicle dealer is engaged only in buying,
669 selling or exchanging motorcycles, the application for a motor
670 vehicle dealer tag permit must be accompanied by a fee of Fifty
671 Dollars (\$50.00). The State Tax Commission shall furnish
672 motorcycle dealer tags at a fee of Six Dollars (\$6.00) each, and
673 Three Dollars and Seventy-five Cents (\$3.75) for each tag fee.
674 Such dealer shall be issued only motorcycle dealer distinguishing
675 number tags, and the tags shall be displayed only upon a
676 motorcycle.

677 (3) A motor vehicle dealer engaged only in buying, selling,
678 or exchanging of trailers, semitrailers, or house trailers, shall
679 pay a fee of Seventy-five Dollars (\$75.00) for his permit. The
680 State Tax Commission shall furnish distinguishing number tags for
681 such at a fee of Ten Dollars (\$10.00) each, plus Three Dollars and
682 Seventy-five Cents (\$3.75) for each tag fee. Such dealer shall be
683 issued only trailer dealer distinguishing number tags, and the
684 tags shall be displayed only upon a trailer, semitrailer, or house
685 trailer.

686 (4) A manufacturer or manufacturer's branch, who is engaged
687 only in delivering to and from the factory and located within the
688 State of Mississippi, shall pay a fee of Fifty Dollars (\$50.00)
689 for his permit and may purchase a distinguishing number tag upon
690 making application to the State Tax Commission for a fee of Ten
691 Dollars (\$10.00), plus Three Dollars and Seventy-five Cents
692 (\$3.75) for a tag fee. Such manufacturer shall be issued only
693 manufacturer tags, and the tags shall be displayed only upon those

694 manufactured vehicles.

695 (5) A heavy truck dealer shall pay a fee of One Hundred
696 Dollars (\$100.00) for his permit and may purchase, for use in
697 accordance with Section 27-19-319, distinguishing number tags for
698 a fee of One Hundred Twenty-five Dollars (\$125.00) each, plus a
699 tag fee of Three Dollars and Seventy-five Cents (\$3.75) each.
700 Such dealer shall be issued only heavy truck tags and the tags
701 shall be displayed only upon a heavy truck.

702 (6) Beginning July 1, 1987, * * * there shall be levied a
703 tag fee of Five Dollars (\$5.00) in addition to the tag fee of
704 Three Dollars and Seventy-five Cents (\$3.75) levied in this
705 section. Such additional fee shall be levied in the same manner
706 as the tag fee of Three Dollars and Seventy-five Cents (\$3.75).
707 After the date specified in Section 65-39-35 such additional fee
708 shall be deposited by the commission in the State Treasury to the
709 credit of the State Aid Road Fund.

710 (7) The number of distinguishing number tags issued to each
711 dealer shall be determined by the State Tax Commission. In
712 addition, only those dealer distinguishing number tags authorized
713 and purchased by the State Tax Commission will be considered as a
714 valid dealer distinguishing number tag and any tag manufactured by
715 any other means and held out to the public as being a dealer
716 distinguishing number tag shall be a violation of this section and
717 a penalty of Five Hundred Dollars (\$500.00) shall be assessed by
718 the State Tax Commission, which shall be in addition to any
719 penalty authorized by law. Display of the tag in question on a
720 vehicle shall be considered prima facia evidence of the violation.

721
722 SECTION 4. Section 27-55-11, Mississippi Code of 1972, is
723 amended as follows:

724 27-55-11. Any person in business as a distributor of
725 gasoline or who acts as a distributor of gasoline, as defined in
726 this article, shall pay for the privilege of engaging in such

727 business or acting as such distributor an excise tax equal to
728 Eighteen Cents (18¢) per gallon * * * on all gasoline and blend
729 stock stored, sold, distributed, manufactured, refined, distilled,
730 blended or compounded in this state or received in this state for
731 sale, use on the highways, storage, distribution, or for any
732 purpose.

733 Any person in business as a distributor of aviation gasoline,
734 or who acts as a distributor of aviation gasoline, shall pay for
735 the privilege of engaging in such business or acting as such
736 distributor an excise tax equal to Six and Four-tenths Cents
737 (6.4¢) per gallon on all aviation gasoline stored, sold,
738 distributed, manufactured, refined, distilled, blended or
739 compounded in this state or received in this state for sale,
740 storage, distribution or for any purpose.

741 The excise taxes collected under this section shall be paid
742 and distributed in accordance with Section 27-5-101.

743 The tax herein imposed and assessed shall be collected and
744 paid to the State of Mississippi but once in respect to any
745 gasoline. The basis for determining the tax liability shall be
746 the correct invoiced gallons, adjusted to sixty (60) degrees
747 Fahrenheit at the refinery or point of origin of shipment when
748 such shipment is made by tank car or by motor carrier. The point
749 of origin of shipment of gasoline transported into this state by
750 pipelines shall be deemed to be that point in this state where
751 such gasoline is withdrawn from the pipeline for storage or
752 distribution, and adjustment to sixty (60) degrees Fahrenheit
753 shall there be made. The basis for determining the tax liability
754 on gasoline shipped into this state in barge cargoes and by
755 pipeline shall be the actual number of gallons adjusted to sixty
756 (60) degrees Fahrenheit unloaded into storage tanks or other
757 containers in this state, such gallonage to be determined by
758 measurement and/or gauge of storage tank or tanks or by any other
759 method authorized by the commission. The tank or tanks into which

760 barge cargoes of gasoline are discharged, or into which gasoline
761 transported by pipeline is discharged, shall have correct gauge
762 tables listing capacity, such gauge tables to be prepared by some
763 recognized calibrating agency and to be approved by the
764 commission.

