

*****Pending*****

AMENDMENT No. 1 PROPOSED TO

House Bill NO. 458

By Senator(s) Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

11 SECTION 1. Section 27-65-75, Mississippi Code of 1972, is
12 amended as follows:

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

14 27-65-75. On or before the fifteenth day of each month, the
15 revenue collected under the provisions of this chapter during the
16 preceding month shall be paid and distributed as follows:

17 (1) On or before August 15, 1992, and each succeeding month
18 thereafter through July 15, 1993, eighteen percent (18%) of the
19 total sales tax revenue collected during the preceding month under
20 the provisions of this chapter, except that collected under the
21 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
22 business activities within a municipal corporation shall be
23 allocated for distribution to such municipality and paid to such
24 municipal corporation. On or before August 15, 1993, and each
25 succeeding month thereafter, eighteen and one-half percent
26 (18-1/2%) of the total sales tax revenue collected during the
27 preceding month under the provisions of this chapter, except that
28 collected under the provisions of Sections 27-65-15, 27-65-19(3)
29 and 27-65-21, on business activities within a municipal
30 corporation shall be allocated for distribution to such
31 municipality and paid to such municipal corporation.

32 A municipal corporation, for the purpose of distributing the
33 tax under this subsection, shall mean and include all incorporated
34 cities, towns and villages.

35 Monies allocated for distribution and credited to a municipal
36 corporation under this subsection may be pledged as security for
37 any loan received by the municipal corporation for the purpose of
38 capital improvements as authorized under Section 57-1-303, or
39 loans as authorized under Section 57-44-7, or water systems
40 improvements as authorized under Section 41-3-16.

41 In any county having a county seat which is not an
42 incorporated municipality, the distribution provided hereunder
43 shall be made as though the county seat was an incorporated
44 municipality; however, the distribution to such municipality shall
45 be paid to the county treasury wherein the municipality is located
46 and such funds shall be used for road, bridge and street
47 construction or maintenance therein.

48 (2) On or before September 15, 1987, and each succeeding
49 month thereafter, from the revenue collected under this chapter
50 during the preceding month One Million One Hundred Twenty-five
51 Thousand Dollars (\$1,125,000.00) shall be allocated for
52 distribution to municipal corporations as defined under subsection
53 (1) of this section in the proportion that the number of gallons
54 of gasoline and diesel fuel sold by distributors to consumers and
55 retailers in each such municipality during the preceding fiscal
56 year bears to the total gallons of gasoline and diesel fuel sold
57 by distributors to consumers and retailers in municipalities
58 statewide during the preceding fiscal year. The State Tax
59 Commission shall require all distributors of gasoline and diesel
60 fuel to report to the commission monthly the total number of
61 gallons of gasoline and diesel fuel sold by them to consumers and
62 retailers in each municipality during the preceding month. The
63 State Tax Commission shall have the authority to promulgate such
64 rules and regulations as is necessary to determine the number of

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65 gallons of gasoline and diesel fuel sold by distributors to
66 consumers and retailers in each municipality. In determining the
67 percentage allocation of funds under this subsection for the
68 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
69 State Tax Commission may consider gallons of gasoline and diesel
70 fuel sold for a period of less than one (1) fiscal year. For the
71 purposes of this subsection, the term "fiscal year" means the
72 fiscal year beginning July 1 of a year.

73 (3) On or before September 15, 1987, and on or before the
74 fifteenth day of each succeeding month, until the date specified
75 in Section 65-39-35, the proceeds derived from contractors' taxes
76 levied under Section 27-65-21 on contracts for the construction or
77 reconstruction of highways designated under the Four-Lane Highway
78 Program created under Section 65-3-97 shall be deposited into the
79 State Treasury to the credit of the State Highway Fund to be used
80 to fund such Four-Lane Highway Program. The Mississippi
81 Department of Transportation shall provide to the State Tax
82 Commission such information as is necessary to determine the
83 amount of proceeds to be distributed under this subsection.

84 (4) On or before August 15, 1994, and on or before the
85 fifteenth day of each succeeding month through July 15, 1999, from
86 the proceeds of gasoline, diesel fuel or kerosene taxes as
87 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
88 (\$4,000,000.00) shall be deposited in the State Treasury to the
89 credit of a special fund designated as the "State Aid Road Fund,"
90 created by Section 65-9-17. On or before August 15, 1999, and on
91 or before the fifteenth day of each succeeding month, from the
92 total amount of the proceeds of gasoline, diesel fuel or kerosene
93 taxes apportioned by Section 27-5-101(a)(ii), Four Million Dollars
94 (\$4,000,000.00) or an amount equal to twenty-three and one-fourth
95 percent (23.25%) of such funds, whichever is the greater amount,
96 shall be deposited in the State Treasury to the credit of the
97 "State Aid Road Fund," created by Section 65-9-17. Such funds

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98 shall be pledged to pay the principal of and interest on state aid
99 road bonds heretofore issued under Sections 19-9-51 through
100 19-9-77, in lieu of and in substitution for the funds heretofore
101 allocated to counties under this section. Such funds may not be
102 pledged for the payment of any state aid road bonds issued after
103 April 1, 1981; however, this prohibition against the pledging of
104 any such funds for the payment of bonds shall not apply to any
105 bonds for which intent to issue such bonds has been published, for
106 the first time, as provided by law prior to March 29, 1981. From
107 the amount of taxes paid into the special fund pursuant to this
108 subsection and subsection (9) of this section, there shall be
109 first deducted and paid the amount necessary to pay the expenses
110 of the Office of State Aid Road Construction, as authorized by the
111 Legislature for all other general and special fund agencies. The
112 remainder of the fund shall be allocated monthly to the several
113 counties in accordance with the following formula:

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

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

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

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

127 The amount of funds allocated to any county under this
128 subsection for any fiscal year after Fiscal Year 1994 shall not be
129 less than the amount allocated to such county for Fiscal Year
130 1994. Monies allocated to a county from the State Aid Road Fund

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131 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
132 amount of funds allocated to that county from the State Aid Road
133 Fund for Fiscal Year 1994, first must be expended by the county
134 for replacement or rehabilitation of bridges on the state aid road
135 system that have a sufficiency rating of less than twenty-five
136 (25), according to National Bridge Inspection standards before
137 such monies may be approved for expenditure by the State Aid Road
138 Engineer on other projects that qualify for the use of state aid
139 road funds.

