

By: Senator(s) Hewes

To: Finance

SENATE BILL NO. 2881

1 AN ACT TO AMEND SECTION 27-65-105, MISSISSIPPI CODE OF 1972,
2 TO EXEMPT FEDERAL AND STATE EMPLOYEES FROM SALES TAXES ON CERTAIN
3 HOTEL ACCOMMODATION CHARGES; AND FOR RELATED PURPOSES.

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

5 SECTION 1. Section 27-65-105, Mississippi Code of 1972, is
6 amended as follows:

7 27-65-105. The exemption from the provisions of this chapter
8 which are of a governmental nature or which are more properly
9 classified as governmental exemptions than any other exemption
10 classification of this chapter shall be confined to those persons
11 or property exempted by this section or by provisions of the
12 Constitutions of the United States and the State of Mississippi.
13 No governmental exemption as now provided by any other section
14 shall be valid as against the tax herein levied. Any subsequent
15 governmental exemption from the tax levied hereunder shall be
16 provided by amendment to this section.

17 No exemption provided in this section shall apply to taxes
18 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972,
19 except as provided by subsection (f) of this section.

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

22 (a) Sales of property, labor or services taxable under
23 Sections 27-65-17, 27-65-19 and 27-65-23, when sold to and billed
24 directly to and payment therefor is made directly by the United
25 States government, the State of Mississippi and its departments,
26 institutions, counties and municipalities or departments or school

27 districts of said counties and municipalities.

28 The exemption from the tax imposed under this chapter shall
29 not apply to sales of tangible personal property, labor or
30 services to contractors purchasing in the performance of contracts
31 with the United States, the State of Mississippi, counties and
32 municipalities.

33 (b) Sales to schools, when such schools are supported
34 wholly or in part by funds provided by the State of Mississippi,
35 provided that this exemption does not apply to sales of property
36 which is not to be used in the ordinary operation of the school,
37 or which is to be resold to the students or the public.

38 (c) Amounts received from the sale of school textbooks
39 to students.

40 (d) Sales to the Mississippi Band of Choctaw Indians,
41 but not to Indians individually.

42 (e) Sales of fire fighting equipment to governmental
43 fire departments or volunteer fire departments for their use.

44 (f) Sales of any gas from any project, as defined in
45 the Municipal Gas Authority of Mississippi Law, to any
46 municipality shall not be subject to sales, use or other tax.

47 (g) Hotel accommodation charges paid by federal and
48 state employees when paid with government credit cards that are
49 issued to the employee directly by a governmental entity or
50 agency, or issued to the employee in both the employee's name and
51 the name of the governmental agency or entity that the employee
52 works for. This exemption shall apply only when the employee
53 provides the hotel with written documentation that the employee is
54 on official business of the governmental agency or entity for
55 which the employee works.

56 SECTION 2. Nothing in this act shall affect or defeat any
57 claim, assessment, appeal, suit, right or cause of action for
58 taxes due or accrued under the sales tax laws before the date on
59 which this act becomes effective, whether such claims,
60 assessments, appeals, suits or actions have been begun before the
61 date on which this act becomes effective or are begun thereafter;
62 and the provisions of the sales tax laws are expressly continued
63 in full force, effect and operation for the purpose of the

64 assessment, collection and enrollment of liens for any taxes due
65 or accrued and the execution of any warrant under such laws before
66 the date on which this act becomes effective, and for the
67 imposition of any penalties, forfeitures or claims for failure to
68 comply with such laws.

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