765 The tax levied herein shall accrue at the time gasoline is
766 withdrawn from a refinery in this state except when withdrawal is
767 by pipeline, barge, ship or vessel. The refiner shall pay to the
768 commission the tax levied herein when gasoline is sold or
769 delivered to persons who do not hold gasoline distributor permits.

770 The refiner shall report to the commission all sales and
771 deliveries of gasoline to bonded distributors of gasoline. The
772 bonded distributor of gasoline who purchases, receives or acquires
773 gasoline from a refinery in this state shall report such gasoline
774 and pay the tax levied herein.

775 Gasoline imported by common carrier shall be deemed to be
776 received by the distributor of gasoline, and the tax levied herein
777 shall accrue, when the car or tank truck containing such gasoline
778 is unloaded by the carrier.

779 With respect to distributors or other persons who bring,
780 ship, have transported, or have brought into this state gasoline
781 by means other than through a common carrier, the tax accrues and
782 the tax liability attaches on the distributor or other person for
783 each gallon of gasoline brought into the state at the time when
784 and at the point where such gasoline is brought into the state.

785 The tax levied herein shall accrue on blend stock at the time
786 it is blended with gasoline. The blender shall pay to the
787 commission the tax levied herein when blend stock is sold or
788 delivered to persons who do not hold gasoline distributor permits.

789 The blender shall report to the commission all sales and
790 deliveries of blend stock to bonded distributors of gasoline. The
791 bonded distributor of gasoline who purchases, receives or acquires
792 blend stock from a blender in this state shall report blend stock

793 and pay the tax levied herein.

794 SECTION 5. Section 27-55-313, Mississippi Code of 1972, is
795 amended as follows:

796 27-55-313. A tax at the rate of Eighteen Cents (18¢) per
797 gallon * * * is levied upon any distributor of other motor fuel
798 for the privilege of engaging in the business of selling or
799 delivering other motor fuel to a retail dealer, user or any other
800 person for use in propelling motor vehicles on the highways of
801 this state and/or for the privilege of engaging in the business of
802 selling and delivering other motor fuel to any other person who
803 purchases or uses other motor fuel in performing contracts for
804 construction, reconstruction, maintenance or repairs, where such
805 contracts are entered into with the State of Mississippi, any
806 political subdivision of the State of Mississippi, or any
807 department, agency or institution of the State of Mississippi or
808 any political subdivision thereof.

809 A tax at the rate described in this section is hereby levied
810 upon any person who purchases, receives or acquires any other
811 motor fuel upon which the tax has not been paid when such other
812 motor fuel is used for any taxable purpose as set forth in this
813 article. A tax at the rate described in this section is hereby
814 levied upon any retailer who purchases, receives or acquires any
815 other motor fuel upon which the tax has not been paid when such
816 other motor fuel is sold for use or used for any taxable purpose
817 as set forth in this article.

818 The commission may adopt rules and regulations providing for
819 the issuance of permits to persons performing contracts as
820 hereinabove provided, allowing or requiring said persons to
821 purchase other motor fuel for use in performing said contracts
822 without the payment to the distributor of the tax imposed
823 hereunder, and providing for such persons to report and pay such
824 tax directly to the commission in instances where the commission
825 determines that such payment will facilitate and expedite the

826 collection of the tax which may be due on such purchases by the
827 permittee. The distributor is relieved of collecting and
828 remitting the taxes specified hereunder, when furnished with a
829 copy of said permit, and the person holding the permit shall
830 become liable for such taxes instead of the seller, and the full
831 enforcement provisions of this article shall apply in the
832 collection of the tax from the permittee. The commission may
833 require said person to execute and file with the commission a good
834 and valid bond in a surety company authorized to do business in
835 this state, or with sufficient sureties to be approved by the
836 commission, conditioned that all taxes which may accrue to the
837 State of Mississippi under the provisions of this chapter will be
838 paid when due. Provided further, the commission may accept a bond
839 filed under the provision of Section 27-65-21, when such bond is
840 conditioned upon the payment of taxes hereunder.

841 Any person who shall, while not licensed as a distributor of
842 other motor fuel or retail dealer, sell or deliver to other
843 persons any other motor fuel upon which the tax levied by this
844 article has not been paid shall be liable for the tax and
845 penalties imposed by this article if the person selling or
846 delivering such fuel knows or has reason to know that it will be
847 used or sold for a taxable purpose.

848 A retail dealer may, with the approval of the commission,
849 sell or dispense tax free other motor fuel. Said retailer shall
850 comply with all rules and regulations pertaining to retailers
851 selling or dispensing tax free other motor fuel. The commission
852 may require said retailer to execute and file with the commission
853 a good and valid bond, in a surety company authorized to do
854 business in the state, conditioned that all taxes which may accrue
855 to the State of Mississippi under the provisions of this chapter
856 will be paid when due. Storage tanks or pumps located at all such
857 retail dealers' place of business which are used or to be used in
858 storing and dispensing kerosene for lamps, stoves, heaters and

859 domestic purposes shall bear the label "not for highway use" of
860 letters of not less than four (4) inches in height.

