

By: Senator(s) Little (By Request)

To: Highways and  
Transportation;  
FinanceSENATE BILL NO. 3023  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 31-17-127, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE THE STATE BOND COMMISSION TO ISSUE REFUNDING NOTES OR  
3 BONDS THAT MATURE NOT MORE THAN TEN YEARS FROM THE DATE OF  
4 ISSUANCE TO REFUND TEMPORARY BORROWINGS MADE TO FUND CONSTRUCTION  
5 PRIORITIES OF THE FOUR-LANE HIGHWAY PROGRAM; TO PROVIDE THAT SUCH  
6 REFUNDING BONDS OR NOTES SHALL BE FUNDED AND RETIRED BY PLEDGES OF  
7 CERTAIN FEDERAL AID GRANT REIMBURSEMENTS AND STATE TAX REVENUE  
8 DESIGNATED TO FUND THE FOUR-LANE HIGHWAY PROGRAM; TO CREATE THE  
9 FOUR-LANE HIGHWAY TRUST FUND AND TO REQUIRE THE PLEDGED FUNDS TO  
10 BE DEPOSITED INTO SUCH FUND UNTIL THERE IS AN AMOUNT EQUAL TO THE  
11 NEXT TWO DEBT SERVICE REQUIREMENTS OF THE REFUNDING NOTES OR  
12 BONDS; TO REQUIRE THAT AMOUNTS IN THE FOUR-LANE HIGHWAY TRUST FUND  
13 IN EXCESS OF THE REQUIRED BALANCE SHALL BE TRANSFERRED BY THE  
14 STATE TREASURER TO THE STATE HIGHWAY FUND; TO AMEND SECTION  
15 27-104-27, MISSISSIPPI CODE OF 1972, TO EXEMPT THE FOUR-LANE  
16 HIGHWAY TRUST FUND FROM THE REQUIREMENT OF AN APPROPRIATION; TO  
17 AMEND SECTIONS 27-5-101, 27-19-99, 27-19-325, 27-57-37, 27-65-75  
18 AND 65-39-35, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND  
19 FOR RELATED PURPOSES.

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

21 SECTION 1. Section 31-17-127, Mississippi Code of 1972, is  
22 amended as follows:

23 31-17-127. (1) (a) At any time when the revenue designated  
24 under Sections 27-5-101, 27-19-99, 27-19-325, 27-57-37 and  
25 27-65-75 to defray the cost of constructing or reconstructing  
26 highways under the Four-Lane Highway Program created under Section  
27 65-3-97 is insufficient to fund the construction priorities as  
28 they are scheduled in subsection (3) of Section 65-3-97, the State  
29 Bond Commission, upon receipt of a resolution from the Mississippi  
30 Transportation Commission requesting the same, is hereby  
31 authorized, on the credit of the state, to make temporary  
32 borrowings in the aggregate principal amount not to exceed Two  
33 Hundred Million Dollars (\$200,000,000.00) in order to provide  
34 funds in such amounts as may, from time to time, be deemed  
35 necessary. In order to provide for, and in connection with such

36 temporary borrowings, the State Bond Commission is hereby  
37 authorized in the name and on behalf of the state to enter into  
38 any purchase, loan or credit agreement, or agreements, or other  
39 agreement or agreements with any banks or trust companies or other  
40 lending institutions, investment banking firms or persons in the  
41 United States having power to enter into the same, which  
42 agreements may contain such provisions not inconsistent with the  
43 provisions of Sections 27-5-101, 27-19-99, 27-19-325, 27-57-37,  
44 27-65-75 and 65-3-97 as may be authorized by the State Bond  
45 Commission.

46 (b) As an alternative to the issuance of bonds under  
47 the provisions of Sections 65-39-5 through 65-39-33, for the  
48 purpose of providing funds for infrastructure projects under  
49 Section 65-39-1, the State Bond Commission, upon receipt of a  
50 resolution from the Mississippi Transportation Commission  
51 requesting the same, is hereby authorized, on the credit of the  
52 state, to make temporary borrowings in the aggregate principal  
53 amount not to exceed Three Hundred Million Dollars  
54 (\$300,000,000.00) in order to provide funds in such amounts as  
55 may, from time to time, be deemed necessary. In order to provide  
56 for, and in connection with such temporary borrowings, the State  
57 Bond Commission is hereby authorized in the name and on behalf of  
58 the state to enter into any purchase, loan or credit agreement, or  
59 agreements, or other agreement or agreements with any banks or  
60 trust companies or other lending institutions, investment banking  
61 firms or persons in the United States having power to enter into  
62 the same, which agreements may contain such provisions not  
63 inconsistent with the provisions of Section 65-39-1 as may be  
64 authorized by the State Bond Commission. It is the intent of the  
65 Legislature that the Transportation Commission adopt such a  
66 resolution or resolutions as often and as frequently as may be  
67 necessary to insure the availability of sufficient funds to  
68 provide timely completion of all projects authorized under Section  
69 65-39-1.

70 (2) All temporary borrowings made under this section shall  
71 be evidenced by notes of the state which shall be issued, from  
72 time to time, for such amounts not exceeding in the aggregate the  
73 applicable statutory and constitutional debt limitation, in such

74 form and in such denominations and subject to terms and conditions  
75 of sale and issue, prepayment or redemption and maturity, rate or  
76 rates of interest and time of payment of interest as the State  
77 Bond Commission shall authorize and direct and in accordance with  
78 Sections 27-5-101, 27-19-99, 27-19-325, 27-57-37, 27-65-75,  
79 65-3-97 and 65-39-1; however, such notes shall mature not more  
80 than ten (10) years from the date of issuance. The State Bond  
81 Commission may provide for the subsequent issuance of refunding  
82 notes or bonds to refund, upon issuance thereof, such notes, and  
83 may specify such other terms and conditions with respect to such  
84 refunding notes or bonds thereby authorized for issuance as the  
85 seller may determine and direct, however such refunding notes or  
86 bonds shall mature not more than ten (10) years from date of  
87 issuance.

88 (3) In connection with the issuance of such refunding notes  
89 or bonds, the State Bond Commission is hereby authorized in the  
90 name and on behalf of the state to enter into agreements with any  
91 banks, trust companies, investment banking firms or other  
92 institutions or persons in the United States having the power to  
93 enter the same:

94 (a) To purchase or underwrite an issue or series of  
95 issues of refunding notes, or bonds.

96 (b) To enter into any purchase, loan or credit  
97 agreements, and to draw monies pursuant to any such agreements on  
98 the terms and conditions set forth therein and to issue notes as  
99 evidence of borrowings made under any such agreements.

100 (c) To appoint or act as issuing and paying agent or  
101 agents with respect to such refunding notes or bonds.

102 (d) To do such other acts as may be necessary or  
103 appropriate to provide for the payment, when due, of the principal  
104 of and interest on such refunding notes or bonds.

105 Such agreements may provide for the compensation of any  
106 purchasers or underwriters of such refunding notes or bonds by  
107 payment of a fixed fee or commission at the time of issuance

108 thereof, and for all other costs and expenses, including fees for  
109 agreements related to such refunding notes or bonds and paying  
110 agent costs. Costs and expenses of issuance may be paid from the  
111 proceeds of the refunding notes or bonds.

112 (4) \* \* \* At or prior to the time of delivery of these  
113 refunding notes or bonds, the State Bond Commission shall  
114 determine the principal amounts, dates of issue, interest rate or  
115 rates, rates of discount, denominations and all other terms and  
116 conditions relating to the issuance. The State Treasurer shall  
117 perform all acts and things necessary to pay or cause to be paid,  
118 when due, all principal of and interest on the notes being  
119 refunded by such refunding notes or bonds and to assure that the  
120 same may draw upon any monies available for that purpose pursuant  
121 to any purchase loan or credit agreements established with respect  
122 thereto, all subject to the authorization and direction of the  
123 seller.

124 (5) (a) (i) Such outstanding refunding notes or bonds  
125 evidencing such borrowings to defray the cost of constructing or  
126 reconstructing highways under the Four-Lane Highway Program  
127 established in Section 65-3-97 shall be funded and retired by the  
128 revenue designated under Sections 27-5-101, 27-19-99, 27-19-325,  
129 27-57-37 and 27-65-75 and from any and all legally available  
130 federal aid grant reimbursements which are hereby pledged for this  
131 purpose, which is intended to be a priority use for such pledged  
132 funds for so long as any notes, refunding notes or bonds are  
133 outstanding. Such revenues shall be deposited into the Four-Lane  
134 Highway Trust Fund for the repayment of the debt service of the  
135 refunding notes or bonds in accordance with paragraph (b) of this  
136 subsection (5). Such refunding notes or bonds issued pursuant to  
137 the provisions of this section shall be secured by a first and  
138 priority lien on the revenues pledged therefor.

139 (ii) Outstanding notes evidencing such borrowings  
140 to defray the cost of infrastructure projects under Section  
141 65-39-1 may be funded and retired from monies in the Gaming

142 Counties Bond Sinking Fund created under Section 65-39-3. The  
143 refunding notes or bonds must be issued and sold not later than a  
144 date two (2) years after the date of issuance of the first notes  
145 evidencing such borrowings to the extent that payment of such  
146 notes has not otherwise been made or provided for by sources other  
147 than proceeds of refunding notes or bonds.

148 (b) There is created in the State Treasury a special  
149 fund designated as the "Four-Lane Highway Trust Fund" into which  
150 shall be deposited the funds designated in this paragraph until  
151 the balance in the fund is equal to the next two (2) debt service  
152 requirements of the refunding notes or bonds issued to defray the  
153 cost of the Four-Lane Highway Program established in Section  
154 65-3-97. Once the required balance in the fund is reached,  
155 deposits shall cease until the amount in the fund falls below the  
156 amount equal to the next two (2) debt service requirements of the  
157 refunding bonds or notes. Unexpended amounts in the fund at the  
158 end of a fiscal year shall not lapse into the State General Fund,  
159 and any interest earned on amounts in the fund shall be deposited  
160 to the credit of the fund. Money in the fund may not be used or  
161 expended for any purpose except as authorized under this  
162 subsection. The State Treasurer shall disburse money from the  
163 fund for the purposes authorized under this subsection. Deposits  
164 into the fund shall be made as follows:

165 (i) Federal aid grant reimbursements designated  
166 for the Four-Lane Highway Program established in Section 65-3-97  
167 shall be deposited into the Four-Lane Highway Trust Fund until  
168 such time as the balance requirements of this section are met.

169 (ii) If the federal aid grant reimbursements  
170 designated for the Four-Lane Highway Program are projected by the  
171 State Treasurer to be insufficient to meet the balance  
172 requirements of this paragraph, then the revenue designated under  
173 Sections 27-5-101, 27-19-99, 27-19-325, 27-57-37 and 27-65-75 to  
174 defray the cost of the Four-Lane Highway Program shall be  
175 deposited into the Four-Lane Highway Trust Fund.

176                   (iii) If the amounts required to be deposited by  
177 items (i) and (ii) of this paragraph (b) are projected by the  
178 State Treasurer to be insufficient to meet the balance  
179 requirements of this paragraph, then any other legally available  
180 federal aid grant reimbursements shall be deposited into the  
181 Four-Lane Highway Trust Fund.

182                   At such times as the balance requirements of this paragraph  
183 are met, the State Treasurer shall transfer all excess amounts to  
184 the State Highway Fund.

185                   (c) Any state laws authorizing the imposition or  
186 distribution of taxes, fees or federal reimbursements designated  
187 for the Four-Lane Highway Program created under Section 65-3-97,  
188 or that affect those taxes, fees and federal reimbursements  
189 pledged for the payment of refunding notes or bonds issued under  
190 this section, shall not be amended or repealed or otherwise  
191 directly or indirectly modified so as to impair such outstanding  
192 refunding notes or bonds unless such refunding notes or bonds have  
193 been discharged in full or provisions have been made for a full  
194 discharge or defeasance.

195                   (6) The proceeds of all such temporary borrowing shall be  
196 paid to the Mississippi Transportation Commission to be held and  
197 disposed of in accordance with the provisions of Sections  
198 27-5-101, 27-19-99, 27-19-325, 27-57-37, 27-65-75, 65-3-97 and  
199 65-39-1.

200                   SECTION 2. Section 27-104-27, Mississippi Code of 1972, is  
201 amended as follows:

202                   27-104-27. Notwithstanding anything in Sections 27-103-101  
203 through 27-103-139 and 27-104-1 through 27-104-29 contained, the  
204 same shall not be construed to apply to any agency supported  
205 wholly by funds granted or allotted under any act of Congress.