140 Any reference in the general laws of this state or the
141 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
142 construed to refer and apply to subsection (4) of Section
143 27-65-75.

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

150 (6) An amount each month beginning August 15, 1983, through
151 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
152 of 1983, shall be paid into the special fund known as the
153 Correctional Facilities Construction Fund created in Section 6 of
154 Chapter 542, Laws of 1983.

155 (7) On or before August 15, 1992, and each succeeding month
156 thereafter, two and two hundred sixty-six one-thousandths percent
157 (2.266%) of the total sales tax revenue collected during the
158 preceding month under the provisions of this chapter, except that
159 collected under the provisions of Section 27-65-17(2) shall be
160 deposited by the commission into the School Ad Valorem Tax
161 Reduction Fund created pursuant to Section 37-61-35.

162 (8) On or before August 15, 1992, and each succeeding month
163 thereafter, nine and seventy-three one-thousandths percent

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164 (9.073%) of the total sales tax revenue collected during the
165 preceding month under the provisions of this chapter, except that
166 collected under the provisions of Section 27-65-17(2) shall be
167 deposited into the Education Enhancement Fund created pursuant to
168 Section 37-61-33.

169 (9) On or before August 15, 1994, and each succeeding month
170 thereafter, from the revenue collected under this chapter during
171 the preceding month, Two Hundred Fifty Thousand Dollars
172 (\$250,000.00) shall be paid into the State Aid Road Fund.

173 (10) On or before August 15, 1994, and each succeeding month
174 thereafter through August 15, 1995, from the revenue collected
175 under this chapter during the preceding month, Two Million Dollars
176 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
177 Valorem Tax Reduction Fund established in Section 27-51-105.

178 (11) Notwithstanding any other provision of this section to
179 the contrary, on or before February 15, 1995, and each succeeding
180 month thereafter, the sales tax revenue collected during the
181 preceding month under the provisions of Section 27-65-17(2) and
182 the corresponding levy in Section 27-65-23 on the rental or lease
183 of private carriers of passengers and light carriers of property
184 as defined in Section 27-51-101 shall be deposited, without
185 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
186 established in Section 27-51-105.

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

196 (13) On or before July 15, 1994, and on or before the

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197 fifteenth day of each succeeding month thereafter, that portion of
198 the avails of the tax imposed in Section 27-65-22, which is
199 derived from activities held on the Mississippi state fairgrounds
200 complex, shall be paid into a special fund hereby created in the
201 State Treasury and shall be expended pursuant to legislative
202 appropriations solely to defray the costs of repairs and
203 renovation at such Trade Mart and Coliseum.

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

211 (15) On or before August 15, 1999, and on or before the
212 fifteenth day of each succeeding month thereafter, from the total
213 amount of the proceeds of gasoline, diesel fuel or kerosene taxes
214 apportioned by Section 27-5-101(a)(ii), an amount equal to one
215 percent (1%) of such funds, shall be placed into a special fund
216 hereby created in the State Treasury to be known as the "Municipal
217 Road Fund." Money in the fund shall be allocated monthly to the
218 several municipalities of the state based on the proportion that
219 the population of the municipality bears to the total population
220 of all municipalities of the state according to the latest federal
221 decennial census.

222 Funds received by a municipality shall be utilized by
223 municipalities for construction, maintenance and repair of public
224 roads located within the corporate limits of the municipality.

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

228 (16) The remainder of the amounts collected under the
229 provisions of this chapter shall be paid into the State Treasury

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230 to the credit of the General Fund.

231 (17) It shall be the duty of the municipal officials of any
232 municipality which expands its limits, or of any community which
233 incorporates as a municipality, to notify the commissioner of such
234 action thirty (30) days before the effective date. Failure to so
235 notify the commissioner shall cause such municipality to forfeit
236 the revenue which it would have been entitled to receive during
237 this period of time when the commissioner had no knowledge of the
238 action. If any funds have been erroneously disbursed to any
239 municipality or any overpayment of tax is recovered by the
240 taxpayer, the commissioner may make correction and adjust the
241 error or overpayment with such municipality by withholding the
242 necessary funds from any subsequent payment to be made to the
243 municipality.

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

245 27-65-75. On or before the fifteenth day of each month, the
246 revenue collected under the provisions of this chapter during the
247 preceding month shall be paid and distributed as follows:

248 (1) On or before August 15, 1992, and each succeeding month
249 thereafter through July 15, 1993, eighteen percent (18%) of the
250 total sales tax revenue collected during the preceding month under
251 the provisions of this chapter, except that collected under the
252 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
253 business activities within a municipal corporation shall be
254 allocated for distribution to such municipality and paid to such
255 municipal corporation. On or before August 15, 1993, and each
256 succeeding month thereafter, eighteen and one-half percent
257 (18-1/2%) of the total sales tax revenue collected during the
258 preceding month under the provisions of this chapter, except that
259 collected under the provisions of Sections 27-65-15, 27-65-19(3)
260 and 27-65-21, on business activities within a municipal
261 corporation shall be allocated for distribution to such
262 municipality and paid to such municipal corporation.

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263 A municipal corporation, for the purpose of distributing the
264 tax under this subsection, shall mean and include all incorporated
265 cities, towns and villages.

266 Monies allocated for distribution and credited to a municipal
267 corporation under this subsection may be pledged as security for
268 any loan received by the municipal corporation for the purpose of
269 capital improvements as authorized under Section 57-1-303, or
270 loans as authorized under Section 57-44-7, or water systems
271 improvements as authorized under Section 41-3-16.

