

By: Senator(s) Rayborn

To: Finance

SENATE BILL NO. 2790

1 AN ACT TO CREATE A TRUST FUND IN THE STATE TREASURY
2 DESIGNATED AS THE "TOBACCO LITIGATION SETTLEMENT TRUST FUND" INTO
3 WHICH SHALL BE DEPOSITED SUCH MONEY AS MAY BE RECEIVED BY THE
4 STATE OF MISSISSIPPI AS SETTLEMENT OF ANY LITIGATION IN WHICH THE
5 STATE OF MISSISSIPPI IS A PLAINTIFF OR CLAIMANT FOR DAMAGES
6 SUFFERED BY THE STATE AS A RESULT OF THE USE OF TOBACCO PRODUCTS
7 BY RESIDENTS OF THE STATE; TO PROVIDE THAT INTEREST AND INCOME
8 DERIVED FROM INVESTMENT OF THE PRINCIPAL OF THE TRUST FUND SHALL
9 BE UTILIZED TO MAKE UP FOR ANY SALES TAX REVENUE LOST AS A RESULT
10 OF ANY REDUCTION IN THE SALES TAX ON UNPREPARED FOOD SOLD FOR
11 HUMAN CONSUMPTION; AND FOR RELATED PURPOSES. BE IT ENACTED BY THE
12 LEGISLATURE OF THE STATE OF MISSISSIPPI:

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14 SECTION 1. There is hereby created in the State Treasury a
15 trust fund designated as the "Tobacco Litigation Settlement Trust
16 Fund" into which shall be deposited such money as may be received
17 by the state as settlement of any litigation in which the State of
18 Mississippi is a plaintiff or claimant for damages suffered by the
19 state as a result of the use of tobacco or tobacco products by the
20 residents of the State of Mississippi. The principal of the trust
21 fund shall remain inviolate and shall be invested as provided by
22 law. Interest and income derived from investment of the principal
23 of the trust fund shall be utilized to make up for any sales tax
24 revenue lost as a result of any reduction in the sales tax on
25 unprepared food sold for human consumption. The amount necessary
26 to fund any such reduction shall be transferred by the State
27 Treasurer to the General Fund in the amount estimated by the State
28 Tax Commission as necessary.

29 SECTION 2. This act shall take effect and be in force from
30 and after July 1, 1999.