206 The State Auditor of Public Accounts and after July 1, 1986, the  
207 State Fiscal Officer shall determine which special fund accounts  
208 in the State Treasury require an appropriation act and request an  
209 appropriation for such special fund accounts. For all other

210 special fund accounts, the State Auditor of Public Accounts, or  
211 the State Fiscal Officer after July 1, 1986, shall certify that  
212 such accounts do not require an appropriation. The Legislative  
213 Budget Office shall recommend an appropriation for each special  
214 fund account existing in the State Treasury so certified as  
215 requiring an appropriation, unless exempted as hereinafter  
216 provided. In the event the Legislative Budget Committee and the  
217 State Fiscal Officer find that any state agency should not be  
218 included under the provisions of Sections 27-103-101 through  
219 27-103-139 and 27-104-1 through 27-104-29, then the said committee  
220 and officer may, in their discretion, exempt said state agency  
221 from the provisions thereof. Sections 27-103-101 through  
222 27-103-139 and 27-104-1 through 27-104-29 shall not apply to funds  
223 collected and disbursed by a state agency created and existing  
224 under the provisions of Sections 73-3-101 through 73-3-169.  
225 Sections 27-103-101 through 27-103-139 and 27-104-1 through  
226 27-104-29 shall not apply to funds deposited into the special fund  
227 created pursuant to Section 45-9-101, the special fund created  
228 pursuant to Section 69-37-39 or the special fund created pursuant  
229 to Section 1 of Senate Bill No. 3023, 1999 Regular Session.

230 The State Fiscal Officer shall not promulgate or attempt to  
231 enforce any rule, order or regulation which is not in accordance  
232 with the provisions of a legally executed trust indenture  
233 agreement, nor shall Sections 27-103-101 through 27-103-139 and  
234 27-104-1 through 27-104-29 be construed to apply to funds  
235 collected and disbursed by a state agency under Sections 65-33-45  
236 and 65-33-47.

237 SECTION 3. Section 27-5-101, Mississippi Code of 1972, is  
238 amended as follows:

239 **[Through August 31, 1999, this section shall read as follows:**

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

242 27-5-101. Unless otherwise provided in this section, on or  
243 before the fifteenth day of each month, all gasoline, diesel fuel

244 or kerosene taxes which are levied under the laws of this state  
245 and collected during the previous month shall be paid and  
246 apportioned by the State Tax Commission as follows:

247           (a) (i) Except as otherwise provided in Section  
248 31-17-12, from the gross amount of gasoline, diesel fuel or  
249 kerosene taxes produced by the state, there shall be deducted an  
250 amount equal to one-sixth (1/6) of principal and interest  
251 certified by the State Treasurer to the State Tax Commission to be  
252 due on the next semiannual bond and interest payment date, as  
253 required under the provisions of Chapter 130, Laws of 1938, and  
254 subsequent acts authorizing the issuance of bonds payable from  
255 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
256 bonds issued under authority of said Chapter 130. The State  
257 Treasurer shall certify to the State Tax Commission on or before  
258 the fifteenth day of each month the amount to be paid to the  
259 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws  
260 of 1938, and subsequent acts authorizing the issuance of bonds  
261 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
262 parity with the bonds issued under authority of said Chapter 130;  
263 and the State Tax Commission shall, on or before the twenty-fifth  
264 day of each month, pay into the State Treasury for credit to the  
265 "Highway Bonds Sinking Fund" the amount so certified to him by the  
266 State Treasurer due to be paid into such fund each month. The  
267 payments to the "Highway Bonds Sinking Fund" shall be made out of  
268 gross gasoline, diesel fuel or kerosene tax collections before  
269 deductions of any nature are considered; however, such payments  
270 shall be deducted from the allocation to the Mississippi  
271 Department of Transportation under paragraph (c) of this section.

272           (ii) From collections derived from the portion of  
273 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
274 from the portion of the tax on aviation gas under Section 27-55-11  
275 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
276 portion of the diesel fuel tax levied under Section 27-55-313 that  
277 exceeds Ten Cents (10¢) per gallon, from the portion of the taxes



278 levied under Section 27-57-315 that exceeds One Cent (1¢) per  
279 gallon on oil and Five and One-fourth Cents (5.25¢) per gallon on  
280 oil used as aircraft fuel, from the portion of the excise tax on  
281 compressed gas used as a motor fuel that exceeds the rate of tax  
282 in effect on June 30, 1987, and from the portion of the gasoline  
283 excise tax in excess of Seven Cents (7¢) per gallon and the diesel  
284 excise tax in excess of Ten Cents (10¢) per gallon under Section  
285 27-61-5 there shall be deducted:

286                   1. An amount as provided in Section  
287 27-65-75(4) to the credit of a special fund designated as the  
288 "Office of State Aid Road Construction."

289                   2. An amount equal to the tax collections  
290 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
291 for distribution to the State Highway Fund to be used exclusively  
292 for the construction, reconstruction and maintenance of highways  
293 of the State of Mississippi or the payment of interest and  
294 principal on bonds when specifically authorized by the Legislature  
295 for that purpose.

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

298                   (b) Subject to the provisions that said basis of  
299 distribution shall in nowise affect adversely the amount  
300 specifically pledged in paragraph (a) of this section to be paid  
301 into the "Highway Bonds Sinking Fund," the following shall be  
302 deducted from the amount produced by the state tax on gasoline,  
303 diesel fuel or kerosene tax collections, excluding collections  
304 derived from the portion of the gasoline excise tax that exceeds  
305 Seven Cents (7¢) per gallon, from the portion of the tax on  
306 aviation gas under Section 27-55-11 that exceeds Six and  
307 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
308 diesel fuel tax levied under Section 27-55-313 that exceeds Ten  
309 Cents (10¢) per gallon, from the portion of the taxes levied under  
310 Section 27-57-315 that exceeds One Cent (1¢) per gallon on oil and  
311 Five and One-fourth Cents (5.25¢) per gallon on oil used as

312 aircraft fuel, from the portion of the excise tax on compressed  
313 gas used as a motor fuel that exceeds the rate of tax in effect on  
314 June 30, 1987, and from the portion of the gasoline excise tax in  
315 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
316 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

317           (i) Twenty percent (20%) of such amount which  
318 shall be earmarked and set aside for the construction,  
319 reconstruction and maintenance of the highways and roads of the  
320 state, provided that if such twenty percent (20%) should reduce  
321 any county to a lesser amount than that received in the fiscal  
322 year ending June 30, 1966, then such twenty percent (20%) shall be  
323 reduced to a percentage to provide that no county shall receive  
324 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

335           (vi) The remainder shall be divided on a basis of  
336 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the  
337 same basis as Four and One-half Cents (4-1/2¢) and Two and  
338 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and  
339 six and forty-three one-hundredths (6.43) and three and  
340 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel  
341 fuel or kerosene). The amount produced by the nine-fourteenths  
342 (9/14) division shall be allocated to the Transportation  
343 Department and paid into the State Treasury as provided in this  
344 section and in Section 27-5-103 and the five-fourteenths (5/14)  
345 division shall be returned to the counties of the state on the

346 following basis:

347                   1. In each fiscal year, each county shall be  
348 paid each month the same percentage of the monthly total to be  
349 distributed as was paid to that county during the same month in  
350 the fiscal year which ended April 9, 1960, until the county  
351 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such  
352 fiscal year, at which time funds shall be distributed under the  
353 provisions of paragraph (b)(vi)4 of this section.

354                   2. If after payments in 1 above, any county  
355 has not received a total of One Hundred Ninety Thousand Dollars  
356 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
357 and each fiscal year thereafter, then any available funds not  
358 distributed under 1 above shall be used to bring such county or  
359 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
360 or such funds shall be divided equally among such counties not  
361 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
362 there is not sufficient money to bring all the counties to said  
363 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

370                   4. During the last month of the current  
371 fiscal year, should it be determined that there are funds  
372 available in excess of the amount distributed for the year under 1  
373 and 2 above, then such excess funds shall be distributed among the  
374 various counties as follows:

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

377                                   One-third (1/3) of such excess to be paid  
378 to the counties in the proportion which the population of each  
379 county bears to the total population of the state according to the

380 last federal census;

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

384                                   5. It is the declared purpose and intent of  
385 the Legislature that no county shall be paid less than was paid  
386 during the year ended April 9, 1960, unless the amount to be  
387 distributed to all counties in any year is less than the amount  
388 distributed to all counties during the year ended April 9, 1960.

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

393                                   In any county having countywide road or bridge bonds, or  
394 supervisors district or district road or bridge bonds outstanding,  
395 which exceed, in the aggregate, twelve percent (12%) of the  
396 assessed valuation of the taxable property of the county or  
397 district, it shall be the duty of the board of supervisors to set  
398 aside not less than sixty percent (60%) of such county's share or  
399 district's share of the gasoline, diesel fuel or kerosene taxes to  
400 be used in paying the principal and interest on such road or  
401 bridge bonds as they mature.

402                                   In any county having such countywide road or bridge bonds or  
403 district road or bridge bonds outstanding which exceed, in the  
404 aggregate, eight percent (8%) of the assessed valuation of the  
405 taxable property of the county, but which do not exceed, in the  
406 aggregate, twelve percent (12%) of the assessed valuation of the  
407 taxable property of the county, it shall be the duty of the board  
408 of supervisors to set aside not less than thirty-five percent  
409 (35%) of such county's share of the gasoline, diesel fuel or  
410 kerosene taxes to be used in paying the principal and interest of  
411 such road or bridge bonds as they mature.

412                                   In any county having such countywide road or bridge bonds or  
413 district road or bridge bonds outstanding which exceed, in the

414 aggregate, five percent (5%) of the assessed valuation of the  
415 taxable property of the county, but which do not exceed, in the  
416 aggregate, eight percent (8%) of the assessed valuation of the  
417 taxable property of the county, it shall be the duty of the board  
418 of supervisors to set aside not less than twenty percent (20%) of  
419 such county's share of the gasoline, diesel fuel or kerosene taxes  
420 to be used in paying the principal and interest of such road and  
421 bridge bonds as they mature.

422 In any county having such countywide road or bridge bonds or  
423 district road or bridge bonds outstanding which do not exceed, in  
424 the aggregate, five percent (5%) of the assessed valuation of the  
425 taxable property of the county, it shall be the duty of the board  
426 of supervisors to set aside not less than ten percent (10%) of  
427 such county's share of the gasoline, diesel fuel or kerosene taxes  
428 to be used in paying the principal and interest on such road or  
429 bridge bonds as they mature.

430 The portion of any such county's share of the gasoline,  
431 diesel fuel or kerosene taxes thus set aside for the payment of  
432 the principal and interest of road or bridge bonds, as provided  
433 for in this section, shall be used first in paying the currently  
434 maturing installments of the principal and interest of such  
435 countywide road or bridge bonds, if there be any such countywide  
436 road or bridge bonds outstanding, and secondly, in paying the  
437 currently maturing installments of principal and interest of  
438 district road or bridge bonds outstanding. It shall be the duty  
439 of the board of supervisors to pay bonds and interest maturing in  
440 each supervisors district out of the supervisors district's share  
441 of the gasoline, diesel fuel or kerosene taxes of such district.

442 The remaining portion of such county's share of the gasoline,  
443 diesel fuel or kerosene taxes, after setting aside the portion  
444 above provided for the payment of the principal and interest of  
445 bonds, shall be used in the construction and maintenance of any  
446 public highways, bridges, or culverts of the county, including the  
447 roads in special or separate road districts, in the discretion of

448 the board of supervisors, or in paying the interest and principal  
449 of county road and bridge bonds or district road and bridge bonds,  
450 in the discretion of the board of supervisors.

451 In any county having no countywide road or bridge bonds or  
452 district road or bridge bonds outstanding, all such county's share  
453 of the gasoline, diesel fuel or kerosene taxes shall be used in  
454 the construction, reconstruction, and maintenance of the public  
455 highways, bridges, or culverts of the county as the board of  
456 supervisors may determine.

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

461 (c) From the amount produced by the nine-fourteenths  
462 (9/14) division allocated to the Transportation Department, there  
463 shall be deducted:

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

466 (ii) Any amounts due counties in accordance with  
467 Section 65-33-45 which have outstanding bonds issued for seawall  
468 or road protection purposes, issued under provisions of Chapter  
469 319, Laws of 1924, and amendments thereto;

470 (iii) Beginning August 15, 2002, and on or before  
471 the fifteenth day of each month thereafter, an amount equal to  
472 one-sixth (1/6) of the principal and interest certified by the  
473 State Treasurer to the State Tax Commission to be due on the next  
474 semiannual bond and interest payment date for the bonds issued  
475 under Sections 65-39-5 through 65-39-33. On or before the  
476 twenty-fifth day of each month the State Tax Commission shall pay  
477 into the State Treasury for credit to the Gaming Counties Bond  
478 Sinking Fund created in Section 65-39-3, the amount so certified  
479 by the State Treasurer.

480 (iv) Except as otherwise provided in Section  
481 31-17-127, the remainder shall be paid by the State Tax Commission

482 to the State Treasurer on the fifteenth day of each month next  
483 succeeding the month in which the gasoline, diesel fuel or  
484 kerosene taxes were collected to the credit of the State Highway  
485 Fund.

486 The funds allocated for the construction, reconstruction, and  
487 improvement of state highways, bridges, and culverts, or so much  
488 thereof as may be necessary, shall first be used in conjunction  
489 with funds supplied by the federal government for such purposes  
490 and allocated to the State Transportation Department to be  
491 expended on the state highway system. It is specifically provided  
492 hereby that the necessary portion of such funds hereinabove  
493 allocated to the State Transportation Department may be used for  
494 the prompt payment of principal and interest on highway bonds  
495 heretofore issued, including such bonds issued or to be issued  
496 under the provisions of Chapter 312, Laws of 1956, and amendments  
497 thereto.