861 When other motor fuel on which the full tax under this
862 section has been paid has been delivered to a retail dealer for
863 sale or to a consumer for use as motor fuel for operating a motor
864 vehicle upon the highways of this state, the distributor of other
865 motor fuel who made said tax payments and deliveries may pick up
866 and return to his bulk storage facility any portion of such other
867 motor fuel which may be unused and claim credit for the amount of
868 tax paid on the quantity so returned. In order to claim credit
869 for the tax on the quantity of other motor fuel to be so returned,
870 such distributor shall notify the commission of his desire to so
871 return it. Such transaction shall only be made under the
872 supervision of the commission.

873 When dyed diesel fuel and clear diesel fuel are accidentally
874 mixed and the mixture is converted to nonhighway use diesel fuel,
875 the distributor or other person owning such mixture may claim
876 credit for the highway portion of the tax paid on such mixture.
877 Proof satisfactory to the commission must be submitted with the
878 claim for credit or the claim will be disallowed. The distributor
879 or other person owning such mixture shall notify the commission
880 immediately after gaining knowledge that such accidental mixture
881 has occurred.

882 SECTION 6. Section 27-57-37, Mississippi Code of 1972, is
883 amended as follows:

884 27-57-37. The amount received from lubricating oil excise
885 tax, as defined in this article, shall be deposited by the
886 commission, in the State Treasury to the credit of the State
887 Highway Fund, and until the date specified in Section 65-39-35,
888 such amount shall be used for the construction or reconstruction
889 of highways designated under the Four-Lane Highway Program created
890 under Section 65-3-97, thereafter the amount received from
891 lubricating oil excise tax shall be deposited by the commission,

892 in the State Treasury to the credit of the State Aid Road Fund.

893 SECTION 7. Section 27-59-11, Mississippi Code of 1972, is
894 amended as follows:

895 27-59-11. (1) A tax at the rate of One-fourth Cent (1/4¢)
896 per gallon is hereby levied upon any person engaged in business as
897 a distributor of compressed gas, excepting natural gas, for the
898 privilege of engaging in such business or acting as such
899 distributor. The tax shall be based on all compressed gas,
900 excepting natural gas, stored, used, distributed, manufactured,
901 refined, distilled, blended or compounded in this state or
902 received in this state for sale, storage, distribution or for any
903 other purpose.

904 The tax levied herein shall become due and payable when:

905 (a) Compressed gas is withdrawn from storage at a
906 refinery, marine or pipeline terminal, or underground caverns or
907 cavities except when withdrawal is by pipeline or barge;

908 (b) Compressed gas imported by a common carrier is
909 unloaded by that carrier unless the compressed gas is unloaded
910 directly into an underground cavern or cavity for storage or
911 directly into the storage tanks of a refinery, marine or pipeline
912 terminal; or

913 (c) Compressed gas imported by any person, other than a
914 common carrier, enters the State of Mississippi, unless the
915 compressed gas is unloaded directly into an underground cavern or
916 cavity for storage or directly into the storage tanks of a
917 refinery, marine or pipeline terminal.

918 (2) A tax at the rate of Seventeen Cents (17¢) per
919 gallon * * * is levied upon any distributor of compressed gas for
920 the privilege of engaging in the business of selling or delivering
921 compressed gas, excepting compressed natural gas and liquefied
922 natural gas, for use in a motor vehicle or motor vehicles on the
923 highways of this state. A tax at the rate of Eighteen Cents (18¢)
924 per one hundred (100) cubic feet * * * is levied upon any

925 distributor of compressed gas for the privilege of engaging in the
926 business of selling or delivering compressed natural gas and
927 liquefied natural gas for use in a motor vehicle or motor vehicles
928 on the highways of this state. A tax at the rate of Eighteen
929 Cents (18¢) per one hundred (100) cubic feet * * * is levied upon
930 any public utility for the privilege of engaging in the business
931 of selling or delivering natural gas to a user for the purpose of
932 being used as a fuel in a motor vehicle or motor vehicles on the
933 highways of this state, and the taxes shall be collected from the
934 user whenever practical. The taxes levied in this subsection
935 shall not apply when sales or deliveries are made to persons who
936 are holders of permitted compressed gas user's decals.

937 (3) Upon every person operating on the highways of this
938 state a motor vehicle or motor vehicles using or capable of using
939 compressed gas as a motor fuel and having a gross license tag
940 weight classification of ten thousand (10,000) pounds or less,
941 there is hereby levied an annual privilege tax of One Hundred
942 Ninety-five Dollars (\$195.00). After the date specified in
943 Section 65-39-35, Thirty Dollars (\$30.00) of the privilege tax
944 collected pursuant to this subsection (3) shall be deposited by
945 the commission in the State Treasury to the credit of the State
946 Aid Road Fund.

947 (4) Upon every person operating on the highways of this
948 state a motor vehicle or motor vehicles using or capable of using
949 compressed gas and having a gross license tag weight
950 classification greater than ten thousand (10,000) pounds, there is
951 hereby levied a privilege tax of Seventeen Cents (17¢) per
952 gallon * * * on all compressed gas, excepting compressed natural
953 gas and liquefied natural gas, used on the highways of this state.
954 There is hereby levied a privilege tax of Eighteen Cents (18¢)
955 per one hundred (100) cubic feet * * * on all compressed natural
956 gas and liquefied natural gas used on the highways of this state.
957 The taxes levied in this paragraph shall not apply to owners or

958 operators classified by the commission as nonpermitted users.