272 In any county having a county seat which is not an
273 incorporated municipality, the distribution provided hereunder
274 shall be made as though the county seat was an incorporated
275 municipality; however, the distribution to such municipality shall
276 be paid to the county treasury wherein the municipality is located
277 and such funds shall be used for road, bridge and street
278 construction or maintenance therein.

279 (2) On or before September 15, 1987, and each succeeding
280 month thereafter, from the revenue collected under this chapter
281 during the preceding month One Million One Hundred Twenty-five
282 Thousand Dollars (\$1,125,000.00) shall be allocated for
283 distribution to municipal corporations as defined under subsection
284 (1) of this section in the proportion that the number of gallons
285 of gasoline and diesel fuel sold by distributors to consumers and
286 retailers in each such municipality during the preceding fiscal
287 year bears to the total gallons of gasoline and diesel fuel sold
288 by distributors to consumers and retailers in municipalities
289 statewide during the preceding fiscal year. The State Tax
290 Commission shall require all distributors of gasoline and diesel
291 fuel to report to the commission monthly the total number of
292 gallons of gasoline and diesel fuel sold by them to consumers and
293 retailers in each municipality during the preceding month. The
294 State Tax Commission shall have the authority to promulgate such
295 rules and regulations as is necessary to determine the number of

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296 gallons of gasoline and diesel fuel sold by distributors to
297 consumers and retailers in each municipality. In determining the
298 percentage allocation of funds under this subsection for the
299 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
300 State Tax Commission may consider gallons of gasoline and diesel
301 fuel sold for a period of less than one (1) fiscal year. For the
302 purposes of this subsection, the term "fiscal year" means the
303 fiscal year beginning July 1 of a year.

304 (3) On or before September 15, 1987, and on or before the
305 fifteenth day of each succeeding month, until the date specified
306 in Section 65-39-35, the proceeds derived from contractors' taxes
307 levied under Section 27-65-21 on contracts for the construction or
308 reconstruction of highways designated under the Four-Lane Highway
309 Program created under Section 65-3-97 shall be deposited into the
310 State Treasury to the credit of the State Highway Fund to be used
311 to fund such Four-Lane Highway Program. The Mississippi
312 Department of Transportation shall provide to the State Tax
313 Commission such information as is necessary to determine the
314 amount of proceeds to be distributed under this subsection.

315 (4) On or before August 15, 1994, and on or before the
316 fifteenth day of each succeeding month through July 15, 1999, from
317 the proceeds of gasoline, diesel fuel or kerosene taxes as
318 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
319 (\$4,000,000.00) shall be deposited in the State Treasury to the
320 credit of a special fund designated as the "State Aid Road Fund,"
321 created by Section 65-9-17. On or before August 15, 1999, and on
322 or before the fifteenth day of each succeeding month, from the
323 total amount of the proceeds of gasoline, diesel fuel or kerosene
324 taxes apportioned by Section 27-5-101(a)(ii), Four Million Dollars
325 (\$4,000,000.00) or an amount equal to twenty-three and one-fourth
326 percent (23.25%) of such funds, whichever is the greater amount,
327 shall be deposited in the State Treasury to the credit of the
328 "State Aid Road Fund," created by Section 65-9-17. Such funds

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329 shall be pledged to pay the principal of and interest on state aid
330 road bonds heretofore issued under Sections 19-9-51 through
331 19-9-77, in lieu of and in substitution for the funds heretofore
332 allocated to counties under this section. Such funds may not be
333 pledged for the payment of any state aid road bonds issued after
334 April 1, 1981; however, this prohibition against the pledging of
335 any such funds for the payment of bonds shall not apply to any
336 bonds for which intent to issue such bonds has been published, for
337 the first time, as provided by law prior to March 29, 1981. From
338 the amount of taxes paid into the special fund pursuant to this
339 subsection and subsection (9) of this section, there shall be
340 first deducted and paid the amount necessary to pay the expenses
341 of the Office of State Aid Road Construction, as authorized by the
342 Legislature for all other general and special fund agencies. The
343 remainder of the fund shall be allocated monthly to the several
344 counties in accordance with the following formula:

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

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

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

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

358 The amount of funds allocated to any county under this
359 subsection for any fiscal year after Fiscal Year 1994 shall not be
360 less than the amount allocated to such county for Fiscal Year
361 1994. Monies allocated to a county from the State Aid Road Fund

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362 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
363 amount of funds allocated to that county from the State Aid Road
364 Fund for Fiscal Year 1994, first must be expended by the county
365 for replacement or rehabilitation of bridges on the state aid road
366 system that have a sufficiency rating of less than twenty-five
367 (25), according to National Bridge Inspection standards before
368 such monies may be approved for expenditure by the State Aid Road
369 Engineer on other projects that qualify for the use of state aid
370 road funds.

371 Any reference in the general laws of this state or the
372 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
373 construed to refer and apply to subsection (4) of Section
374 27-65-75.

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

381 (6) An amount each month beginning August 15, 1983, through
382 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
383 of 1983, shall be paid into the special fund known as the
384 Correctional Facilities Construction Fund created in Section 6 of
385 Chapter 542, Laws of 1983.

386 (7) On or before August 15, 1992, and each succeeding month
387 thereafter, two and two hundred sixty-six one-thousandths percent
388 (2.266%) of the total sales tax revenue collected during the
389 preceding month under the provisions of this chapter, except that
390 collected under the provisions of Section 27-65-17(2), not to
391 exceed the Fiscal Year 1997 appropriated level shall be deposited
392 by the commission into the School Ad Valorem Tax Reduction Fund
393 created pursuant to Section 37-61-35, with the balance to be
394 transferred to the Education Enhancement Fund created under

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395 Section 37-61-33 for appropriation by the Legislature as other
396 education needs and not subject to the percentage set asides set
397 forth in Section 37-61-33.