498 Nothing contained in this section shall be construed to  
499 reduce the amount of such gasoline, diesel fuel or kerosene excise  
500 taxes levied by the state, allotted under the provisions of Title  
501 65, Chapter 33, Mississippi Code of 1972, to counties in which  
502 there are outstanding bonds issued for seawall or road protection  
503 purposes issued under the provisions of Chapter 319, Laws of 1924,  
504 and amendments thereto; the amount of said gasoline, diesel fuel  
505 or kerosene excise taxes designated in this section for the  
506 payment of bonds and interest authorized and issued or to be  
507 issued under the provisions of Chapter 130, Laws of 1938, and  
508 subsequent acts authorizing the issuance of bonds payable from  
509 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
510 counties, be considered as being paid "into the State Treasury to  
511 the credit of the State Highway Fund" within the meaning of  
512 Section 65-33-45 in computing the amount to be paid to such  
513 counties under the provisions of said section, and this section  
514 shall be administered in connection with Title 65, Chapter 33,  
515 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and

516 65-33-49 dealing with seawalls, as if made a part of this section.

517 (d) The proceeds of the Five and One-fourth Cents  
518 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
519 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
520 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
521 gallon for each gallon of gasoline for which a refund has been  
522 made pursuant to Section 27-55-23 because such gasoline was used  
523 for aviation purposes, shall be paid to the State Treasury into a  
524 special fund to be used exclusively, pursuant to legislative  
525 appropriation, for the support and development of aeronautics as  
526 defined in Section 61-1-3.

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

533 (f) "Gasoline, diesel fuel or kerosene taxes" as used  
534 in this section shall be deemed to mean and include state  
535 gasoline, diesel fuel or kerosene taxes levied and imposed on  
536 distributors of gasoline, diesel fuel or kerosene, and all state  
537 excise taxes derived from any fuel used to propel vehicles upon  
538 the highways of this state, when levied by any statute.

539 **[With regard to any county which is required to operate on a**  
540 **countywide system of road administration as described in Section**  
541 **19-2-3, this section shall read as follows:]**

542 27-5-101. Unless otherwise provided in this section, on or  
543 before the fifteenth day of each month, all gasoline, diesel fuel  
544 or kerosene taxes which are levied under the laws of this state  
545 and collected during the previous month shall be paid and  
546 apportioned by the State Tax Commission as follows:

547 (a) (i) Except as otherwise provided in Section  
548 31-17-127, from the gross amount of gasoline, diesel fuel or  
549 kerosene taxes produced by the state, there shall be deducted an



550 amount equal to one-sixth (1/6) of principal and interest  
551 certified by the State Treasurer to the State Tax Commission to be  
552 due on the next semiannual bond and interest payment date, as  
553 required under the provisions of Chapter 130, Laws of 1938, and  
554 subsequent acts authorizing the issuance of bonds payable from  
555 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
556 bonds issued under authority of said Chapter 130. The State  
557 Treasurer shall certify to the State Tax Commission on or before  
558 the fifteenth day of each month the amount to be paid to the  
559 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws  
560 of 1938, and subsequent acts authorizing the issuance of bonds  
561 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
562 parity with the bonds issued under authority of said Chapter 130;  
563 and the State Tax Commission shall, on or before the twenty-fifth  
564 day of each month, pay into the State Treasury for credit to the  
565 "Highway Bonds Sinking Fund" the amount so certified to him by the  
566 State Treasurer due to be paid into such fund each month. The  
567 payments to the "Highway Bonds Sinking Fund" shall be made out of  
568 gross gasoline, diesel fuel or kerosene tax collections before  
569 deductions of any nature are considered; however, such payments  
570 shall be deducted from the allocation to the Transportation  
571 Department under paragraph (c) of this section.

572 (ii) From collections derived from the portion of  
573 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
574 from the portion of the tax on aviation gas under Section 27-55-11  
575 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
576 portion of the diesel fuel tax levied under Section 27-55-313 that  
577 exceeds Ten Cents (10¢) per gallon, from the portion of the taxes  
578 levied under Section 27-57-315 that exceeds One Cent (1¢) per  
579 gallon on oil and Five and One-fourth Cents (5.25¢) per gallon on  
580 oil used as aircraft fuel, from the portion of the excise tax on  
581 compressed gas used as a motor fuel that exceeds the rate of tax  
582 in effect on June 30, 1987, and from the portion of the gasoline  
583 excise tax in excess of Seven Cents (7¢) per gallon and the diesel

584 excise tax in excess of Ten Cents (10¢) per gallon under Section  
585 27-61-5 there shall be deducted:

586 1. An amount as provided in Section  
587 27-65-75(4) to the credit of a special fund designated as the  
588 "Office of State Aid Road Construction."

589 2. An amount equal to the tax collections  
590 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
591 for distribution to the State Highway Fund to be used exclusively  
592 for the construction, reconstruction and maintenance of highways  
593 of the State of Mississippi or the payment of interest and  
594 principal on bonds when specifically authorized by the Legislature  
595 for that purpose.

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

598 (b) Subject to the provisions that said basis of  
599 distribution shall in nowise affect adversely the amount  
600 specifically pledged in paragraph (a) of this section to be paid  
601 into the "Highway Bonds Sinking Fund," the following shall be  
602 deducted from the amount produced by the state tax on gasoline,  
603 diesel fuel or kerosene tax collections, excluding collections  
604 derived from the portion of the gasoline excise tax that exceeds  
605 Seven Cents (7¢) per gallon, from the portion of the tax on  
606 aviation gas under Section 27-55-11 that exceeds Six and  
607 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
608 diesel fuel tax levied under Section 27-55-313, that exceeds Ten  
609 Cents (10¢) per gallon, from the portion of the taxes levied under  
610 Section 27-57-315, that exceeds One Cent (1¢) per gallon on oil  
611 and Five and One-fourth Cents (5.25¢) per gallon on oil used as  
612 aircraft fuel, from the portion of the excise tax on compressed  
613 gas used as a motor fuel that exceeds the rate of tax in effect on  
614 June 30, 1987, and from the portion of the gasoline excise tax in  
615 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
616 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

617 (i) Twenty percent (20%) of such amount which

618 shall be earmarked and set aside for the construction,  
619 reconstruction and maintenance of the highways and roads of the  
620 state, provided that if such twenty percent (20%) should reduce  
621 any county to a lesser amount than that received in the fiscal  
622 year ending June 30, 1966, then such twenty percent (20%) shall be  
623 reduced to a percentage to provide that no county shall receive  
624 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

635 (vi) The remainder shall be divided on a basis of  
636 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the  
637 same basis as Four and One-half Cents (4-1/2¢) and Two and  
638 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and  
639 six and forty-three one-hundredths (6.43) and three and  
640 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel  
641 fuel or kerosene). The amount produced by the nine-fourteenths  
642 (9/14) division shall be allocated to the Transportation  
643 Department and paid into the State Treasury as provided in this  
644 section and in Section 27-5-103 and the five-fourteenths (5/14)  
645 division shall be returned to the counties of the state on the  
646 following basis:

647 1. In each fiscal year, each county shall be  
648 paid each month the same percentage of the monthly total to be  
649 distributed as was paid to that county during the same month in  
650 the fiscal year which ended April 9, 1960, until the county  
651 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such

652 fiscal year, at which time funds shall be distributed under the  
653 provisions of paragraph (b)(vi)4 of this section.

654           2. If after payments in 1 above, any county  
655 has not received a total of One Hundred Ninety Thousand Dollars  
656 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
657 and each fiscal year thereafter, then any available funds not  
658 distributed under 1 above shall be used to bring such county or  
659 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
660 or such funds shall be divided equally among such counties not  
661 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
662 there is not sufficient money to bring all the counties to said  
663 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

670           4. During the last month of the current  
671 fiscal year, should it be determined that there are funds  
672 available in excess of the amount distributed for the year under 1  
673 and 2 above, then such excess funds shall be distributed among the  
674 various counties as follows:

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

677                           One-third (1/3) of such excess to be paid  
678 to the counties in the proportion which the population of each  
679 county bears to the total population of the state according to the  
680 last federal census;

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

684           5. It is the declared purpose and intent of  
685 the Legislature that no county shall be paid less than was paid

686 during the year ended April 9, 1960, unless the amount to be  
687 distributed to all counties in any year is less than the amount  
688 distributed to all counties during the year ended April 9, 1960.

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

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

700 In any county having such road or bridge bonds outstanding  
701 which exceed, in the aggregate, eight percent (8%) of the assessed  
702 valuation of the taxable property of the county, but which do not  
703 exceed, in the aggregate, twelve percent (12%) of the assessed  
704 valuation of the taxable property of the county, it shall be the  
705 duty of the board of supervisors to set aside not less than  
706 thirty-five percent (35%) of such county's share of the gasoline,  
707 diesel fuel or kerosene taxes to be used in paying the principal  
708 and interest of such road or bridge bonds as they mature.

709 In any county having such road or bridge bonds outstanding  
710 which exceed, in the aggregate, five percent (5%) of the assessed  
711 valuation of the taxable property of the county, but which do not  
712 exceed, in the aggregate, eight percent (8%) of the assessed  
713 valuation of the taxable property of the county, it shall be the  
714 duty of the board of supervisors to set aside not less than twenty  
715 percent (20%) of such county's share of the gasoline, diesel fuel  
716 or kerosene taxes to be used in paying the principal and interest  
717 of such road and bridge bonds as they mature.

718 In any county having such road or bridge bonds outstanding  
719 which do not exceed, in the aggregate, five percent (5%) of the

720 assessed valuation of the taxable property of the county, it shall  
721 be the duty of the board of supervisors to set aside not less than  
722 ten percent (10%) of such county's share of the gasoline, diesel  
723 fuel or kerosene taxes to be used in paying the principal and  
724 interest on such road or bridge bonds as they mature.

725 The portion of any such county's share of the gasoline,  
726 diesel fuel or kerosene taxes thus set aside for the payment of  
727 the principal and interest of road or bridge bonds, as provided  
728 for in this section, shall be used in paying the currently  
729 maturing installments of the principal and interest of such road  
730 or bridge bonds, if there be any such road or bridge bonds  
731 outstanding.

732 The remaining portion of such county's share of the gasoline,  
733 diesel fuel or kerosene taxes, after setting aside the portion  
734 above provided for the payment of the principal and interest of  
735 bonds, shall be used in the construction and maintenance of any  
736 public highways, bridges or culverts of the county, in the  
737 discretion of the board of supervisors.

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

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

747 (c) From the amount produced by the nine-fourteenths  
748 (9/14) division allocated to the Transportation Department, there  
749 shall be deducted:

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

752 (ii) Any amounts due counties in accordance with  
753 Section 65-33-45 which have outstanding bonds issued for seawall

754 or road protection purposes, issued under provisions of Chapter  
755 319, Laws of 1924, and amendments thereto; and

756 (iii) Beginning August 15, 2002, and on or before  
757 the fifteenth day of each month thereafter, an amount equal to  
758 one-sixth (1/6) of the principal and interest certified by the  
759 State Treasurer to the State Tax Commission to be due on the next  
760 semiannual bond and interest payment date for the bonds issued  
761 under Sections 65-39-5 through 65-39-33. On or before the  
762 twenty-fifth day of each month the State Tax Commission shall pay  
763 into the State Treasury for credit to the Gaming Counties Bond  
764 Sinking Fund created in Section 65-39-3, the amount certified by  
765 the State Treasurer.

766 (iv) Except as otherwise provided in Section  
767 31-17-127, the remainder shall be paid by the State Tax Commission  
768 to the State Treasurer on the fifteenth day of each month next  
769 succeeding the month in which the gasoline, diesel fuel or  
770 kerosene taxes were collected to the credit of the State Highway  
771 Fund.

772 The funds allocated for the construction, reconstruction and  
773 improvement of state highways, bridges and culverts, or so much  
774 thereof as may be necessary, shall first be used in conjunction  
775 with funds supplied by the federal government for such purposes  
776 and allocated to the Transportation Department to be expended on  
777 the state highway system. It is specifically provided hereby that  
778 the necessary portion of such funds hereinabove allocated to the  
779 Transportation Department may be used for the prompt payment of  
780 principal and interest on highway bonds heretofore issued,  
781 including such bonds issued or to be issued under the provisions  
782 of Chapter 312, Laws of 1956, and amendments thereto.

783 Nothing contained in this section shall be construed to  
784 reduce the amount of such gasoline, diesel fuel or kerosene excise  
785 taxes levied by the state, allotted under the provisions of Title  
786 65, Chapter 33, Mississippi Code of 1972, to counties in which  
787 there are outstanding bonds issued for seawall or road protection

788 purposes issued under the provisions of Chapter 319, Laws of 1924,  
789 and amendments thereto; the amount of said gasoline, diesel fuel  
790 or kerosene excise taxes designated in this section for the  
791 payment of bonds and interest authorized and issued or to be  
792 issued under the provisions of Chapter 130, Laws of 1938, and  
793 subsequent acts authorizing the issuance of bonds payable from  
794 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
795 counties, be considered as being paid "into the State Treasury to  
796 the credit of the State Highway Fund" within the meaning of  
797 Section 65-33-45 in computing the amount to be paid to such  
798 counties under the provisions of said section, and this section  
799 shall be administered in connection with Title 65, Chapter 33,  
800 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
801 65-33-49 dealing with seawalls, as if made a part of this section.