959 (5) All owners and operators of motor vehicles that have a
960 gross license tag weight classification greater than ten thousand
961 (10,000) pounds, but not exceeding twenty thousand (20,000) pounds
962 shall prepay Two Hundred Twenty-five Dollars (\$225.00) of such tax
963 annually, and all owners and operators of motor vehicles that have
964 a gross license tag weight classification greater than twenty
965 thousand (20,000) pounds shall prepay Three Hundred Dollars
966 (\$300.00) of such tax annually. On motor vehicles that have a
967 gross license tag weight exceeding ten thousand (10,000) pounds,
968 that are exclusively used by a farmer for transporting farm
969 products produced on his own farm and also farm supplies,
970 materials and equipment used in the growing or production of his
971 agricultural products and have a "farm" or "F" motor vehicle
972 license tag, the prepaid portion of said privilege tax shall be
973 One Hundred Fifty Dollars (\$150.00).

974 (6) The commission, in its discretion, may authorize or
975 require the owner or operator of five (5) or more motor vehicles
976 that use or are capable of using compressed gas on the highway to
977 pay the excise tax on all compressed gas purchased for any purpose
978 and the excise tax shall be collected by the distributor of
979 compressed gas at the time of sale or delivery. The owners or
980 operators authorized or required to do so shall be classified as
981 nonpermitted users.

982 SECTION 8. Section 27-65-75, Mississippi Code of 1972, is
983 amended as follows:

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

985 27-65-75. On or before the fifteenth day of each month, the
986 revenue collected under the provisions of this chapter during the
987 preceding month shall be paid and distributed as follows:

988 (1) On or before August 15, 1992, and each succeeding month
989 thereafter through July 15, 1993, eighteen percent (18%) of the
990 total sales tax revenue collected during the preceding month under

991 the provisions of this chapter, except that collected under the
992 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
993 business activities within a municipal corporation shall be
994 allocated for distribution to such municipality and paid to such
995 municipal corporation. On or before August 15, 1993, and each
996 succeeding month thereafter, eighteen and one-half percent
997 (18-1/2%) of the total sales tax revenue collected during the
998 preceding month under the provisions of this chapter, except that
999 collected under the provisions of Sections 27-65-15, 27-65-19(3)
1000 and 27-65-21, on business activities within a municipal
1001 corporation shall be allocated for distribution to such
1002 municipality and paid to such municipal corporation.

1003 A municipal corporation, for the purpose of distributing the
1004 tax under this subsection, shall mean and include all incorporated
1005 cities, towns and villages.

1006 Monies allocated for distribution and credited to a municipal
1007 corporation under this subsection may be pledged as security for
1008 any loan received by the municipal corporation for the purpose of
1009 capital improvements as authorized under Section 57-1-303, or
1010 loans as authorized under Section 57-44-7, or water systems
1011 improvements as authorized under Section 41-3-16.

1012 In any county having a county seat which is not an
1013 incorporated municipality, the distribution provided hereunder
1014 shall be made as though the county seat was an incorporated
1015 municipality; however, the distribution to such municipality shall
1016 be paid to the county treasury wherein the municipality is located
1017 and such funds shall be used for road, bridge and street
1018 construction or maintenance therein.

1019 (2) On or before September 15, 1987, and each succeeding
1020 month thereafter, from the revenue collected under this chapter
1021 during the preceding month One Million One Hundred Twenty-five
1022 Thousand Dollars (\$1,125,000.00) shall be allocated for
1023 distribution to municipal corporations as defined under subsection

1024 (1) of this section in the proportion that the number of gallons
1025 of gasoline and diesel fuel sold by distributors to consumers and
1026 retailers in each such municipality during the preceding fiscal
1027 year bears to the total gallons of gasoline and diesel fuel sold
1028 by distributors to consumers and retailers in municipalities
1029 statewide during the preceding fiscal year. The State Tax
1030 Commission shall require all distributors of gasoline and diesel
1031 fuel to report to the commission monthly the total number of
1032 gallons of gasoline and diesel fuel sold by them to consumers and
1033 retailers in each municipality during the preceding month. The
1034 State Tax Commission shall have the authority to promulgate such
1035 rules and regulations as is necessary to determine the number of
1036 gallons of gasoline and diesel fuel sold by distributors to
1037 consumers and retailers in each municipality. In determining the
1038 percentage allocation of funds under this subsection for the
1039 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
1040 State Tax Commission may consider gallons of gasoline and diesel
1041 fuel sold for a period of less than one (1) fiscal year. For the
1042 purposes of this subsection, the term "fiscal year" means the
1043 fiscal year beginning July 1 of a year.