398 (8) On or before August 15, 1992, and each succeeding month
399 thereafter, nine and seventy-three one-thousandths percent
400 (9.073%) of the total sales tax revenue collected during the
401 preceding month under the provisions of this chapter, except that
402 collected under the provisions of Section 27-65-17(2) shall be
403 deposited into the Education Enhancement Fund created pursuant to
404 Section 37-61-33.

405 (9) On or before August 15, 1994, and each succeeding month
406 thereafter, from the revenue collected under this chapter during
407 the preceding month, Two Hundred Fifty Thousand Dollars
408 (\$250,000.00) shall be paid into the State Aid Road Fund.

409 (10) On or before August 15, 1994, and each succeeding month
410 thereafter through August 15, 1995, from the revenue collected
411 under this chapter during the preceding month, Two Million Dollars
412 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
413 Valorem Tax Reduction Fund established in Section 27-51-105.

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

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

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

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

443 (15) On or before August 15, 1999, and on or before the
444 fifteenth day of each succeeding month thereafter, from the total
445 amount of the proceeds of gasoline, diesel fuel or kerosene taxes
446 apportioned by Section 27-5-101(a)(ii), an amount equal to one
447 percent (1%) of such funds, shall be placed into a special fund
448 hereby created in the State Treasury to be known as the "Municipal
449 Road Fund." Money in the fund shall be allocated monthly to the
450 several municipalities of the state based on the proportion that
451 the population of the municipality bears to the total population
452 of all municipalities of the state according to the latest federal
453 decennial census.

454 Funds received by a municipality shall be utilized by
455 municipalities for construction, maintenance and repair of public
456 roads located within the corporate limits of the municipality.

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

460 (16) The remainder of the amounts collected under the

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461 provisions of this chapter shall be paid into the State Treasury
462 to the credit of the General Fund.

463 (17) It shall be the duty of the municipal officials of any
464 municipality which expands its limits, or of any community which
465 incorporates as a municipality, to notify the commissioner of such
466 action thirty (30) days before the effective date. Failure to so
467 notify the commissioner shall cause such municipality to forfeit
468 the revenue which it would have been entitled to receive during
469 this period of time when the commissioner had no knowledge of the
470 action. If any funds have been erroneously disbursed to any
471 municipality or any overpayment of tax is recovered by the
472 taxpayer, the commissioner may make correction and adjust the
473 error or overpayment with such municipality by withholding the
474 necessary funds from any subsequent payment to be made to the
475 municipality.

476 SECTION 2. Section 27-5-101, Mississippi Code of 1972, is
477 amended as follows:

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

480 27-5-101. Unless otherwise provided in this section, on or
481 before the fifteenth day of each month, all gasoline, diesel fuel
482 or kerosene taxes which are levied under the laws of this state
483 and collected during the previous month shall be paid and
484 apportioned by the State Tax Commission as follows:

485 (a) (i) From the gross amount of gasoline, diesel fuel
486 or kerosene taxes produced by the state, there shall be deducted
487 an amount equal to one-sixth (1/6) of principal and interest
488 certified by the State Treasurer to the State Tax Commission to be
489 due on the next semiannual bond and interest payment date, as
490 required under the provisions of Chapter 130, Laws of 1938, and
491 subsequent acts authorizing the issuance of bonds payable from
492 gasoline, diesel fuel or kerosene tax revenue on a parity with the
493 bonds issued under authority of said Chapter 130. The State

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494 Treasurer shall certify to the State Tax Commission on or before
495 the fifteenth day of each month the amount to be paid to the
496 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
497 of 1938, and subsequent acts authorizing the issuance of bonds
498 payable from gasoline, diesel fuel or kerosene tax revenue, on a
499 parity with the bonds issued under authority of said Chapter 130;
500 and the State Tax Commission shall, on or before the twenty-fifth
501 day of each month, pay into the State Treasury for credit to the
502 "Highway Bonds Sinking Fund" the amount so certified to him by the
503 State Treasurer due to be paid into such fund each month. The
504 payments to the "Highway Bonds Sinking Fund" shall be made out of
505 gross gasoline, diesel fuel or kerosene tax collections before
506 deductions of any nature are considered; however, such payments
507 shall be deducted from the allocation to the Mississippi
508 Department of Transportation under paragraph (c) of this section.

509 (ii) From collections derived from the portion of
510 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
511 from the portion of the tax on aviation gas under Section 27-55-11
512 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
513 portion of the diesel fuel tax levied under Section 27-55-313 that
514 exceeds Ten Cents (10¢) per gallon, from the portion of the taxes
515 levied under Section 27-57-315 that exceeds One Cent (1¢) per
516 gallon on oil and Five and One-fourth Cents (5.25¢) per gallon on
517 oil used as aircraft fuel, from the portion of the excise tax on
518 compressed gas used as a motor fuel that exceeds the rate of tax
519 in effect on June 30, 1987, and from the portion of the gasoline
520 excise tax in excess of Seven Cents (7¢) per gallon and the diesel
521 excise tax in excess of Ten Cents (10¢) per gallon under Section
522 27-61-5 there shall be deducted:

523 1. An amount as provided in Section
524 27-65-75(4) to the credit of a special fund designated as the
525 "Office of State Aid Road Construction."

526 2. An amount equal to the tax collections

527 derived from Two Cents (2¢) per gallon of the gasoline excise tax
528 for distribution to the State Highway Fund to be used exclusively
529 for the construction, reconstruction and maintenance of highways
530 of the State of Mississippi or the payment of interest and
531 principal on bonds when specifically authorized by the Legislature
532 for that purpose.

533 3. An amount as provided in Section
534 27-65-75(15) shall be deposited to the credit of the special fund
535 designated as the "Municipal Road Fund."

536 4. The balance shall be deposited in the
537 State Treasury to the credit of the State Highway Fund.