802           (d) The proceeds of the Five and One-fourth Cents  
803 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
804 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
805 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
806 gallon for each gallon of gasoline for which a refund has been  
807 made pursuant to Section 27-55-23 because such gasoline was used  
808 for aviation purposes, shall be paid to the State Treasury into a  
809 special fund to be used exclusively, pursuant to legislative  
810 appropriation, for the support and development of aeronautics as  
811 defined in Section 61-1-3.

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

818           (f) "Gasoline, diesel fuel or kerosene taxes" as used  
819 in this section shall be deemed to mean and include state  
820 gasoline, diesel fuel or kerosene taxes levied and imposed on  
821 distributors of gasoline, diesel fuel or kerosene, and all state



822 excise taxes derived from any fuel used to propel vehicles upon  
823 the highways of this state, when levied by any statute.

824 [From and after September 1, 1999, this section shall read as  
825 follows:]

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

828 27-5-101. Unless otherwise provided in this section, on or  
829 before the fifteenth day of each month, all gasoline, diesel fuel  
830 or kerosene taxes which are levied under the laws of this state  
831 and collected during the previous month shall be paid and  
832 apportioned by the State Tax Commission as follows:

833 (a) (i) Except as otherwise provided in Section  
834 31-17-127, from the gross amount of gasoline, diesel fuel or  
835 kerosene taxes produced by the state, there shall be deducted an  
836 amount equal to one-sixth (1/6) of principal and interest  
837 certified by the State Treasurer to the State Tax Commission to be  
838 due on the next semiannual bond and interest payment date, as  
839 required under the provisions of Chapter 130, Laws of 1938, and  
840 subsequent acts authorizing the issuance of bonds payable from  
841 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
842 bonds issued under authority of said Chapter 130. The State  
843 Treasurer shall certify to the State Tax Commission on or before  
844 the fifteenth day of each month the amount to be paid to the  
845 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws  
846 of 1938, and subsequent acts authorizing the issuance of bonds  
847 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
848 parity with the bonds issued under authority of said Chapter 130;  
849 and the State Tax Commission shall, on or before the twenty-fifth  
850 day of each month, pay into the State Treasury for credit to the  
851 "Highway Bonds Sinking Fund" the amount so certified to him by the  
852 State Treasurer due to be paid into such fund each month. The  
853 payments to the "Highway Bonds Sinking Fund" shall be made out of  
854 gross gasoline, diesel fuel or kerosene tax collections before  
855 deductions of any nature are considered; however, such payments

856 shall be deducted from the allocation to the Mississippi  
857 Department of Transportation under paragraph (c) of this section.

858 (ii) From collections derived from the portion of  
859 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
860 from the portion of the tax on aviation gas under Section 27-55-11  
861 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
862 portion of the special fuel tax levied under Sections 10 and 11 of  
863 Senate Bill No. 3083, 1999 Regular Session, at Eighteen Cents  
864 (18¢) per gallon that exceeds Ten Cents (10¢) per gallon, from the  
865 portion of the taxes levied under Section 10 of Senate Bill No.  
866 3083, 1999 Regular Session, at Five and Three-fourths Cents  
867 (5.75¢) per gallon that exceeds One Cent (1¢) per gallon on  
868 special fuel and Five and One-fourth Cents (5.25¢) per gallon on  
869 special fuel used as aircraft fuel, from the portion of the excise  
870 tax on compressed gas used as a motor fuel that exceeds the rate  
871 of tax in effect on June 30, 1987, and from the portion of the  
872 gasoline excise tax in excess of Seven Cents (7¢) per gallon and  
873 the diesel excise tax in excess of Ten Cents (10¢) per gallon  
874 under Section 27-61-5 there shall be deducted:

875 1. An amount as provided in Section  
876 27-65-75(4) to the credit of a special fund designated as the  
877 "Office of State Aid Road Construction."

878 2. An amount equal to the tax collections  
879 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
880 for distribution to the State Highway Fund to be used exclusively  
881 for the construction, reconstruction and maintenance of highways  
882 of the State of Mississippi or the payment of interest and  
883 principal on bonds when specifically authorized by the Legislature  
884 for that purpose.

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

887 (b) Subject to the provisions that said basis of  
888 distribution shall in nowise affect adversely the amount  
889 specifically pledged in paragraph (a) of this section to be paid

890 into the "Highway Bonds Sinking Fund," the following shall be  
891 deducted from the amount produced by the state tax on gasoline,  
892 diesel fuel or kerosene tax collections, excluding collections  
893 derived from the portion of the gasoline excise tax that exceeds  
894 Seven Cents (7¢) per gallon, from the portion of the tax on  
895 aviation gas under Section 27-55-11 that exceeds Six and  
896 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
897 special fuel tax levied under Sections 10 and 11 of Senate Bill  
898 No. 3083, 1999 Regular Session, at Eighteen Cents (18¢) per gallon  
899 that exceeds Ten Cents (10¢) per gallon, from the portion of the  
900 taxes levied under Section 10 of Senate Bill No. 3083, 1999  
901 Regular Session, at Five and Three-fourths Cents (5.75¢) per  
902 gallon that exceeds One Cent (1¢) per gallon on special fuel and  
903 Five and One-fourth Cents (5.25¢) per gallon on special fuel used  
904 as aircraft fuel, from the portion of the excise tax on compressed  
905 gas used as a motor fuel that exceeds the rate of tax in effect on  
906 June 30, 1987, and from the portion of the gasoline excise tax in  
907 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
908 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

909 (i) Twenty percent (20%) of such amount which  
910 shall be earmarked and set aside for the construction,  
911 reconstruction and maintenance of the highways and roads of the  
912 state, provided that if such twenty percent (20%) should reduce  
913 any county to a lesser amount than that received in the fiscal  
914 year ending June 30, 1966, then such twenty percent (20%) shall be  
915 reduced to a percentage to provide that no county shall receive  
916 less than its portion for the fiscal year ending June 30, 1966;

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

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

922 (iv) The amount or portion thereof authorized by  
923 legislative appropriation to the Fisheries and Wildlife Fund

924 created under Section 59-21-25;

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

927 (vi) The remainder shall be divided on a basis of  
928 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the  
929 same basis as Four and One-half Cents (4-1/2¢) and Two and  
930 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and  
931 six and forty-three one-hundredths (6.43) and three and  
932 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel  
933 fuel or kerosene). The amount produced by the nine-fourteenths  
934 (9/14) division shall be allocated to the Transportation  
935 Department and paid into the State Treasury as provided in this  
936 section and in Section 27-5-103 and the five-fourteenths (5/14)  
937 division shall be returned to the counties of the state on the  
938 following basis:

939 1. In each fiscal year, each county shall be  
940 paid each month the same percentage of the monthly total to be  
941 distributed as was paid to that county during the same month in  
942 the fiscal year which ended April 9, 1960, until the county  
943 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such  
944 fiscal year, at which time funds shall be distributed under the  
945 provisions of paragraph (b)(vi)4 of this section.

946 2. If after payments in 1 above, any county  
947 has not received a total of One Hundred Ninety Thousand Dollars  
948 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
949 and each fiscal year thereafter, then any available funds not  
950 distributed under 1 above shall be used to bring such county or  
951 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
952 or such funds shall be divided equally among such counties not  
953 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
954 there is not sufficient money to bring all the counties to said  
955 One Hundred Ninety Thousand Dollars (\$190,000.00).

956 3. When a county has been paid an amount  
957 equal to the total which was paid to the same county during the

958 fiscal year ended April 9, 1960, such county shall receive no  
959 further payments during the then current fiscal year until the  
960 last month of such current fiscal year, at which time distribution  
961 will be made under 2 above, except as set out in 4 below.

962                   4. During the last month of the current  
963 fiscal year, should it be determined that there are funds  
964 available in excess of the amount distributed for the year under 1  
965 and 2 above, then such excess funds shall be distributed among the  
966 various counties as follows:

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

969                                 One-third (1/3) of such excess to be paid  
970 to the counties in the proportion which the population of each  
971 county bears to the total population of the state according to the  
972 last federal census;

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

976                   5. It is the declared purpose and intent of  
977 the Legislature that no county shall be paid less than was paid  
978 during the year ended April 9, 1960, unless the amount to be  
979 distributed to all counties in any year is less than the amount  
980 distributed to all counties during the year ended April 9, 1960.

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

985                 In any county having countywide road or bridge bonds, or  
986 supervisors district or district road or bridge bonds outstanding,  
987 which exceed, in the aggregate, twelve percent (12%) of the  
988 assessed valuation of the taxable property of the county or  
989 district, it shall be the duty of the board of supervisors to set  
990 aside not less than sixty percent (60%) of such county's share or  
991 district's share of the gasoline, diesel fuel or kerosene taxes to

992 be used in paying the principal and interest on such road or  
993 bridge bonds as they mature.

994 In any county having such countywide road or bridge bonds or  
995 district road or bridge bonds outstanding which exceed, in the  
996 aggregate, eight percent (8%) of the assessed valuation of the  
997 taxable property of the county, but which do not exceed, in the  
998 aggregate, twelve percent (12%) of the assessed valuation of the  
999 taxable property of the county, it shall be the duty of the board  
1000 of supervisors to set aside not less than thirty-five percent  
1001 (35%) of such county's share of the gasoline, diesel fuel or  
1002 kerosene taxes to be used in paying the principal and interest of  
1003 such road or bridge bonds as they mature.

1004 In any county having such countywide road or bridge bonds or  
1005 district road or bridge bonds outstanding which exceed, in the  
1006 aggregate, five percent (5%) of the assessed valuation of the  
1007 taxable property of the county, but which do not exceed, in the  
1008 aggregate, eight percent (8%) of the assessed valuation of the  
1009 taxable property of the county, it shall be the duty of the board  
1010 of supervisors to set aside not less than twenty percent (20%) of  
1011 such county's share of the gasoline, diesel fuel or kerosene taxes  
1012 to be used in paying the principal and interest of such road and  
1013 bridge bonds as they mature.

1014 In any county having such countywide road or bridge bonds or  
1015 district road or bridge bonds outstanding which do not exceed, in  
1016 the aggregate, five percent (5%) of the assessed valuation of the  
1017 taxable property of the county, it shall be the duty of the board  
1018 of supervisors to set aside not less than ten percent (10%) of  
1019 such county's share of the gasoline, diesel fuel or kerosene taxes  
1020 to be used in paying the principal and interest on such road or  
1021 bridge bonds as they mature.

1022 The portion of any such county's share of the gasoline,  
1023 diesel fuel or kerosene taxes thus set aside for the payment of  
1024 the principal and interest of road or bridge bonds, as provided  
1025 for in this section, shall be used first in paying the currently

1026 maturing installments of the principal and interest of such  
1027 countywide road or bridge bonds, if there be any such countywide  
1028 road or bridge bonds outstanding, and secondly, in paying the  
1029 currently maturing installments of principal and interest of  
1030 district road or bridge bonds outstanding. It shall be the duty  
1031 of the board of supervisors to pay bonds and interest maturing in  
1032 each supervisors district out of the supervisors district's share  
1033 of the gasoline, diesel fuel or kerosene taxes of such district.

1034         The remaining portion of such county's share of the gasoline,  
1035 diesel fuel or kerosene taxes, after setting aside the portion  
1036 above provided for the payment of the principal and interest of  
1037 bonds, shall be used in the construction and maintenance of any  
1038 public highways, bridges, or culverts of the county, including the  
1039 roads in special or separate road districts, in the discretion of  
1040 the board of supervisors, or in paying the interest and principal  
1041 of county road and bridge bonds or district road and bridge bonds,  
1042 in the discretion of the board of supervisors.

1043         In any county having no countywide road or bridge bonds or  
1044 district road or bridge bonds outstanding, all such county's share  
1045 of the gasoline, diesel fuel or kerosene taxes shall be used in  
1046 the construction, reconstruction, and maintenance of the public  
1047 highways, bridges, or culverts of the county as the board of  
1048 supervisors may determine.

1049         In every county in which there are county road bonds or  
1050 seawall or road protection bonds outstanding which were issued for  
1051 the purpose of building bridges or constructing public roads or  
1052 seawalls, such funds shall be used in the manner provided by law.