1044 (3) On or before September 15, 1987, and on or before the
1045 fifteenth day of each succeeding month, until the date specified
1046 in Section 65-39-35, the proceeds derived from contractors' taxes
1047 levied under Section 27-65-21 on contracts for the construction or
1048 reconstruction of highways designated under the Four-Lane Highway
1049 Program created under Section 65-3-97 shall be deposited into the
1050 State Treasury to the credit of the State Highway Fund to be used
1051 to fund such Four-Lane Highway Program. Thereafter, such proceeds
1052 shall be deposited into the State Treasury to the credit of the
1053 State Aid Road Fund. The Mississippi Department of Transportation
1054 shall provide to the State Tax Commission such information as is
1055 necessary to determine the amount of proceeds to be distributed
1056 under this subsection.

1057 (4) On or before August 15, 1994, and on or before the
1058 fifteenth day of each succeeding month, from the proceeds of
1059 gasoline, diesel fuel or kerosene taxes as provided in Section
1060 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
1061 deposited in the State Treasury to the credit of a special fund
1062 designated as the "State Aid Road Fund," created by Section
1063 65-9-17. Such funds shall be pledged to pay the principal of and
1064 interest on state aid road bonds heretofore issued under Sections
1065 19-9-51 through 19-9-77, in lieu of and in substitution for the
1066 funds heretofore allocated to counties under this section. Such
1067 funds may not be pledged for the payment of any state aid road
1068 bonds issued after April 1, 1981; however, this prohibition
1069 against the pledging of any such funds for the payment of bonds
1070 shall not apply to any bonds for which intent to issue such bonds
1071 has been published, for the first time, as provided by law prior
1072 to March 29, 1981. From the amount of taxes paid into the special
1073 fund pursuant to this subsection and subsection (9) of this
1074 section, there shall be first deducted and paid the amount
1075 necessary to pay the expenses of the Office of State Aid Road
1076 Construction, as authorized by the Legislature for all other
1077 general and special fund agencies. The remainder of the fund
1078 shall be allocated monthly to the several counties in accordance
1079 with the following formula:

1080 (a) One-third (1/3) shall be allocated to all counties
1081 in equal shares;

1082 (b) One-third (1/3) shall be allocated to counties
1083 based on the proportion that the total number of rural road miles
1084 in a county bears to the total number of rural road miles in all
1085 counties of the state; and

1086 (c) One-third (1/3) shall be allocated to counties
1087 based on the proportion that the rural population of the county
1088 bears to the total rural population in all counties of the state,
1089 according to the latest federal decennial census.

1090 For the purposes of this subsection, the term "gasoline,
1091 diesel fuel or kerosene taxes" means such taxes as defined in
1092 paragraph (f) of Section 27-5-101.

1093 The amount of funds allocated to any county under this
1094 subsection for any fiscal year after Fiscal Year 1994 shall not be
1095 less than the amount allocated to such county for Fiscal Year
1096 1994. Monies allocated to a county from the State Aid Road Fund
1097 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
1098 amount of funds allocated to that county from the State Aid Road
1099 Fund for Fiscal Year 1994, first must be expended by the county
1100 for replacement or rehabilitation of bridges on the state aid road
1101 system that have a sufficiency rating of less than twenty-five
1102 (25), according to National Bridge Inspection standards before
1103 such monies may be approved for expenditure by the State Aid Road
1104 Engineer on other projects that qualify for the use of state aid
1105 road funds.

1106 Any reference in the general laws of this state or the
1107 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
1108 construed to refer and apply to subsection (4) of Section
1109 27-65-75.

1110 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1111 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
1112 the special fund known as the "State Public School Building Fund"
1113 created and existing under the provisions of Sections 37-47-1
1114 through 37-47-67. Such payments into said fund are to be made on
1115 the last day of each succeeding month hereafter.

1116 (6) An amount each month beginning August 15, 1983, through
1117 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
1118 of 1983, shall be paid into the special fund known as the
1119 Correctional Facilities Construction Fund created in Section 6 of
1120 Chapter 542, Laws of 1983.

1121 (7) On or before August 15, 1992, and each succeeding month
1122 thereafter, two and two hundred sixty-six one-thousandths percent

1123 (2.266%) of the total sales tax revenue collected during the
1124 preceding month under the provisions of this chapter, except that
1125 collected under the provisions of Section 27-65-17(2) shall be
1126 deposited by the commission into the School Ad Valorem Tax
1127 Reduction Fund created pursuant to Section 37-61-35.

1128 (8) On or before August 15, 1992, and each succeeding month
1129 thereafter, nine and seventy-three one-thousandths percent
1130 (9.073%) of the total sales tax revenue collected during the
1131 preceding month under the provisions of this chapter, except that
1132 collected under the provisions of Section 27-65-17(2) shall be
1133 deposited into the Education Enhancement Fund created pursuant to
1134 Section 37-61-33.

1135 (9) On or before August 15, 1994, and each succeeding month
1136 thereafter, from the revenue collected under this chapter during
1137 the preceding month, Two Hundred Fifty Thousand Dollars
1138 (\$250,000.00) shall be paid into the State Aid Road Fund.

1139 (10) On or before August 15, 1994, and each succeeding month
1140 thereafter through August 15, 1995, from the revenue collected
1141 under this chapter during the preceding month, Two Million Dollars
1142 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
1143 Valorem Tax Reduction Fund established in Section 27-51-105.

1144 (11) Notwithstanding any other provision of this section to
1145 the contrary, on or before February 15, 1995, and each succeeding
1146 month thereafter, the sales tax revenue collected during the
1147 preceding month under the provisions of Section 27-65-17(2) and
1148 the corresponding levy in Section 27-65-23 on the rental or lease
1149 of private carriers of passengers and light carriers of property
1150 as defined in Section 27-51-101 shall be deposited, without
1151 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
1152 established in Section 27-51-105.