538 (b) Subject to the provisions that said basis of
539 distribution shall in nowise affect adversely the amount
540 specifically pledged in paragraph (a) of this section to be paid
541 into the "Highway Bonds Sinking Fund," the following shall be
542 deducted from the amount produced by the state tax on gasoline,
543 diesel fuel or kerosene tax collections, excluding collections
544 derived from the portion of the gasoline excise tax that exceeds
545 Seven Cents (7¢) per gallon, from the portion of the tax on
546 aviation gas under Section 27-55-11 that exceeds Six and
547 Four-tenths Cents (6.4¢) per gallon, from the portion of the
548 diesel fuel tax levied under Section 27-55-313 that exceeds Ten
549 Cents (10¢) per gallon, from the portion of the taxes levied under
550 Section 27-57-315 that exceeds One Cent (1¢) per gallon on oil and
551 Five and One-fourth Cents (5.25¢) per gallon on oil used as
552 aircraft fuel, from the portion of the excise tax on compressed
553 gas used as a motor fuel that exceeds the rate of tax in effect on
554 June 30, 1987, and from the portion of the gasoline excise tax in
555 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
556 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

557 (i) Twenty percent (20%) of such amount which
558 shall be earmarked and set aside for the construction,
559 reconstruction and maintenance of the highways and roads of the

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560 state, provided that if such twenty percent (20%) should reduce
561 any county to a lesser amount than that received in the fiscal
562 year ending June 30, 1966, then such twenty percent (20%) shall be
563 reduced to a percentage to provide that no county shall receive
564 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

575 (vi) The remainder shall be divided on a basis of
576 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
577 same basis as Four and One-half Cents (4-1/2¢) and Two and
578 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
579 six and forty-three one-hundredths (6.43) and three and
580 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
581 fuel or kerosene). The amount produced by the nine-fourteenths
582 (9/14) division shall be allocated to the Transportation
583 Department and paid into the State Treasury as provided in this
584 section and in Section 27-5-103 and the five-fourteenths (5/14)
585 division shall be returned to the counties of the state on the
586 following basis:

587 1. In each fiscal year, each county shall be
588 paid each month the same percentage of the monthly total to be
589 distributed as was paid to that county during the same month in
590 the fiscal year which ended April 9, 1960, until the county
591 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
592 fiscal year, at which time funds shall be distributed under the

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593 provisions of paragraph (b)(vi)4 of this section.

594 2. If after payments in 1 above, any county
595 has not received a total of One Hundred Ninety Thousand Dollars
596 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
597 and each fiscal year thereafter, then any available funds not
598 distributed under 1 above shall be used to bring such county or
599 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
600 or such funds shall be divided equally among such counties not
601 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
602 there is not sufficient money to bring all the counties to said
603 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

610 4. During the last month of the current
611 fiscal year, should it be determined that there are funds
612 available in excess of the amount distributed for the year under 1
613 and 2 above, then such excess funds shall be distributed among the
614 various counties as follows:

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

617 One-third (1/3) of such excess to be paid
618 to the counties in the proportion which the population of each
619 county bears to the total population of the state according to the
620 last federal census;

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

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

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626 during the year ended April 9, 1960, unless the amount to be
627 distributed to all counties in any year is less than the amount
628 distributed to all counties during the year ended April 9, 1960.

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

633 In any county having countywide road or bridge bonds, or
634 supervisors district or district road or bridge bonds outstanding,
635 which exceed, in the aggregate, twelve percent (12%) of the
636 assessed valuation of the taxable property of the county or
637 district, it shall be the duty of the board of supervisors to set
638 aside not less than sixty percent (60%) of such county's share or
639 district's share of the gasoline, diesel fuel or kerosene taxes to
640 be used in paying the principal and interest on such road or
641 bridge bonds as they mature.

642 In any county having such countywide road or bridge bonds or
643 district road or bridge bonds outstanding which exceed, in the
644 aggregate, eight percent (8%) of the assessed valuation of the
645 taxable property of the county, but which do not exceed, in the
646 aggregate, twelve percent (12%) of the assessed valuation of the
647 taxable property of the county, it shall be the duty of the board
648 of supervisors to set aside not less than thirty-five percent
649 (35%) of such county's share of the gasoline, diesel fuel or
650 kerosene taxes to be used in paying the principal and interest of
651 such road or bridge bonds as they mature.

652 In any county having such countywide road or bridge bonds or
653 district road or bridge bonds outstanding which exceed, in the
654 aggregate, five percent (5%) of the assessed valuation of the
655 taxable property of the county, but which do not exceed, in the
656 aggregate, eight percent (8%) of the assessed valuation of the
657 taxable property of the county, it shall be the duty of the board
658 of supervisors to set aside not less than twenty percent (20%) of

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

662 In any county having such countywide road or bridge bonds or
663 district road or bridge bonds outstanding which do not exceed, in
664 the aggregate, five percent (5%) of the assessed valuation of the
665 taxable property of the county, it shall be the duty of the board
666 of supervisors to set aside not less than ten percent (10%) of
667 such county's share of the gasoline, diesel fuel or kerosene taxes
668 to be used in paying the principal and interest on such road or
669 bridge bonds as they mature.

670 The portion of any such county's share of the gasoline,
671 diesel fuel or kerosene taxes thus set aside for the payment of
672 the principal and interest of road or bridge bonds, as provided
673 for in this section, shall be used first in paying the currently
674 maturing installments of the principal and interest of such
675 countywide road or bridge bonds, if there be any such countywide
676 road or bridge bonds outstanding, and secondly, in paying the
677 currently maturing installments of principal and interest of
678 district road or bridge bonds outstanding. It shall be the duty
679 of the board of supervisors to pay bonds and interest maturing in
680 each supervisors district out of the supervisors district's share
681 of the gasoline, diesel fuel or kerosene taxes of such district.