1053                 (c) From the amount produced by the nine-fourteenths  
1054 (9/14) division allocated to the Transportation Department, there  
1055 shall be deducted:

1056                         (i) The amount paid to the State Treasurer for the  
1057 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

1058                         (ii) Any amounts due counties in accordance with  
1059 Section 65-33-45 which have outstanding bonds issued for seawall

1060 or road protection purposes, issued under provisions of Chapter  
1061 319, Laws of 1924, and amendments thereto;

1062 (iii) Beginning August 15, 2002, and on or before  
1063 the fifteenth day of each month thereafter, an amount equal to  
1064 one-sixth (1/6) of the principal and interest certified by the  
1065 State Treasurer to the State Tax Commission to be due on the next  
1066 semiannual bond and interest payment date for the bonds issued  
1067 under Sections 65-39-5 through 65-39-33. On or before the  
1068 twenty-fifth day of each month the State Tax Commission shall pay  
1069 into the State Treasury for credit to the Gaming Counties Bond  
1070 Sinking Fund created in Section 65-39-3, the amount so certified  
1071 by the State Treasurer.

1072 (iv) Except as otherwise provided in Section  
1073 31-17-127, the remainder shall be paid by the State Tax Commission  
1074 to the State Treasurer on the fifteenth day of each month next  
1075 succeeding the month in which the gasoline, diesel fuel or  
1076 kerosene taxes were collected to the credit of the State Highway  
1077 Fund.

1078 The funds allocated for the construction, reconstruction, and  
1079 improvement of state highways, bridges, and culverts, or so much  
1080 thereof as may be necessary, shall first be used in conjunction  
1081 with funds supplied by the federal government for such purposes  
1082 and allocated to the State Transportation Department to be  
1083 expended on the state highway system. It is specifically provided  
1084 hereby that the necessary portion of such funds hereinabove  
1085 allocated to the State Transportation Department may be used for  
1086 the prompt payment of principal and interest on highway bonds  
1087 heretofore issued, including such bonds issued or to be issued  
1088 under the provisions of Chapter 312, Laws of 1956, and amendments  
1089 thereto.

1090 Nothing contained in this section shall be construed to  
1091 reduce the amount of such gasoline, diesel fuel or kerosene excise  
1092 taxes levied by the state, allotted under the provisions of Title  
1093 65, Chapter 33, Mississippi Code of 1972, to counties in which



1094 there are outstanding bonds issued for seawall or road protection  
1095 purposes issued under the provisions of Chapter 319, Laws of 1924,  
1096 and amendments thereto; the amount of said gasoline, diesel fuel  
1097 or kerosene excise taxes designated in this section for the  
1098 payment of bonds and interest authorized and issued or to be  
1099 issued under the provisions of Chapter 130, Laws of 1938, and  
1100 subsequent acts authorizing the issuance of bonds payable from  
1101 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
1102 counties, be considered as being paid "into the State Treasury to  
1103 the credit of the State Highway Fund" within the meaning of  
1104 Section 65-33-45 in computing the amount to be paid to such  
1105 counties under the provisions of said section, and this section  
1106 shall be administered in connection with Title 65, Chapter 33,  
1107 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
1108 65-33-49 dealing with seawalls, as if made a part of this section.

1109 (d) The proceeds of the Five and One-fourth Cents  
1110 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
1111 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
1112 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
1113 gallon for each gallon of gasoline for which a refund has been  
1114 made pursuant to Section 27-55-23 because such gasoline was used  
1115 for aviation purposes, shall be paid to the State Treasury into a  
1116 special fund to be used exclusively, pursuant to legislative  
1117 appropriation, for the support and development of aeronautics as  
1118 defined in Section 61-1-3.

1119 (e) State highway funds in an amount equal to the  
1120 difference between Forty-two Million Dollars (\$42,000,000.00) and  
1121 the annual debt service payable on the state's highway revenue  
1122 refunding bonds, Series 1985, shall be expended for the  
1123 construction or reconstruction of highways designated under the  
1124 Four-Lane Highway Program created under Section 65-3-97.

1125 (f) "Gasoline, diesel fuel or kerosene taxes" as used  
1126 in this section shall be deemed to mean and include state  
1127 gasoline, diesel fuel or kerosene taxes levied and imposed on

1128 distributors of gasoline, diesel fuel or kerosene, and all state  
1129 excise taxes derived from any fuel used to propel vehicles upon  
1130 the highways of this state, when levied by any statute.

1131 **[With regard to any county which is required to operate on a**  
1132 **countywide system of road administration as described in Section**  
1133 **19-2-3, this section shall read as follows:]**

1134 27-5-101. Unless otherwise provided in this section, on or  
1135 before the fifteenth day of each month, all gasoline, diesel fuel  
1136 or kerosene taxes which are levied under the laws of this state  
1137 and collected during the previous month shall be paid and  
1138 apportioned by the State Tax Commission as follows:

1139 (a) (i) Except as otherwise provided in Section  
1140 31-17-127, from the gross amount of gasoline, diesel fuel or  
1141 kerosene taxes produced by the state, there shall be deducted an  
1142 amount equal to one-sixth (1/6) of principal and interest  
1143 certified by the State Treasurer to the State Tax Commission to be  
1144 due on the next semiannual bond and interest payment date, as  
1145 required under the provisions of Chapter 130, Laws of 1938, and  
1146 subsequent acts authorizing the issuance of bonds payable from  
1147 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
1148 bonds issued under authority of said Chapter 130. The State  
1149 Treasurer shall certify to the State Tax Commission on or before  
1150 the fifteenth day of each month the amount to be paid to the  
1151 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws  
1152 of 1938, and subsequent acts authorizing the issuance of bonds  
1153 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
1154 parity with the bonds issued under authority of said Chapter 130;  
1155 and the State Tax Commission shall, on or before the twenty-fifth  
1156 day of each month, pay into the State Treasury for credit to the  
1157 "Highway Bonds Sinking Fund" the amount so certified to him by the  
1158 State Treasurer due to be paid into such fund each month. The  
1159 payments to the "Highway Bonds Sinking Fund" shall be made out of  
1160 gross gasoline, diesel fuel or kerosene tax collections before  
1161 deductions of any nature are considered; however, such payments

1162 shall be deducted from the allocation to the Transportation  
1163 Department under paragraph (c) of this section.

1164 (ii) From collections derived from the portion of  
1165 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
1166 from the portion of the tax on aviation gas under Section 27-55-11  
1167 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
1168 portion of the special fuel tax levied under Sections 10 and 11 of  
1169 Senate Bill No. 3083, 1999 Regular Session, at Eighteen Cents  
1170 (18¢) per gallon that exceeds Ten Cents (10¢) per gallon, from the  
1171 portion of the taxes levied under Section 10 of Senate Bill No.  
1172 3083, 1999 Regular Session, at Five and Three-fourths Cents  
1173 (5.75¢) per gallon that exceeds One Cent (1¢) per gallon on  
1174 special fuel and Five and One-fourth Cents (5.25¢) per gallon on  
1175 special fuel used as aircraft fuel, from the portion of the excise  
1176 tax on compressed gas used as a motor fuel that exceeds the rate  
1177 of tax in effect on June 30, 1987, and from the portion of the  
1178 gasoline excise tax in excess of Seven Cents (7¢) per gallon and  
1179 the diesel excise tax in excess of Ten Cents (10¢) per gallon  
1180 under Section 27-61-5 there shall be deducted:

1181 1. An amount as provided in Section  
1182 27-65-75(4) to the credit of a special fund designated as the  
1183 "Office of State Aid Road Construction."

1184 2. An amount equal to the tax collections  
1185 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
1186 for distribution to the State Highway Fund to be used exclusively  
1187 for the construction, reconstruction and maintenance of highways  
1188 of the State of Mississippi or the payment of interest and  
1189 principal on bonds when specifically authorized by the Legislature  
1190 for that purpose.

1191 3. The balance shall be deposited in the  
1192 State Treasury to the credit of the State Highway Fund.

1193 (b) Subject to the provisions that said basis of  
1194 distribution shall in nowise affect adversely the amount  
1195 specifically pledged in paragraph (a) of this section to be paid

1196 into the "Highway Bonds Sinking Fund," the following shall be  
1197 deducted from the amount produced by the state tax on gasoline,  
1198 diesel fuel or kerosene tax collections, excluding collections  
1199 derived from the portion of the gasoline excise tax that exceeds  
1200 Seven Cents (7¢) per gallon, from the portion of the tax on  
1201 aviation gas under Section 27-55-11 that exceeds Six and  
1202 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
1203 special fuel tax levied under Sections 10 and 11 of Senate Bill  
1204 No. 3083, 1999 Regular Session, at Eighteen Cents (18¢) per  
1205 gallon, that exceeds Ten Cents (10¢) per gallon, from the portion  
1206 of the taxes levied under Section 10 of Senate Bill No. 3083, 1999  
1207 Regular Session, at Five and Three-fourths Cents (5.75¢) that  
1208 exceeds One Cent (1¢) per gallon on special fuel and Five and  
1209 One-fourth Cents (5.25¢) per gallon on special fuel used as  
1210 aircraft fuel, from the portion of the excise tax on compressed  
1211 gas used as a motor fuel that exceeds the rate of tax in effect on  
1212 June 30, 1987, and from the portion of the gasoline excise tax in  
1213 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
1214 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

1215           (i) Twenty percent (20%) of such amount which  
1216 shall be earmarked and set aside for the construction,  
1217 reconstruction and maintenance of the highways and roads of the  
1218 state, provided that if such twenty percent (20%) should reduce  
1219 any county to a lesser amount than that received in the fiscal  
1220 year ending June 30, 1966, then such twenty percent (20%) shall be  
1221 reduced to a percentage to provide that no county shall receive  
1222 less than its portion for the fiscal year ending June 30, 1966;

1223           (ii) The amount allowed as refund on gasoline or  
1224 as tax credit on diesel fuel or kerosene used for agricultural,  
1225 maritime, industrial, domestic and nonhighway purposes;

1226           (iii) Five percent (5%) of such amount shall be  
1227 paid to the State Highway Fund;

1228           (iv) The amount or portion thereof authorized by  
1229 legislative appropriation to the Fisheries and Wildlife Fund

1230 created under Section 59-21-25;

1231 (v) The amount for deposit into the special  
1232 aviation fund under paragraph (d) of this section; and

1233 (vi) The remainder shall be divided on a basis of  
1234 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the  
1235 same basis as Four and One-half Cents (4-1/2¢) and Two and  
1236 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and  
1237 six and forty-three one-hundredths (6.43) and three and  
1238 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel  
1239 fuel or kerosene). The amount produced by the nine-fourteenths  
1240 (9/14) division shall be allocated to the Transportation  
1241 Department and paid into the State Treasury as provided in this  
1242 section and in Section 27-5-103 and the five-fourteenths (5/14)  
1243 division shall be returned to the counties of the state on the  
1244 following basis:

1245 1. In each fiscal year, each county shall be  
1246 paid each month the same percentage of the monthly total to be  
1247 distributed as was paid to that county during the same month in  
1248 the fiscal year which ended April 9, 1960, until the county  
1249 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such  
1250 fiscal year, at which time funds shall be distributed under the  
1251 provisions of paragraph (b)(vi)4 of this section.

1252 2. If after payments in 1 above, any county  
1253 has not received a total of One Hundred Ninety Thousand Dollars  
1254 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
1255 and each fiscal year thereafter, then any available funds not  
1256 distributed under 1 above shall be used to bring such county or  
1257 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
1258 or such funds shall be divided equally among such counties not  
1259 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
1260 there is not sufficient money to bring all the counties to said  
1261 One Hundred Ninety Thousand Dollars (\$190,000.00).

1262 3. When a county has been paid an amount  
1263 equal to the total which was paid to the same county during the

1264 fiscal year ended April 9, 1960, such county shall receive no  
1265 further payments during the then current fiscal year until the  
1266 last month of such current fiscal year, at which time distribution  
1267 will be made under 2 above, except as set out in 4 below.

1268                   4. During the last month of the current  
1269 fiscal year, should it be determined that there are funds  
1270 available in excess of the amount distributed for the year under 1  
1271 and 2 above, then such excess funds shall be distributed among the  
1272 various counties as follows:

1273                                 One-third (1/3) of such excess to be  
1274 divided equally among the counties;

1275                                 One-third (1/3) of such excess to be paid  
1276 to the counties in the proportion which the population of each  
1277 county bears to the total population of the state according to the  
1278 last federal census;

1279                                 One-third (1/3) of such excess to be paid  
1280 to the counties in the proportion which the number of square miles  
1281 of each county bears to the total square miles in the state.

1282                   5. It is the declared purpose and intent of  
1283 the Legislature that no county shall be paid less than was paid  
1284 during the year ended April 9, 1960, unless the amount to be  
1285 distributed to all counties in any year is less than the amount  
1286 distributed to all counties during the year ended April 9, 1960.

1287                 The Municipal Aid Fund as established by Section 27-5-103  
1288 shall not participate in any portion of any funds allocated to any  
1289 county hereunder over and above One Hundred Ninety Thousand  
1290 Dollars (\$190,000.00).

1291                 In any county having road or bridge bonds outstanding which  
1292 exceed, in the aggregate, twelve percent (12%) of the assessed  
1293 valuation of the taxable property of the county, it shall be the  
1294 duty of the board of supervisors to set aside not less than sixty  
1295 percent (60%) of such county's share of the gasoline, diesel fuel  
1296 or kerosene taxes to be used in paying the principal and interest  
1297 on such road or bridge bonds as they mature.