1153 (12) Notwithstanding any other provision of this section to
1154 the contrary, on or before August 15, 1995, and each succeeding
1155 month thereafter, the sales tax revenue collected during the

1156 preceding month under the provisions of Section 27-65-17(1) on
1157 retail sales of private carriers of passengers and light carriers
1158 of property, as defined in Section 27-51-101 and the corresponding
1159 levy in Section 27-65-23 on the rental or lease of these vehicles,
1160 shall be deposited, after diversion, into the Motor Vehicle Ad
1161 Valorem Tax Reduction Fund established in Section 27-51-105.

1162 (13) On or before July 15, 1994, and on or before the
1163 fifteenth day of each succeeding month thereafter, that portion of
1164 the avails of the tax imposed in Section 27-65-22, which is
1165 derived from activities held on the Mississippi state fairgrounds
1166 complex, shall be paid into a special fund hereby created in the
1167 State Treasury and shall be expended pursuant to legislative
1168 appropriations solely to defray the costs of repairs and
1169 renovation at such Trade Mart and Coliseum.

1170 (14) On or before August 15, 1998, and each succeeding month
1171 thereafter through July 15, 2005, that portion of the avails of
1172 the tax imposed in Section 27-65-23 which is derived from sales by
1173 cotton compresses or cotton warehouses and which would otherwise
1174 be paid into the General Fund, shall be deposited in an amount not
1175 to exceed Two Million Dollars (\$2,000,000.00) into the special
1176 fund created pursuant to Section 69-37-39.

1177 (15) The remainder of the amounts collected under the
1178 provisions of this chapter shall be paid into the State Treasury
1179 to the credit of the General Fund.

1180 (16) It shall be the duty of the municipal officials of any
1181 municipality which expands its limits, or of any community which
1182 incorporates as a municipality, to notify the commissioner of such
1183 action thirty (30) days before the effective date. Failure to so
1184 notify the commissioner shall cause such municipality to forfeit
1185 the revenue which it would have been entitled to receive during
1186 this period of time when the commissioner had no knowledge of the
1187 action. If any funds have been erroneously disbursed to any
1188 municipality or any overpayment of tax is recovered by the

1189 taxpayer, the commissioner may make correction and adjust the
1190 error or overpayment with such municipality by withholding the
1191 necessary funds from any subsequent payment to be made to the
1192 municipality.

1193 **[From and after July 1, 2002, this section reads as follows:]**

1194 27-65-75. On or before the fifteenth day of each month, the
1195 revenue collected under the provisions of this chapter during the
1196 preceding month shall be paid and distributed as follows:

1197 (1) On or before August 15, 1992, and each succeeding month
1198 thereafter through July 15, 1993, eighteen percent (18%) of the
1199 total sales tax revenue collected during the preceding month under
1200 the provisions of this chapter, except that collected under the
1201 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
1202 business activities within a municipal corporation shall be
1203 allocated for distribution to such municipality and paid to such
1204 municipal corporation. On or before August 15, 1993, and each
1205 succeeding month thereafter, eighteen and one-half percent
1206 (18-1/2%) of the total sales tax revenue collected during the
1207 preceding month under the provisions of this chapter, except that
1208 collected under the provisions of Sections 27-65-15, 27-65-19(3)
1209 and 27-65-21, on business activities within a municipal
1210 corporation shall be allocated for distribution to such
1211 municipality and paid to such municipal corporation.

1212 A municipal corporation, for the purpose of distributing the
1213 tax under this subsection, shall mean and include all incorporated
1214 cities, towns and villages.

1215 Monies allocated for distribution and credited to a municipal
1216 corporation under this subsection may be pledged as security for
1217 any loan received by the municipal corporation for the purpose of
1218 capital improvements as authorized under Section 57-1-303, or
1219 loans as authorized under Section 57-44-7, or water systems
1220 improvements as authorized under Section 41-3-16.

1221 In any county having a county seat which is not an

1222 incorporated municipality, the distribution provided hereunder
1223 shall be made as though the county seat was an incorporated
1224 municipality; however, the distribution to such municipality shall
1225 be paid to the county treasury wherein the municipality is located
1226 and such funds shall be used for road, bridge and street
1227 construction or maintenance therein.

1228 (2) On or before September 15, 1987, and each succeeding
1229 month thereafter, from the revenue collected under this chapter
1230 during the preceding month One Million One Hundred Twenty-five
1231 Thousand Dollars (\$1,125,000.00) shall be allocated for
1232 distribution to municipal corporations as defined under subsection
1233 (1) of this section in the proportion that the number of gallons
1234 of gasoline and diesel fuel sold by distributors to consumers and
1235 retailers in each such municipality during the preceding fiscal
1236 year bears to the total gallons of gasoline and diesel fuel sold
1237 by distributors to consumers and retailers in municipalities
1238 statewide during the preceding fiscal year. The State Tax
1239 Commission shall require all distributors of gasoline and diesel
1240 fuel to report to the commission monthly the total number of
1241 gallons of gasoline and diesel fuel sold by them to consumers and
1242 retailers in each municipality during the preceding month. The
1243 State Tax Commission shall have the authority to promulgate such
1244 rules and regulations as is necessary to determine the number of
1245 gallons of gasoline and diesel fuel sold by distributors to
1246 consumers and retailers in each municipality. In determining the
1247 percentage allocation of funds under this subsection for the
1248 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
1249 State Tax Commission may consider gallons of gasoline and diesel
1250 fuel sold for a period of less than one (1) fiscal year. For the
1251 purposes of this subsection, the term "fiscal year" means the
1252 fiscal year beginning July 1 of a year.