682 The remaining portion of such county's share of the gasoline,
683 diesel fuel or kerosene taxes, after setting aside the portion
684 above provided for the payment of the principal and interest of
685 bonds, shall be used in the construction and maintenance of any
686 public highways, bridges, or culverts of the county, including the
687 roads in special or separate road districts, in the discretion of
688 the board of supervisors, or in paying the interest and principal
689 of county road and bridge bonds or district road and bridge bonds,
690 in the discretion of the board of supervisors.

691 In any county having no countywide road or bridge bonds or

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692 district road or bridge bonds outstanding, all such county's share
693 of the gasoline, diesel fuel or kerosene taxes shall be used in
694 the construction, reconstruction, and maintenance of the public
695 highways, bridges, or culverts of the county as the board of
696 supervisors may determine.

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

701 (c) From the amount produced by the nine-fourteenths
702 (9/14) division allocated to the Transportation Department, there
703 shall be deducted:

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

706 (ii) Any amounts due counties in accordance with
707 Section 65-33-45 which have outstanding bonds issued for seawall
708 or road protection purposes, issued under provisions of Chapter
709 319, Laws of 1924, and amendments thereto;

710 (iii) Beginning August 15, 2002, and on or before
711 the fifteenth day of each month thereafter, an amount equal to
712 one-sixth (1/6) of the principal and interest certified by the
713 State Treasurer to the State Tax Commission to be due on the next
714 semiannual bond and interest payment date for the bonds issued
715 under Sections 65-39-5 through 65-39-33. On or before the
716 twenty-fifth day of each month the State Tax Commission shall pay
717 into the State Treasury for credit to the Gaming Counties Bond
718 Sinking Fund created in Section 65-39-3, the amount so certified
719 by the State Treasurer.

720 (iv) The remainder shall be paid by the State Tax
721 Commission to the State Treasurer on the fifteenth day of each
722 month next succeeding the month in which the gasoline, diesel fuel
723 or kerosene taxes were collected to the credit of the State
724 Highway Fund.

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725 The funds allocated for the construction, reconstruction, and
726 improvement of state highways, bridges, and culverts, or so much
727 thereof as may be necessary, shall first be used in conjunction
728 with funds supplied by the federal government for such purposes
729 and allocated to the State Transportation Department to be
730 expended on the state highway system. It is specifically provided
731 hereby that the necessary portion of such funds hereinabove
732 allocated to the State Transportation Department may be used for
733 the prompt payment of principal and interest on highway bonds
734 heretofore issued, including such bonds issued or to be issued
735 under the provisions of Chapter 312, Laws of 1956, and amendments
736 thereto.

737 Nothing contained in this section shall be construed to
738 reduce the amount of such gasoline, diesel fuel or kerosene excise
739 taxes levied by the state, allotted under the provisions of Title
740 65, Chapter 33, Mississippi Code of 1972, to counties in which
741 there are outstanding bonds issued for seawall or road protection
742 purposes issued under the provisions of Chapter 319, Laws of 1924,
743 and amendments thereto; the amount of said gasoline, diesel fuel
744 or kerosene excise taxes designated in this section for the
745 payment of bonds and interest authorized and issued or to be
746 issued under the provisions of Chapter 130, Laws of 1938, and
747 subsequent acts authorizing the issuance of bonds payable from
748 gasoline, diesel fuel or kerosene tax revenue, shall, in such
749 counties, be considered as being paid "into the State Treasury to
750 the credit of the State Highway Fund" within the meaning of
751 Section 65-33-45 in computing the amount to be paid to such
752 counties under the provisions of said section, and this section
753 shall be administered in connection with Title 65, Chapter 33,
754 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
755 65-33-49 dealing with seawalls, as if made a part of this section.

756 (d) The proceeds of the Five and One-fourth Cents
757 (5.25¢) of the tax per gallon on oils used as a propellant for jet

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758 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
759 per gallon on aviation gasoline and the tax of One Cent (1¢) per
760 gallon for each gallon of gasoline for which a refund has been
761 made pursuant to Section 27-55-23 because such gasoline was used
762 for aviation purposes, shall be paid to the State Treasury into a
763 special fund to be used exclusively, pursuant to legislative
764 appropriation, for the support and development of aeronautics as
765 defined in Section 61-1-3.

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

772 (f) "Gasoline, diesel fuel or kerosene taxes" as used
773 in this section shall be deemed to mean and include state
774 gasoline, diesel fuel or kerosene taxes levied and imposed on
775 distributors of gasoline, diesel fuel or kerosene, and all state
776 excise taxes derived from any fuel used to propel vehicles upon
777 the highways of this state, when levied by any statute.

778 **[With regard to any county which is required to operate on a**
779 **countywide system of road administration as described in Section**
780 **19-2-3, this section shall read as follows:]**

781 27-5-101. Unless otherwise provided in this section, on or
782 before the fifteenth day of each month, all gasoline, diesel fuel
783 or kerosene taxes which are levied under the laws of this state
784 and collected during the previous month shall be paid and
785 apportioned by the State Tax Commission as follows:

786 (a) (i) From the gross amount of gasoline, diesel fuel
787 or kerosene taxes produced by the state, there shall be deducted
788 an amount equal to one-sixth (1/6) of principal and interest
789 certified by the State Treasurer to the State Tax Commission to be
790 due on the next semiannual bond and interest payment date, as

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791 required under the provisions of Chapter 130, Laws of 1938, and
792 subsequent acts authorizing the issuance of bonds payable from
793 gasoline, diesel fuel or kerosene tax revenue on a parity with the
794 bonds issued under authority of said Chapter 130. The State
795 Treasurer shall certify to the State Tax Commission on or before
796 the fifteenth day of each month the amount to be paid to the
797 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
798 of 1938, and subsequent acts authorizing the issuance of bonds
799 payable from gasoline, diesel fuel or kerosene tax revenue, on a
800 parity with the bonds issued under authority of said Chapter 130;
801 and the State Tax Commission shall, on or before the twenty-fifth
802 day of each month, pay into the State Treasury for credit to the
803 "Highway Bonds Sinking Fund" the amount so certified to him by the
804 State Treasurer due to be paid into such fund each month. The
805 payments to the "Highway Bonds Sinking Fund" shall be made out of
806 gross gasoline, diesel fuel or kerosene tax collections before
807 deductions of any nature are considered; however, such payments
808 shall be deducted from the allocation to the Transportation
809 Department under paragraph (c) of this section.