1298           In any county having such road or bridge bonds outstanding  
1299 which exceed, in the aggregate, eight percent (8%) of the assessed  
1300 valuation of the taxable property of the county, but which do not  
1301 exceed, in the aggregate, twelve percent (12%) of the assessed  
1302 valuation of the taxable property of the county, it shall be the  
1303 duty of the board of supervisors to set aside not less than  
1304 thirty-five percent (35%) of such county's share of the gasoline,  
1305 diesel fuel or kerosene taxes to be used in paying the principal  
1306 and interest of such road or bridge bonds as they mature.

1307           In any county having such road or bridge bonds outstanding  
1308 which exceed, in the aggregate, five percent (5%) of the assessed  
1309 valuation of the taxable property of the county, but which do not  
1310 exceed, in the aggregate, eight percent (8%) of the assessed  
1311 valuation of the taxable property of the county, it shall be the  
1312 duty of the board of supervisors to set aside not less than twenty  
1313 percent (20%) of such county's share of the gasoline, diesel fuel  
1314 or kerosene taxes to be used in paying the principal and interest  
1315 of such road and bridge bonds as they mature.

1316           In any county having such road or bridge bonds outstanding  
1317 which do not exceed, in the aggregate, five percent (5%) of the  
1318 assessed valuation of the taxable property of the county, it shall  
1319 be the duty of the board of supervisors to set aside not less than  
1320 ten percent (10%) of such county's share of the gasoline, diesel  
1321 fuel or kerosene taxes to be used in paying the principal and  
1322 interest on such road or bridge bonds as they mature.

1323           The portion of any such county's share of the gasoline,  
1324 diesel fuel or kerosene taxes thus set aside for the payment of  
1325 the principal and interest of road or bridge bonds, as provided  
1326 for in this section, shall be used in paying the currently  
1327 maturing installments of the principal and interest of such road  
1328 or bridge bonds, if there be any such road or bridge bonds  
1329 outstanding.

1330           The remaining portion of such county's share of the gasoline,  
1331 diesel fuel or kerosene taxes, after setting aside the portion

1332 above provided for the payment of the principal and interest of  
1333 bonds, shall be used in the construction and maintenance of any  
1334 public highways, bridges or culverts of the county, in the  
1335 discretion of the board of supervisors.

1336 In any county having no road or bridge bonds outstanding, all  
1337 such county's share of the gasoline, diesel fuel or kerosene taxes  
1338 shall be used in the construction, reconstruction and maintenance  
1339 of the public highways, bridges or culverts of the county, as the  
1340 board of supervisors may determine.

1341 In every county in which there are county road bonds or  
1342 seawall or road protection bonds outstanding which were issued for  
1343 the purpose of building bridges or constructing public roads or  
1344 seawalls, such funds shall be used in the manner provided by law.

1345 (c) From the amount produced by the nine-fourteenths  
1346 (9/14) division allocated to the Transportation Department, there  
1347 shall be deducted:

1348 (i) The amount paid to the State Treasurer for the  
1349 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

1350 (ii) Any amounts due counties in accordance with  
1351 Section 65-33-45 which have outstanding bonds issued for seawall  
1352 or road protection purposes, issued under provisions of Chapter  
1353 319, Laws of 1924, and amendments thereto; and

1354 (iii) Beginning August 15, 2002, and on or before  
1355 the fifteenth day of each month thereafter, an amount equal to  
1356 one-sixth (1/6) of the principal and interest certified by the  
1357 State Treasurer to the State Tax Commission to be due on the next  
1358 semiannual bond and interest payment date for the bonds issued  
1359 under Sections 65-39-5 through 65-39-33. On or before the  
1360 twenty-fifth day of each month the State Tax Commission shall pay  
1361 into the State Treasury for credit to the Gaming Counties Bond  
1362 Sinking Fund created in Section 65-39-3, the amount certified by  
1363 the State Treasurer.

1364 (iv) Except as otherwise provided in Section  
1365 31-17-127, the remainder shall be paid by the State Tax Commission



1366 to the State Treasurer on the fifteenth day of each month next  
1367 succeeding the month in which the gasoline, diesel fuel or  
1368 kerosene taxes were collected to the credit of the State Highway  
1369 Fund.

1370 The funds allocated for the construction, reconstruction and  
1371 improvement of state highways, bridges and culverts, or so much  
1372 thereof as may be necessary, shall first be used in conjunction  
1373 with funds supplied by the federal government for such purposes  
1374 and allocated to the Transportation Department to be expended on  
1375 the state highway system. It is specifically provided hereby that  
1376 the necessary portion of such funds hereinabove allocated to the  
1377 Transportation Department may be used for the prompt payment of  
1378 principal and interest on highway bonds heretofore issued,  
1379 including such bonds issued or to be issued under the provisions  
1380 of Chapter 312, Laws of 1956, and amendments thereto.

1381 Nothing contained in this section shall be construed to  
1382 reduce the amount of such gasoline, diesel fuel or kerosene excise  
1383 taxes levied by the state, allotted under the provisions of Title  
1384 65, Chapter 33, Mississippi Code of 1972, to counties in which  
1385 there are outstanding bonds issued for seawall or road protection  
1386 purposes issued under the provisions of Chapter 319, Laws of 1924,  
1387 and amendments thereto; the amount of said gasoline, diesel fuel  
1388 or kerosene excise taxes designated in this section for the  
1389 payment of bonds and interest authorized and issued or to be  
1390 issued under the provisions of Chapter 130, Laws of 1938, and  
1391 subsequent acts authorizing the issuance of bonds payable from  
1392 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
1393 counties, be considered as being paid "into the State Treasury to  
1394 the credit of the State Highway Fund" within the meaning of  
1395 Section 65-33-45 in computing the amount to be paid to such  
1396 counties under the provisions of said section, and this section  
1397 shall be administered in connection with Title 65, Chapter 33,  
1398 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
1399 65-33-49 dealing with seawalls, as if made a part of this section.

1400 (d) The proceeds of the Five and One-fourth Cents  
1401 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
1402 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
1403 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
1404 gallon for each gallon of gasoline for which a refund has been  
1405 made pursuant to Section 27-55-23 because such gasoline was used  
1406 for aviation purposes, shall be paid to the State Treasury into a  
1407 special fund to be used exclusively, pursuant to legislative  
1408 appropriation, for the support and development of aeronautics as  
1409 defined in Section 61-1-3.

1410 (e) State highway funds in an amount equal to the  
1411 difference between Forty-two Million Dollars (\$42,000,000.00) and  
1412 the annual debt service payable on the state's highway revenue  
1413 refunding bonds, Series 1985, shall be expended for the  
1414 construction or reconstruction of highways designated under the  
1415 Four-Lane Highway Program created under Section 65-3-97.

1416 (f) "Gasoline, diesel fuel or kerosene taxes" as used  
1417 in this section shall be deemed to mean and include state  
1418 gasoline, diesel fuel or kerosene taxes levied and imposed on  
1419 distributors of gasoline, diesel fuel or kerosene, and all state  
1420 excise taxes derived from any fuel used to propel vehicles upon  
1421 the highways of this state, when levied by any statute.

1422 SECTION 4. Section 27-19-99, Mississippi Code of 1972, is  
1423 amended as follows:

1424 27-19-99. The State Tax Commission shall furnish the tax  
1425 collector of each county a sufficient supply of license tags or  
1426 plates and a sufficient supply of license receipts with which to  
1427 make the collection of the taxes imposed by the provisions of this  
1428 article, which such tax collectors are required to collect. The  
1429 license tag receipts shall be on forms prescribed by the  
1430 commission. Upon the payment of the taxes and fees required by  
1431 this article, the tax collector shall issue the license receipt in  
1432 the form prescribed by the commission. The commission shall keep  
1433 account against the tax collector for the license taxes and fees

1434 collected. The tax collector shall keep a similar account.

1435 The tax collector shall, at the end of each month or within  
1436 twenty (20) days thereafter, pay into the county road fund all  
1437 privilege taxes collected by him during the preceding month upon  
1438 motor vehicle privilege licenses which he is entitled to issue,  
1439 less the county's commission.

1440 The tax collector shall keep a record of the information  
1441 furnished by the owners of each motor vehicle registered. The  
1442 record shall be made in numerical order by tag number or decal  
1443 number, whichever is appropriate. At the end of each month, or  
1444 within twenty (20) days thereafter, the tax collector shall submit  
1445 to the commission a copy of such record, together with the copy of  
1446 each registration receipt, and shall, at the same time, remit to  
1447 the commission the registration fee for each license tag or decal  
1448 sold by him during the preceding month. When the tax collector  
1449 shall have complied with the provisions of this section and shall  
1450 have forwarded to the commission, within the time specified, all  
1451 reports required of him hereunder, he shall then be entitled to  
1452 retain five percent (5%) of the registration fees imposed in  
1453 paragraphs (a) and (b) of Section 27-19-43, Mississippi Code of  
1454 1972, to be paid into the county general fund; otherwise the  
1455 county's commission shall be forfeited. The five percent (5%)  
1456 shall not apply to any additional registration fee imposed above  
1457 the amounts imposed in paragraphs (a) and (b) of Section 27-19-43.

1458 The commission shall keep a record from the duplicates filed by  
1459 the tax collectors of all registered vehicles.

1460 Counties that use their existing computer system to  
1461 communicate all data regarding vehicle title and registration  
1462 transactions to the state's central computer system shall be  
1463 allotted Fifty Cents (50¢) for each registration fee collected by  
1464 the county and remitted to the State Tax Commission. Such  
1465 communication must successfully pass any edit features and  
1466 successfully create or update title/registration records on the  
1467 network system. This amount paid to the county shall be deposited

1468 into the county general fund to be expended only for costs  
1469 incurred for the purchase of equipment, software, maintenance or  
1470 other costs directly related to the title/registration network  
1471 system.

1472 All monies remitted to the commission by tax collectors as  
1473 registration or tag fees from the portion of the rate imposed in  
1474 paragraphs (a) and (b) of Section 27-19-43, and all monies  
1475 received by the commission directly as registration or tag fees  
1476 from the portion of the rate imposed in paragraphs (a) and (b) of  
1477 Section 27-19-43, shall be paid by the commission into the General  
1478 Fund of the State Treasury on the first day of the month  
1479 succeeding the month in which such fees are received by the  
1480 commission. Except as otherwise provided in Section 31-17-127,  
1481 all monies remitted to the commission by tax collectors as  
1482 registration or tag fees from the additional rate of Five Dollars  
1483 (\$5.00) and all monies received by the commission directly as  
1484 registration or tag fees from the additional rate of Five Dollars  
1485 (\$5.00) shall be paid into the State Treasury to the credit of the  
1486 State Highway Fund for the construction or reconstruction of  
1487 highways designated under the Four-Lane Highway Program created  
1488 under Section 65-3-97.

1489 SECTION 5. Section 27-19-325, Mississippi Code of 1972, is  
1490 amended as follows:

1491 27-19-325. All monies collected by the State Tax Commission  
1492 as proceeds from the tax imposed by this article shall be  
1493 distributed to the various counties of the state according to the  
1494 provisions of Section 27-19-159, Mississippi Code of 1972;  
1495 however, except as otherwise provided in Section 31-17-127, the  
1496 additional tag fee of Five Dollars (\$5.00) levied under subsection  
1497 (6) of Section 27-19-309 shall be paid into the State Treasury to  
1498 the credit of the State Highway Fund for the construction or  
1499 reconstruction of highways designated under the Four-Lane Highway  
1500 Program created in Section 65-3-97.

1501 SECTION 6. Section 27-57-37, Mississippi Code of 1972, is

1502 amended as follows:

1503           27-57-37. Except as otherwise provided in Section 31-17-127,  
1504 the amount received from lubricating oil excise tax, as defined in  
1505 this article, shall be deposited by the commission, in the State  
1506 Treasury to the credit of the State Highway Fund, and until the  
1507 date specified in Section 65-39-35, such amount shall be used for  
1508 the construction or reconstruction of highways designated under  
1509 the Four-Lane Highway Program created under Section 65-3-97.

1510           SECTION 7. Section 27-65-75, Mississippi Code of 1972, is  
1511 amended as follows:

1512           **[Until July 1, 2002, this section reads as follows:]**

1513           27-65-75. On or before the fifteenth day of each month, the  
1514 revenue collected under the provisions of this chapter during the  
1515 preceding month shall be paid and distributed as follows:

1516           (1) On or before August 15, 1992, and each succeeding month  
1517 thereafter through July 15, 1993, eighteen percent (18%) of the  
1518 total sales tax revenue collected during the preceding month under  
1519 the provisions of this chapter, except that collected under the  
1520 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
1521 business activities within a municipal corporation shall be  
1522 allocated for distribution to such municipality and paid to such  
1523 municipal corporation. On or before August 15, 1993, and each  
1524 succeeding month thereafter, eighteen and one-half percent  
1525 (18-1/2%) of the total sales tax revenue collected during the  
1526 preceding month under the provisions of this chapter, except that  
1527 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
1528 and 27-65-21, on business activities within a municipal  
1529 corporation shall be allocated for distribution to such  
1530 municipality and paid to such municipal corporation.