1253 (3) On or before September 15, 1987, and on or before the
1254 fifteenth day of each succeeding month, until the date specified

1255 in Section 65-39-35, the proceeds derived from contractors' taxes
1256 levied under Section 27-65-21 on contracts for the construction or
1257 reconstruction of highways designated under the Four-Lane Highway
1258 Program created under Section 65-3-97 shall be deposited into the
1259 State Treasury to the credit of the State Highway Fund to be used
1260 to fund such Four-Lane Highway Program. Thereafter, such proceeds
1261 shall be deposited into the State Treasury to the credit of the
1262 State Aid Road Fund. The Mississippi Department of Transportation
1263 shall provide to the State Tax Commission such information as is
1264 necessary to determine the amount of proceeds to be distributed
1265 under this subsection.

1266 (4) On or before August 15, 1994, and on or before the
1267 fifteenth day of each succeeding month, from the proceeds of
1268 gasoline, diesel fuel or kerosene taxes as provided in Section
1269 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
1270 deposited in the State Treasury to the credit of a special fund
1271 designated as the "State Aid Road Fund," created by Section
1272 65-9-17. Such funds shall be pledged to pay the principal of and
1273 interest on state aid road bonds heretofore issued under Sections
1274 19-9-51 through 19-9-77, in lieu of and in substitution for the
1275 funds heretofore allocated to counties under this section. Such
1276 funds may not be pledged for the payment of any state aid road
1277 bonds issued after April 1, 1981; however, this prohibition
1278 against the pledging of any such funds for the payment of bonds
1279 shall not apply to any bonds for which intent to issue such bonds
1280 has been published, for the first time, as provided by law prior
1281 to March 29, 1981. From the amount of taxes paid into the special
1282 fund pursuant to this subsection and subsection (9) of this
1283 section, there shall be first deducted and paid the amount
1284 necessary to pay the expenses of the Office of State Aid Road
1285 Construction, as authorized by the Legislature for all other
1286 general and special fund agencies. The remainder of the fund
1287 shall be allocated monthly to the several counties in accordance

1288 with the following formula:

1289 (a) One-third (1/3) shall be allocated to all counties
1290 in equal shares;

1291 (b) One-third (1/3) shall be allocated to counties
1292 based on the proportion that the total number of rural road miles
1293 in a county bears to the total number of rural road miles in all
1294 counties of the state; and

1295 (c) One-third (1/3) shall be allocated to counties
1296 based on the proportion that the rural population of the county
1297 bears to the total rural population in all counties of the state,
1298 according to the latest federal decennial census.

1299 For the purposes of this subsection, the term "gasoline,
1300 diesel fuel or kerosene taxes" means such taxes as defined in
1301 paragraph (f) of Section 27-5-101.

1302 The amount of funds allocated to any county under this
1303 subsection for any fiscal year after Fiscal Year 1994 shall not be
1304 less than the amount allocated to such county for Fiscal Year
1305 1994. Monies allocated to a county from the State Aid Road Fund
1306 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
1307 amount of funds allocated to that county from the State Aid Road
1308 Fund for Fiscal Year 1994, first must be expended by the county
1309 for replacement or rehabilitation of bridges on the state aid road
1310 system that have a sufficiency rating of less than twenty-five
1311 (25), according to National Bridge Inspection standards before
1312 such monies may be approved for expenditure by the State Aid Road
1313 Engineer on other projects that qualify for the use of state aid
1314 road funds.

1315 Any reference in the general laws of this state or the
1316 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
1317 construed to refer and apply to subsection (4) of Section
1318 27-65-75.

1319 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1320 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into

1321 the special fund known as the "State Public School Building Fund"
1322 created and existing under the provisions of Sections 37-47-1
1323 through 37-47-67. Such payments into said fund are to be made on
1324 the last day of each succeeding month hereafter.

1325 (6) An amount each month beginning August 15, 1983, through
1326 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
1327 of 1983, shall be paid into the special fund known as the
1328 Correctional Facilities Construction Fund created in Section 6 of
1329 Chapter 542, Laws of 1983.

1330 (7) On or before August 15, 1992, and each succeeding month
1331 thereafter, two and two hundred sixty-six one-thousandths percent
1332 (2.266%) of the total sales tax revenue collected during the
1333 preceding month under the provisions of this chapter, except that
1334 collected under the provisions of Section 27-65-17(2), not to
1335 exceed the Fiscal Year 1997 appropriated level shall be deposited
1336 by the commission into the School Ad Valorem Tax Reduction Fund
1337 created pursuant to Section 37-61-35, with the balance to be
1338 transferred to the Education Enhancement Fund created under
1339 Section 37-61-33 for appropriation by the Legislature as other
1340 education needs and not subject to the percentage set asides set
1341 forth in Section 37-61-33.