810 (ii) From collections derived from the portion of
811 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
812 from the portion of the tax on aviation gas under Section 27-55-11
813 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
814 portion of the diesel fuel tax levied under Section 27-55-313 that
815 exceeds Ten Cents (10¢) per gallon, from the portion of the taxes
816 levied under Section 27-57-315 that exceeds One Cent (1¢) per
817 gallon on oil and Five and One-fourth Cents (5.25¢) per gallon on
818 oil used as aircraft fuel, from the portion of the excise tax on
819 compressed gas used as a motor fuel that exceeds the rate of tax
820 in effect on June 30, 1987, and from the portion of the gasoline
821 excise tax in excess of Seven Cents (7¢) per gallon and the diesel
822 excise tax in excess of Ten Cents (10¢) per gallon under Section
823 27-61-5 there shall be deducted:

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824 1. An amount as provided in Section
825 27-65-75(4) to the credit of a special fund designated as the
826 "Office of State Aid Road Construction."

827 2. An amount equal to the tax collections
828 derived from Two Cents (2¢) per gallon of the gasoline excise tax
829 for distribution to the State Highway Fund to be used exclusively
830 for the construction, reconstruction and maintenance of highways
831 of the State of Mississippi or the payment of interest and
832 principal on bonds when specifically authorized by the Legislature
833 for that purpose.

834 3. An amount as provided in Section
835 27-65-75(15) shall be deposited to the credit of the special fund
836 designated as the "Municipal Road Fund."

837 4. The balance shall be deposited in the
838 State Treasury to the credit of the State Highway Fund.

839 (b) Subject to the provisions that said basis of
840 distribution shall in nowise affect adversely the amount
841 specifically pledged in paragraph (a) of this section to be paid
842 into the "Highway Bonds Sinking Fund," the following shall be
843 deducted from the amount produced by the state tax on gasoline,
844 diesel fuel or kerosene tax collections, excluding collections
845 derived from the portion of the gasoline excise tax that exceeds
846 Seven Cents (7¢) per gallon, from the portion of the tax on
847 aviation gas under Section 27-55-11 that exceeds Six and
848 Four-tenths Cents (6.4¢) per gallon, from the portion of the
849 diesel fuel tax levied under Section 27-55-313, that exceeds Ten
850 Cents (10¢) per gallon, from the portion of the taxes levied under
851 Section 27-57-315, that exceeds One Cent (1¢) per gallon on oil
852 and Five and One-fourth Cents (5.25¢) per gallon on oil used as
853 aircraft fuel, from the portion of the excise tax on compressed
854 gas used as a motor fuel that exceeds the rate of tax in effect on
855 June 30, 1987, and from the portion of the gasoline excise tax in
856 excess of Seven Cents (7¢) per gallon and the diesel excise tax in

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

858 (i) Twenty percent (20%) of such amount which
859 shall be earmarked and set aside for the construction,
860 reconstruction and maintenance of the highways and roads of the
861 state, provided that if such twenty percent (20%) should reduce
862 any county to a lesser amount than that received in the fiscal
863 year ending June 30, 1966, then such twenty percent (20%) shall be
864 reduced to a percentage to provide that no county shall receive
865 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

876 (vi) The remainder shall be divided on a basis of
877 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
878 same basis as Four and One-half Cents (4-1/2¢) and Two and
879 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
880 six and forty-three one-hundredths (6.43) and three and
881 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
882 fuel or kerosene). The amount produced by the nine-fourteenths
883 (9/14) division shall be allocated to the Transportation
884 Department and paid into the State Treasury as provided in this
885 section and in Section 27-5-103 and the five-fourteenths (5/14)
886 division shall be returned to the counties of the state on the
887 following basis:

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

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

895 2. If after payments in 1 above, any county
896 has not received a total of One Hundred Ninety Thousand Dollars
897 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
898 and each fiscal year thereafter, then any available funds not
899 distributed under 1 above shall be used to bring such county or
900 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
901 or such funds shall be divided equally among such counties not
902 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
903 there is not sufficient money to bring all the counties to said
904 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

911 4. During the last month of the current
912 fiscal year, should it be determined that there are funds
913 available in excess of the amount distributed for the year under 1
914 and 2 above, then such excess funds shall be distributed among the
915 various counties as follows:

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

918 One-third (1/3) of such excess to be paid
919 to the counties in the proportion which the population of each
920 county bears to the total population of the state according to the
921 last federal census;

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

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

925 5. It is the declared purpose and intent of
926 the Legislature that no county shall be paid less than was paid
927 during the year ended April 9, 1960, unless the amount to be
928 distributed to all counties in any year is less than the amount
929 distributed to all counties during the year ended April 9, 1960.

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

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

941 In any county having such road or bridge bonds outstanding
942 which exceed, in the aggregate, eight percent (8%) of the assessed
943 valuation of the taxable property of the county, but which do not
944 exceed, in the aggregate, twelve percent (12%) of the assessed
945 valuation of the taxable property of the county, it shall be the
946 duty of the board of supervisors to set aside not less than
947 thirty-five percent (35%) of such county's share of the gasoline,
948 diesel fuel or kerosene taxes to be used in paying the principal
949 and interest of such road or bridge bonds as they mature.