1531           A municipal corporation, for the purpose of distributing the  
1532 tax under this subsection, shall mean and include all incorporated  
1533 cities, towns and villages.

1534           Monies allocated for distribution and credited to a municipal  
1535 corporation under this subsection may be pledged as security for

1536 any loan received by the municipal corporation for the purpose of  
1537 capital improvements as authorized under Section 57-1-303, or  
1538 loans as authorized under Section 57-44-7, or water systems  
1539 improvements as authorized under Section 41-3-16.

1540 In any county having a county seat which is not an  
1541 incorporated municipality, the distribution provided hereunder  
1542 shall be made as though the county seat was an incorporated  
1543 municipality; however, the distribution to such municipality shall  
1544 be paid to the county treasury wherein the municipality is located  
1545 and such funds shall be used for road, bridge and street  
1546 construction or maintenance therein.

1547 (2) On or before September 15, 1987, and each succeeding  
1548 month thereafter, from the revenue collected under this chapter  
1549 during the preceding month One Million One Hundred Twenty-five  
1550 Thousand Dollars (\$1,125,000.00) shall be allocated for  
1551 distribution to municipal corporations as defined under subsection  
1552 (1) of this section in the proportion that the number of gallons  
1553 of gasoline and diesel fuel sold by distributors to consumers and  
1554 retailers in each such municipality during the preceding fiscal  
1555 year bears to the total gallons of gasoline and diesel fuel sold  
1556 by distributors to consumers and retailers in municipalities  
1557 statewide during the preceding fiscal year. The State Tax  
1558 Commission shall require all distributors of gasoline and diesel  
1559 fuel to report to the commission monthly the total number of  
1560 gallons of gasoline and diesel fuel sold by them to consumers and  
1561 retailers in each municipality during the preceding month. The  
1562 State Tax Commission shall have the authority to promulgate such  
1563 rules and regulations as is necessary to determine the number of  
1564 gallons of gasoline and diesel fuel sold by distributors to  
1565 consumers and retailers in each municipality. In determining the  
1566 percentage allocation of funds under this subsection for the  
1567 fiscal year beginning July 1, 1987, and ending June 30, 1988, the  
1568 State Tax Commission may consider gallons of gasoline and diesel  
1569 fuel sold for a period of less than one (1) fiscal year. For the

1570 purposes of this subsection, the term "fiscal year" means the  
1571 fiscal year beginning July 1 of a year.

1572 (3) On or before September 15, 1987, and on or before the  
1573 fifteenth day of each succeeding month, until the date specified  
1574 in Section 65-39-35, the proceeds derived from contractors' taxes  
1575 levied under Section 27-65-21 on contracts for the construction or  
1576 reconstruction of highways designated under the Four-Lane Highway  
1577 Program created under Section 65-3-97 shall, except as otherwise  
1578 provided in Section 31-17-127, be deposited into the State  
1579 Treasury to the credit of the State Highway Fund to be used to  
1580 fund such Four-Lane Highway Program. The Mississippi Department  
1581 of Transportation shall provide to the State Tax Commission such  
1582 information as is necessary to determine the amount of proceeds to  
1583 be distributed under this subsection.

1584 (4) On or before August 15, 1994, and on or before the  
1585 fifteenth day of each succeeding month, from the proceeds of  
1586 gasoline, diesel fuel or kerosene taxes as provided in Section  
1587 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be  
1588 deposited in the State Treasury to the credit of a special fund  
1589 designated as the "State Aid Road Fund," created by Section  
1590 65-9-17. Such funds shall be pledged to pay the principal of and  
1591 interest on state aid road bonds heretofore issued under Sections  
1592 19-9-51 through 19-9-77, in lieu of and in substitution for the  
1593 funds heretofore allocated to counties under this section. Such  
1594 funds may not be pledged for the payment of any state aid road  
1595 bonds issued after April 1, 1981; however, this prohibition  
1596 against the pledging of any such funds for the payment of bonds  
1597 shall not apply to any bonds for which intent to issue such bonds  
1598 has been published, for the first time, as provided by law prior  
1599 to March 29, 1981. From the amount of taxes paid into the special  
1600 fund pursuant to this subsection and subsection (9) of this  
1601 section, there shall be first deducted and paid the amount  
1602 necessary to pay the expenses of the Office of State Aid Road  
1603 Construction, as authorized by the Legislature for all other

1604 general and special fund agencies. The remainder of the fund  
1605 shall be allocated monthly to the several counties in accordance  
1606 with the following formula:

1607           (a) One-third (1/3) shall be allocated to all counties  
1608 in equal shares;

1609           (b) One-third (1/3) shall be allocated to counties  
1610 based on the proportion that the total number of rural road miles  
1611 in a county bears to the total number of rural road miles in all  
1612 counties of the state; and

1613           (c) One-third (1/3) shall be allocated to counties  
1614 based on the proportion that the rural population of the county  
1615 bears to the total rural population in all counties of the state,  
1616 according to the latest federal decennial census.

1617           For the purposes of this subsection, the term "gasoline,  
1618 diesel fuel or kerosene taxes" means such taxes as defined in  
1619 paragraph (f) of Section 27-5-101.

1620           The amount of funds allocated to any county under this  
1621 subsection for any fiscal year after Fiscal Year 1994 shall not be  
1622 less than the amount allocated to such county for Fiscal Year  
1623 1994. Monies allocated to a county from the State Aid Road Fund  
1624 for Fiscal Year 1995 or any fiscal year thereafter that exceed the  
1625 amount of funds allocated to that county from the State Aid Road  
1626 Fund for Fiscal Year 1994, first must be expended by the county  
1627 for replacement or rehabilitation of bridges on the state aid road  
1628 system that have a sufficiency rating of less than twenty-five  
1629 (25), according to National Bridge Inspection standards before  
1630 such monies may be approved for expenditure by the State Aid Road  
1631 Engineer on other projects that qualify for the use of state aid  
1632 road funds.

1633           Any reference in the general laws of this state or the  
1634 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
1635 construed to refer and apply to subsection (4) of Section  
1636 27-65-75.

1637           (5) One Million Six Hundred Sixty-six Thousand Six Hundred



1638 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
1639 the special fund known as the "State Public School Building Fund"  
1640 created and existing under the provisions of Sections 37-47-1  
1641 through 37-47-67. Such payments into said fund are to be made on  
1642 the last day of each succeeding month hereafter.

1643 (6) An amount each month beginning August 15, 1983, through  
1644 November 15, 1986, as specified in Section 6 of Chapter 542, Laws  
1645 of 1983, shall be paid into the special fund known as the  
1646 Correctional Facilities Construction Fund created in Section 6 of  
1647 Chapter 542, Laws of 1983.

1648 (7) On or before August 15, 1992, and each succeeding month  
1649 thereafter, two and two hundred sixty-six one-thousandths percent  
1650 (2.266%) of the total sales tax revenue collected during the  
1651 preceding month under the provisions of this chapter, except that  
1652 collected under the provisions of Section 27-65-17(2) shall be  
1653 deposited by the commission into the School Ad Valorem Tax  
1654 Reduction Fund created pursuant to Section 37-61-35.

1655 (8) On or before August 15, 1992, and each succeeding month  
1656 thereafter, nine and seventy-three one-thousandths percent  
1657 (9.073%) of the total sales tax revenue collected during the  
1658 preceding month under the provisions of this chapter, except that  
1659 collected under the provisions of Section 27-65-17(2) shall be  
1660 deposited into the Education Enhancement Fund created pursuant to  
1661 Section 37-61-33.

1662 (9) On or before August 15, 1994, and each succeeding month  
1663 thereafter, from the revenue collected under this chapter during  
1664 the preceding month, Two Hundred Fifty Thousand Dollars  
1665 (\$250,000.00) shall be paid into the State Aid Road Fund.

1666 (10) On or before August 15, 1994, and each succeeding month  
1667 thereafter through August 15, 1995, from the revenue collected  
1668 under this chapter during the preceding month, Two Million Dollars  
1669 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
1670 Valorem Tax Reduction Fund established in Section 27-51-105.

1671 (11) Notwithstanding any other provision of this section to

1672 the contrary, on or before February 15, 1995, and each succeeding  
1673 month thereafter, the sales tax revenue collected during the  
1674 preceding month under the provisions of Section 27-65-17(2) and  
1675 the corresponding levy in Section 27-65-23 on the rental or lease  
1676 of private carriers of passengers and light carriers of property  
1677 as defined in Section 27-51-101 shall be deposited, without  
1678 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
1679 established in Section 27-51-105.

1680 (12) Notwithstanding any other provision of this section to  
1681 the contrary, on or before August 15, 1995, and each succeeding  
1682 month thereafter, the sales tax revenue collected during the  
1683 preceding month under the provisions of Section 27-65-17(1) on  
1684 retail sales of private carriers of passengers and light carriers  
1685 of property, as defined in Section 27-51-101 and the corresponding  
1686 levy in Section 27-65-23 on the rental or lease of these vehicles,  
1687 shall be deposited, after diversion, into the Motor Vehicle Ad  
1688 Valorem Tax Reduction Fund established in Section 27-51-105.

1689 (13) On or before July 15, 1994, and on or before the  
1690 fifteenth day of each succeeding month thereafter, that portion of  
1691 the avails of the tax imposed in Section 27-65-22, which is  
1692 derived from activities held on the Mississippi state fairgrounds  
1693 complex, shall be paid into a special fund hereby created in the  
1694 State Treasury and shall be expended pursuant to legislative  
1695 appropriations solely to defray the costs of repairs and  
1696 renovation at such Trade Mart and Coliseum.

1697 (14) On or before August 15, 1998, and each succeeding month  
1698 thereafter through July 15, 2005, that portion of the avails of  
1699 the tax imposed in Section 27-65-23 which is derived from sales by  
1700 cotton compresses or cotton warehouses and which would otherwise  
1701 be paid into the General Fund, shall be deposited in an amount not  
1702 to exceed Two Million Dollars (\$2,000,000.00) into the special  
1703 fund created pursuant to Section 69-37-39.

1704 (15) The remainder of the amounts collected under the  
1705 provisions of this chapter shall be paid into the State Treasury

1706 to the credit of the General Fund.

1707 (16) It shall be the duty of the municipal officials of any  
1708 municipality which expands its limits, or of any community which  
1709 incorporates as a municipality, to notify the commissioner of such  
1710 action thirty (30) days before the effective date. Failure to so  
1711 notify the commissioner shall cause such municipality to forfeit  
1712 the revenue which it would have been entitled to receive during  
1713 this period of time when the commissioner had no knowledge of the  
1714 action. If any funds have been erroneously disbursed to any  
1715 municipality or any overpayment of tax is recovered by the  
1716 taxpayer, the commissioner may make correction and adjust the  
1717 error or overpayment with such municipality by withholding the  
1718 necessary funds from any subsequent payment to be made to the  
1719 municipality.

1720 **[From and after July 1, 2002, this section reads as follows:]**

1721 27-65-75. On or before the fifteenth day of each month, the  
1722 revenue collected under the provisions of this chapter during the  
1723 preceding month shall be paid and distributed as follows:

1724 (1) On or before August 15, 1992, and each succeeding month  
1725 thereafter through July 15, 1993, eighteen percent (18%) of the  
1726 total sales tax revenue collected during the preceding month under  
1727 the provisions of this chapter, except that collected under the  
1728 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
1729 business activities within a municipal corporation shall be  
1730 allocated for distribution to such municipality and paid to such  
1731 municipal corporation. On or before August 15, 1993, and each  
1732 succeeding month thereafter, eighteen and one-half percent  
1733 (18-1/2%) of the total sales tax revenue collected during the  
1734 preceding month under the provisions of this chapter, except that  
1735 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
1736 and 27-65-21, on business activities within a municipal  
1737 corporation shall be allocated for distribution to such  
1738 municipality and paid to such municipal corporation.

1739 A municipal corporation, for the purpose of distributing the

1740 tax under this subsection, shall mean and include all incorporated  
1741 cities, towns and villages.

1742 Monies allocated for distribution and credited to a municipal  
1743 corporation under this subsection may be pledged as security for  
1744 any loan received by the municipal corporation for the purpose of  
1745 capital improvements as authorized under Section 57-1-303, or  
1746 loans as authorized under Section 57-44-7, or water systems  
1747 improvements as authorized under Section 41-3-16.

1748 In any county having a county seat which is not an  
1749 incorporated municipality, the distribution provided hereunder  
1750 shall be made as though the county seat was an incorporated  
1751 municipality; however, the distribution to such municipality shall  
1752 be paid to the county treasury wherein the municipality is located  
1753 and such funds shall be used for road, bridge and street  
1754 construction or maintenance therein.