1342 (8) On or before August 15, 1992, and each succeeding month
1343 thereafter, nine and seventy-three one-thousandths percent
1344 (9.073%) of the total sales tax revenue collected during the
1345 preceding month under the provisions of this chapter, except that
1346 collected under the provisions of Section 27-65-17(2) shall be
1347 deposited into the Education Enhancement Fund created pursuant to
1348 Section 37-61-33.

1349 (9) On or before August 15, 1994, and each succeeding month
1350 thereafter, from the revenue collected under this chapter during
1351 the preceding month, Two Hundred Fifty Thousand Dollars
1352 (\$250,000.00) shall be paid into the State Aid Road Fund.

1353 (10) On or before August 15, 1994, and each succeeding month

1354 thereafter through August 15, 1995, from the revenue collected
1355 under this chapter during the preceding month, Two Million Dollars
1356 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
1357 Valorem Tax Reduction Fund established in Section 27-51-105.

1358 (11) Notwithstanding any other provision of this section to
1359 the contrary, on or before February 15, 1995, and each succeeding
1360 month thereafter, the sales tax revenue collected during the
1361 preceding month under the provisions of Section 27-65-17(2) shall
1362 be deposited, without diversion, into the Motor Vehicle Ad Valorem
1363 Tax Reduction Fund established in Section 27-51-105.

1364 (12) Notwithstanding any other provision of this section to
1365 the contrary, on or before August 15, 1995, and each succeeding
1366 month thereafter, the sales tax revenue collected during the
1367 preceding month under the provisions of Section 27-65-17(1) on
1368 retail sales of private carriers of passengers and light carriers
1369 of property, as defined in Section 27-51-101, shall be deposited,
1370 after diversion, into the Motor Vehicle Ad Valorem Tax Reduction
1371 Fund established in Section 27-51-105.

1372 (13) On or before July 15, 1994, and on or before the
1373 fifteenth day of each succeeding month thereafter, that portion of
1374 the avails of the tax imposed in Section 27-65-22, which is
1375 derived from activities held on the Mississippi state fairgrounds
1376 complex, shall be paid into a special fund hereby created in the
1377 State Treasury and shall be expended pursuant to legislative
1378 appropriations solely to defray the costs of repairs and
1379 renovation at such Trade Mart and Coliseum.

1380 (14) On or before August 15, 1998, and each succeeding month
1381 thereafter through July 15, 2005, that portion of the avails of
1382 the tax imposed in Section 27-65-23 which is derived from sales by
1383 cotton compresses or cotton warehouses and which would otherwise
1384 be paid into the General Fund, shall be deposited in an amount not
1385 to exceed Two Million Dollars (\$2,000,000.00) into the special
1386 fund created pursuant to Section 69-37-39.

1387 (15) The remainder of the amounts collected under the
1388 provisions of this chapter shall be paid into the State Treasury
1389 to the credit of the General Fund.

1390 (16) It shall be the duty of the municipal officials of any
1391 municipality which expands its limits, or of any community which
1392 incorporates as a municipality, to notify the commissioner of such
1393 action thirty (30) days before the effective date. Failure to so
1394 notify the commissioner shall cause such municipality to forfeit
1395 the revenue which it would have been entitled to receive during
1396 this period of time when the commissioner had no knowledge of the
1397 action. If any funds have been erroneously disbursed to any
1398 municipality or any overpayment of tax is recovered by the
1399 taxpayer, the commissioner may make correction and adjust the
1400 error or overpayment with such municipality by withholding the
1401 necessary funds from any subsequent payment to be made to the
1402 municipality.

1403 SECTION 9. Section 65-39-35, Mississippi Code of 1972, is
1404 amended as follows:

1405 65-39-35. The date upon which a portion of the taxes and
1406 fees levied and charged under the provisions of Sections 27-55-11,
1407 27-55-313, 27-57-37, 27-59-11, 27-19-43, 27-19-309 and
1408 27-65-75 * * * shall be deposited in the State Aid Road Fund shall
1409 be the * * * month immediately following the date upon which:

1410 (a) The Mississippi Transportation Commission certifies
1411 to the State Tax Commission that:

1412 (i) The Four-Lane Highway Program created under
1413 Section 65-3-97 and the Gaming Counties Infrastructure Program
1414 created under Section 65-39-3, are completed and no funds are any
1415 longer necessary to pay the costs of such programs; and

1416 (ii) The Mississippi Transportation Commission
1417 will not declare the necessity for additional borrowings under
1418 Section 65-9-27, or for additional bonds under Sections 65-39-5
1419 through 65-39-33; and

1420 (b) The State Treasurer certifies:

1421 (i) That the amount on deposit in the Gaming
1422 Counties Bond Sinking Fund, together with earnings on investments
1423 to accrue to such fund, is equal to or greater than the aggregate
1424 of the entire principal, redemption premium (if any), and interest
1425 due and to become due (until the final maturity date or earlier
1426 scheduled redemption date) on all general obligation bonds issued
1427 under Sections 65-39-5 through 65-39-33; and

1428 (ii) That all principal, interest, cost and other
1429 expenses for all bonds, notes or other borrowings under Section
1430 65-9-27 (including redemption notes, if any) have been paid and
1431 are completely satisfied.

1432 SECTION 10. This act shall take effect and be in force from
1433 and after July 1, 1999.