950 In any county having such road or bridge bonds outstanding
951 which exceed, in the aggregate, five percent (5%) of the assessed
952 valuation of the taxable property of the county, but which do not
953 exceed, in the aggregate, eight percent (8%) of the assessed
954 valuation of the taxable property of the county, it shall be the
955 duty of the board of supervisors to set aside not less than twenty

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

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

966 The portion of any such county's share of the gasoline,
967 diesel fuel or kerosene taxes thus set aside for the payment of
968 the principal and interest of road or bridge bonds, as provided
969 for in this section, shall be used in paying the currently
970 maturing installments of the principal and interest of such road
971 or bridge bonds, if there be any such road or bridge bonds
972 outstanding.

973 The remaining portion of such county's share of the gasoline,
974 diesel fuel or kerosene taxes, after setting aside the portion
975 above provided for the payment of the principal and interest of
976 bonds, shall be used in the construction and maintenance of any
977 public highways, bridges or culverts of the county, in the
978 discretion of the board of supervisors.

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

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

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

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989 (9/14) division allocated to the Transportation Department, there
990 shall be deducted:

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

993 (ii) Any amounts due counties in accordance with
994 Section 65-33-45 which have outstanding bonds issued for seawall
995 or road protection purposes, issued under provisions of Chapter
996 319, Laws of 1924, and amendments thereto; and

997 (iii) Beginning August 15, 2002, and on or before
998 the fifteenth day of each month thereafter, an amount equal to
999 one-sixth (1/6) of the principal and interest certified by the
1000 State Treasurer to the State Tax Commission to be due on the next
1001 semiannual bond and interest payment date for the bonds issued
1002 under Sections 65-39-5 through 65-39-33. On or before the
1003 twenty-fifth day of each month the State Tax Commission shall pay
1004 into the State Treasury for credit to the Gaming Counties Bond
1005 Sinking Fund created in Section 65-39-3, the amount certified by
1006 the State Treasurer.

1007 (iv) The remainder shall be paid by the State Tax
1008 Commission to the State Treasurer on the fifteenth day of each
1009 month next succeeding the month in which the gasoline, diesel fuel
1010 or kerosene taxes were collected to the credit of the State
1011 Highway Fund.

1012 The funds allocated for the construction, reconstruction and
1013 improvement of state highways, bridges and culverts, or so much
1014 thereof as may be necessary, shall first be used in conjunction
1015 with funds supplied by the federal government for such purposes
1016 and allocated to the Transportation Department to be expended on
1017 the state highway system. It is specifically provided hereby that
1018 the necessary portion of such funds hereinabove allocated to the
1019 Transportation Department may be used for the prompt payment of
1020 principal and interest on highway bonds heretofore issued,
1021 including such bonds issued or to be issued under the provisions

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1022 of Chapter 312, Laws of 1956, and amendments thereto.

1023 Nothing contained in this section shall be construed to
1024 reduce the amount of such gasoline, diesel fuel or kerosene excise
1025 taxes levied by the state, allotted under the provisions of Title
1026 65, Chapter 33, Mississippi Code of 1972, to counties in which
1027 there are outstanding bonds issued for seawall or road protection
1028 purposes issued under the provisions of Chapter 319, Laws of 1924,
1029 and amendments thereto; the amount of said gasoline, diesel fuel
1030 or kerosene excise taxes designated in this section for the
1031 payment of bonds and interest authorized and issued or to be
1032 issued under the provisions of Chapter 130, Laws of 1938, and
1033 subsequent acts authorizing the issuance of bonds payable from
1034 gasoline, diesel fuel or kerosene tax revenue, shall, in such
1035 counties, be considered as being paid "into the State Treasury to
1036 the credit of the State Highway Fund" within the meaning of
1037 Section 65-33-45 in computing the amount to be paid to such
1038 counties under the provisions of said section, and this section
1039 shall be administered in connection with Title 65, Chapter 33,
1040 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
1041 65-33-49 dealing with seawalls, as if made a part of this section.

1042 (d) The proceeds of the Five and One-fourth Cents
1043 (5.25¢) of the tax per gallon on oils used as a propellant for jet
1044 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
1045 per gallon on aviation gasoline and the tax of One Cent (1¢) per
1046 gallon for each gallon of gasoline for which a refund has been
1047 made pursuant to Section 27-55-23 because such gasoline was used
1048 for aviation purposes, shall be paid to the State Treasury into a
1049 special fund to be used exclusively, pursuant to legislative
1050 appropriation, for the support and development of aeronautics as
1051 defined in Section 61-1-3.

1052 (e) State highway funds in an amount equal to the
1053 difference between Forty-two Million Dollars (\$42,000,000.00) and
1054 the annual debt service payable on the state's highway revenue

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1055 refunding bonds, Series 1985, shall be expended for the
1056 construction or reconstruction of highways designated under the
1057 Four-Lane Highway Program created under Section 65-3-97.

1058 (f) "Gasoline, diesel fuel or kerosene taxes" as used
1059 in this section shall be deemed to mean and include state
1060 gasoline, diesel fuel or kerosene taxes levied and imposed on
1061 distributors of gasoline, diesel fuel or kerosene, and all state
1062 excise taxes derived from any fuel used to propel vehicles upon
1063 the highways of this state, when levied by any statute.

1064 SECTION 3. This act shall take effect and be in force from
1065 and after July 1, 1999, and shall stand repealed from and after
1066 July 2, 1999.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT THE AMOUNT OF FUEL TAXES DIVERTED INTO THE STATE
3 AID ROAD FUND SHALL BE THE GREATER OF \$4,000,000.00 OR A CERTAIN
4 PERCENTAGE OF THE MONTHLY AMOUNT OF SUCH TAXES COLLECTED; TO
5 PROVIDE THAT ONE PERCENT OF A CERTAIN AMOUNT OF FUEL TAXES SHALL
6 BE DEPOSITED INTO A SPECIAL FUND AND DISTRIBUTED TO MUNICIPALITIES
7 TO BE USED BY THEM FOR CONSTRUCTION, REPAIR AND MAINTENANCE OF
8 CITY ROADS; TO AMEND SECTION 27-5-101, MISSISSIPPI CODE OF 1972,
9 IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.