1755 (2) On or before September 15, 1987, and each succeeding  
1756 month thereafter, from the revenue collected under this chapter  
1757 during the preceding month One Million One Hundred Twenty-five  
1758 Thousand Dollars (\$1,125,000.00) shall be allocated for  
1759 distribution to municipal corporations as defined under subsection  
1760 (1) of this section in the proportion that the number of gallons  
1761 of gasoline and diesel fuel sold by distributors to consumers and  
1762 retailers in each such municipality during the preceding fiscal  
1763 year bears to the total gallons of gasoline and diesel fuel sold  
1764 by distributors to consumers and retailers in municipalities  
1765 statewide during the preceding fiscal year. The State Tax  
1766 Commission shall require all distributors of gasoline and diesel  
1767 fuel to report to the commission monthly the total number of  
1768 gallons of gasoline and diesel fuel sold by them to consumers and  
1769 retailers in each municipality during the preceding month. The  
1770 State Tax Commission shall have the authority to promulgate such  
1771 rules and regulations as is necessary to determine the number of  
1772 gallons of gasoline and diesel fuel sold by distributors to  
1773 consumers and retailers in each municipality. In determining the

1774 percentage allocation of funds under this subsection for the  
1775 fiscal year beginning July 1, 1987, and ending June 30, 1988, the  
1776 State Tax Commission may consider gallons of gasoline and diesel  
1777 fuel sold for a period of less than one (1) fiscal year. For the  
1778 purposes of this subsection, the term "fiscal year" means the  
1779 fiscal year beginning July 1 of a year.

1780 (3) On or before September 15, 1987, and on or before the  
1781 fifteenth day of each succeeding month, until the date specified  
1782 in Section 65-39-35, the proceeds derived from contractors' taxes  
1783 levied under Section 27-65-21 on contracts for the construction or  
1784 reconstruction of highways designated under the Four-Lane Highway  
1785 Program created under Section 65-3-97 shall, except as otherwise  
1786 provided in Section 31-17-127, be deposited into the State  
1787 Treasury to the credit of the State Highway Fund to be used to  
1788 fund such Four-Lane Highway Program. The Mississippi Department  
1789 of Transportation shall provide to the State Tax Commission such  
1790 information as is necessary to determine the amount of proceeds to  
1791 be distributed under this subsection.

1792 (4) On or before August 15, 1994, and on or before the  
1793 fifteenth day of each succeeding month, from the proceeds of  
1794 gasoline, diesel fuel or kerosene taxes as provided in Section  
1795 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be  
1796 deposited in the State Treasury to the credit of a special fund  
1797 designated as the "State Aid Road Fund," created by Section  
1798 65-9-17. Such funds shall be pledged to pay the principal of and  
1799 interest on state aid road bonds heretofore issued under Sections  
1800 19-9-51 through 19-9-77, in lieu of and in substitution for the  
1801 funds heretofore allocated to counties under this section. Such  
1802 funds may not be pledged for the payment of any state aid road  
1803 bonds issued after April 1, 1981; however, this prohibition  
1804 against the pledging of any such funds for the payment of bonds  
1805 shall not apply to any bonds for which intent to issue such bonds  
1806 has been published, for the first time, as provided by law prior  
1807 to March 29, 1981. From the amount of taxes paid into the special

1808 fund pursuant to this subsection and subsection (9) of this  
1809 section, there shall be first deducted and paid the amount  
1810 necessary to pay the expenses of the Office of State Aid Road  
1811 Construction, as authorized by the Legislature for all other  
1812 general and special fund agencies. The remainder of the fund  
1813 shall be allocated monthly to the several counties in accordance  
1814 with the following formula:

1815           (a) One-third (1/3) shall be allocated to all counties  
1816 in equal shares;

1817           (b) One-third (1/3) shall be allocated to counties  
1818 based on the proportion that the total number of rural road miles  
1819 in a county bears to the total number of rural road miles in all  
1820 counties of the state; and

1821           (c) One-third (1/3) shall be allocated to counties  
1822 based on the proportion that the rural population of the county  
1823 bears to the total rural population in all counties of the state,  
1824 according to the latest federal decennial census.

1825           For the purposes of this subsection, the term "gasoline,  
1826 diesel fuel or kerosene taxes" means such taxes as defined in  
1827 paragraph (f) of Section 27-5-101.

1828           The amount of funds allocated to any county under this  
1829 subsection for any fiscal year after Fiscal Year 1994 shall not be  
1830 less than the amount allocated to such county for Fiscal Year  
1831 1994. Monies allocated to a county from the State Aid Road Fund  
1832 for Fiscal Year 1995 or any fiscal year thereafter that exceed the  
1833 amount of funds allocated to that county from the State Aid Road  
1834 Fund for Fiscal Year 1994, first must be expended by the county  
1835 for replacement or rehabilitation of bridges on the state aid road  
1836 system that have a sufficiency rating of less than twenty-five  
1837 (25), according to National Bridge Inspection standards before  
1838 such monies may be approved for expenditure by the State Aid Road  
1839 Engineer on other projects that qualify for the use of state aid  
1840 road funds.

1841           Any reference in the general laws of this state or the

1842 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
1843 construed to refer and apply to subsection (4) of Section  
1844 27-65-75.

1845 (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
1846 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
1847 the special fund known as the "State Public School Building Fund"  
1848 created and existing under the provisions of Sections 37-47-1  
1849 through 37-47-67. Such payments into said fund are to be made on  
1850 the last day of each succeeding month hereafter.

1851 (6) An amount each month beginning August 15, 1983, through  
1852 November 15, 1986, as specified in Section 6 of Chapter 542, Laws  
1853 of 1983, shall be paid into the special fund known as the  
1854 Correctional Facilities Construction Fund created in Section 6 of  
1855 Chapter 542, Laws of 1983.

1856 (7) On or before August 15, 1992, and each succeeding month  
1857 thereafter, two and two hundred sixty-six one-thousandths percent  
1858 (2.266%) of the total sales tax revenue collected during the  
1859 preceding month under the provisions of this chapter, except that  
1860 collected under the provisions of Section 27-65-17(2), not to  
1861 exceed the Fiscal Year 1997 appropriated level shall be deposited  
1862 by the commission into the School Ad Valorem Tax Reduction Fund  
1863 created pursuant to Section 37-61-35, with the balance to be  
1864 transferred to the Education Enhancement Fund created under  
1865 Section 37-61-33 for appropriation by the Legislature as other  
1866 education needs and not subject to the percentage set asides set  
1867 forth in Section 37-61-33.

1868 (8) On or before August 15, 1992, and each succeeding month  
1869 thereafter, nine and seventy-three one-thousandths percent  
1870 (9.073%) of the total sales tax revenue collected during the  
1871 preceding month under the provisions of this chapter, except that  
1872 collected under the provisions of Section 27-65-17(2) shall be  
1873 deposited into the Education Enhancement Fund created pursuant to  
1874 Section 37-61-33.

1875 (9) On or before August 15, 1994, and each succeeding month

1876 thereafter, from the revenue collected under this chapter during  
1877 the preceding month, Two Hundred Fifty Thousand Dollars  
1878 (\$250,000.00) shall be paid into the State Aid Road Fund.

1879 (10) On or before August 15, 1994, and each succeeding month  
1880 thereafter through August 15, 1995, from the revenue collected  
1881 under this chapter during the preceding month, Two Million Dollars  
1882 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
1883 Valorem Tax Reduction Fund established in Section 27-51-105.

1884 (11) Notwithstanding any other provision of this section to  
1885 the contrary, on or before February 15, 1995, and each succeeding  
1886 month thereafter, the sales tax revenue collected during the  
1887 preceding month under the provisions of Section 27-65-17(2) shall  
1888 be deposited, without diversion, into the Motor Vehicle Ad Valorem  
1889 Tax Reduction Fund established in Section 27-51-105.

1890 (12) Notwithstanding any other provision of this section to  
1891 the contrary, on or before August 15, 1995, and each succeeding  
1892 month thereafter, the sales tax revenue collected during the  
1893 preceding month under the provisions of Section 27-65-17(1) on  
1894 retail sales of private carriers of passengers and light carriers  
1895 of property, as defined in Section 27-51-101, shall be deposited,  
1896 after diversion, into the Motor Vehicle Ad Valorem Tax Reduction  
1897 Fund established in Section 27-51-105.

1898 (13) On or before July 15, 1994, and on or before the  
1899 fifteenth day of each succeeding month thereafter, that portion of  
1900 the avails of the tax imposed in Section 27-65-22, which is  
1901 derived from activities held on the Mississippi state fairgrounds  
1902 complex, shall be paid into a special fund hereby created in the  
1903 State Treasury and shall be expended pursuant to legislative  
1904 appropriations solely to defray the costs of repairs and  
1905 renovation at such Trade Mart and Coliseum.

1906 (14) On or before August 15, 1998, and each succeeding month  
1907 thereafter through July 15, 2005, that portion of the avails of  
1908 the tax imposed in Section 27-65-23 which is derived from sales by  
1909 cotton compresses or cotton warehouses and which would otherwise



1910 be paid into the General Fund, shall be deposited in an amount not  
1911 to exceed Two Million Dollars (\$2,000,000.00) into the special  
1912 fund created pursuant to Section 69-37-39.

1913 (15) The remainder of the amounts collected under the  
1914 provisions of this chapter shall be paid into the State Treasury  
1915 to the credit of the General Fund.

1916 (16) It shall be the duty of the municipal officials of any  
1917 municipality which expands its limits, or of any community which  
1918 incorporates as a municipality, to notify the commissioner of such  
1919 action thirty (30) days before the effective date. Failure to so  
1920 notify the commissioner shall cause such municipality to forfeit  
1921 the revenue which it would have been entitled to receive during  
1922 this period of time when the commissioner had no knowledge of the  
1923 action. If any funds have been erroneously disbursed to any  
1924 municipality or any overpayment of tax is recovered by the  
1925 taxpayer, the commissioner may make correction and adjust the  
1926 error or overpayment with such municipality by withholding the  
1927 necessary funds from any subsequent payment to be made to the  
1928 municipality.

1929 SECTION 8. Section 65-39-35, Mississippi Code of 1972, is  
1930 amended as follows:

1931 **[Through June 30, 1999, this section shall read as follows:]**

1932 65-39-35. The date upon which the taxes and fees levied and  
1933 charged under the provisions of Sections 27-55-11, 27-55-313,  
1934 27-57-37, 27-59-11, 27-19-43, 27-19-309 and 27-65-75 are reduced  
1935 under such sections shall be the first day of the month  
1936 immediately following the date upon which:

1937 (a) The Mississippi Transportation Commission certifies  
1938 to the State Tax Commission that:

1939 (i) The Four-Lane Highway Program created under  
1940 Section 65-3-97 and the Gaming Counties Infrastructure Program  
1941 created under Section 65-39-3, are completed and no funds are any  
1942 longer necessary to pay the costs of such programs; and

1943 (ii) The Mississippi Transportation Commission

1944 will not declare the necessity for additional borrowings under  
1945 Section 65-9-27, or for additional bonds under Sections 65-39-5  
1946 through 65-39-33; and

1947 (b) The State Treasurer certifies:

1948 (i) That the amount on deposit in the Gaming  
1949 Counties Bond Sinking Fund, together with earnings on investments  
1950 to accrue to such fund, is equal to or greater than the aggregate  
1951 of the entire principal, redemption premium (if any), and interest  
1952 due and to become due (until the final maturity date or earlier  
1953 scheduled redemption date) on all general obligation bonds issued  
1954 under Sections 65-39-5 through 65-39-33; and

1955 (ii) That all principal, interest, cost and other  
1956 expenses for all bonds, notes or other borrowings under Section  
1957 65-9-27 and Section 31-17-127 (including redemption notes, if any)  
1958 have been paid and are completely satisfied.

1959 **[From and after July 1, 1999, this section shall read as**  
1960 **follows:]**

1961 65-39-35. The date upon which the taxes and fees levied and  
1962 charged under the provisions of Sections 27-55-11, \* \* \* 27-57-37,  
1963 27-59-11, 27-19-43, 27-19-309, 27-65-75 and Sections 10 and 11 of  
1964 Senate Bill No. 3083, 1999 Regular Session, are reduced under such  
1965 sections shall be the first day of the month immediately following  
1966 the date upon which:

1967 (a) The Mississippi Transportation Commission certifies  
1968 to the State Tax Commission that:

1969 (i) The Four-Lane Highway Program created under  
1970 Section 65-3-97 and the Gaming Counties Infrastructure Program  
1971 created under Section 65-39-3, are completed and no funds are any  
1972 longer necessary to pay the costs of such programs; and

1973 (ii) The Mississippi Transportation Commission  
1974 will not declare the necessity for additional borrowings under  
1975 Section 65-9-27, or for additional bonds under Sections 65-39-5  
1976 through 65-39-33; and

1977 (b) The State Treasurer certifies:

1978                   (i) That the amount on deposit in the Gaming  
1979 Counties Bond Sinking Fund, together with earnings on investments  
1980 to accrue to such fund, is equal to or greater than the aggregate  
1981 of the entire principal, redemption premium (if any), and interest  
1982 due and to become due (until the final maturity date or earlier  
1983 scheduled redemption date) on all general obligation bonds issued  
1984 under Sections 65-39-5 through 65-39-33; and

1985                   (ii) That all principal, interest, cost and other  
1986 expenses for all bonds, notes or other borrowings under Section  
1987 65-9-27 and Section 31-17-127 (including redemption notes, if any)  
1988 have been paid and are completely satisfied.

1989           SECTION 9. This act shall take effect and be in force from  
1990 and after its passage.