

By: Young

To: Ways and Means

HOUSE BILL NO. 28

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
 2 TO INCREASE FROM 18.5% TO 20.5% THE DIVERSION OF STATE SALES TAX
 3 REVENUE ALLOCATED FOR DISTRIBUTION TO ALL MUNICIPALITIES; TO
 4 PROVIDE THAT AN ADDITIONAL 2% OF THE STATE'S TOTAL SALES TAX
 5 REVENUE COLLECTIONS ON BUSINESS ACTIVITIES WITHIN MUNICIPALITIES
 6 SHALL BE ALLOCATED FOR DISTRIBUTION TO THE COUNTY IN WHICH SUCH
 7 MUNICIPALITIES ARE LOCATED; TO AMEND SECTION 27-65-53, MISSISSIPPI
 8 CODE OF 1972, IN CONFORMITY THERETO; TO AMEND SECTIONS 21-33-45,
 9 27-39-303, 27-39-307, 27-39-317, 27-39-320 AND 27-39-321,
 10 MISSISSIPPI CODE OF 1972, TO CAP THE AD VALOREM TAX MILLAGE RATE
 11 THAT MAY BE LEVIED FOR GENERAL PURPOSES BY MUNICIPALITIES AND
 12 COUNTIES AT THE RATE IN EFFECT FOR THE COUNTY OR MUNICIPALITY 2000
 13 FISCAL YEAR, AS APPROPRIATE; TO AMEND SECTIONS 27-39-203 AND
 14 27-39-205, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND
 15 FOR RELATED PURPOSES.

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

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

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

20 27-65-75. On or before the fifteenth day of each month, the
 21 revenue collected under the provisions of this chapter during the
 22 preceding month shall be paid and distributed as follows:

23 (1) On or before August 15, 1992, and each succeeding month
 24 thereafter through July 15, 1993, eighteen percent (18%) of the
 25 total sales tax revenue collected during the preceding month under
 26 the provisions of this chapter, except that collected under the
 27 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on

28 business activities within a municipal corporation shall be
29 allocated for distribution to such municipality and paid to such
30 municipal corporation. On or before August 15, 1993, and each
31 succeeding month thereafter through July 15, 2000, eighteen and
32 one-half percent (18-1/2%) of the total sales tax revenue
33 collected during the preceding month under the provisions of this
34 chapter, except that collected under the provisions of Sections
35 27-65-15, 27-65-19(3) and 27-65-21, on business activities within
36 a municipal corporation shall be allocated for distribution to
37 such municipality and paid to such municipal corporation. On or
38 before August 15, 2000, and each succeeding month thereafter,
39 twenty and one-half percent (20&%) of the total sales tax revenue
40 collected during the preceding month under the provisions of this
41 chapter, except that collected under the provisions of Sections
42 27-65-15, 27-65-19(3), 27-65-21, and that collected under the
43 provisions of Section 27-65-17(2) and the corresponding levy in
44 Section 27-65-23 on the rental or lease of private carriers of
45 passengers and light carriers of property as defined in Section
46 27-51-101, on business activities within a municipal corporation
47 shall be allocated for distribution to such municipality and paid
48 to such municipal corporation. On or before August 15, 2000, and
49 each succeeding month thereafter, an additional two percent (2%)
50 of the total sales tax revenue collected during the preceding
51 month under the provisions of this chapter, except that collected
52 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21,
53 and that collected under the provisions of Section 27-65-17(2) and
54 the corresponding levy in Section 27-65-23 on the rental or lease
55 of private carriers of passengers and light carriers of property
56 as defined in Section 27-51-101, on business activities within all
57 of the municipal corporations located within a county shall be
58 allocated for distribution to such county and paid to such county.

59 A municipal corporation, for the purpose of distributing the
60 tax under this subsection, shall mean and include all incorporated
61 cities, towns and villages.

62 Monies allocated for distribution and credited to a municipal
63 corporation under this subsection may be pledged as security for
64 any loan received by the municipal corporation for the purpose of
65 capital improvements as authorized under Section 57-1-303, or
66 loans as authorized under Section 57-44-7, or water systems
67 improvements as authorized under Section 41-3-16.

68 In any county having a county seat which is not an
69 incorporated municipality, the distribution provided hereunder
70 shall be made as though the county seat was an incorporated
71 municipality; however, the distribution to such municipality shall
72 be paid to the county treasury wherein the municipality is located
73 and such funds shall be used for road, bridge and street
74 construction or maintenance therein.

75 (2) On or before September 15, 1987, and each succeeding
76 month thereafter, from the revenue collected under this chapter
77 during the preceding month One Million One Hundred Twenty-five
78 Thousand Dollars (\$1,125,000.00) shall be allocated for
79 distribution to municipal corporations as defined under subsection
80 (1) of this section in the proportion that the number of gallons
81 of gasoline and diesel fuel sold by distributors to consumers and
82 retailers in each such municipality during the preceding fiscal
83 year bears to the total gallons of gasoline and diesel fuel sold
84 by distributors to consumers and retailers in municipalities
85 statewide during the preceding fiscal year. The State Tax
86 Commission shall require all distributors of gasoline and diesel

87 fuel to report to the commission monthly the total number of
88 gallons of gasoline and diesel fuel sold by them to consumers and
89 retailers in each municipality during the preceding month. The
90 State Tax Commission shall have the authority to promulgate such
91 rules and regulations as is necessary to determine the number of
92 gallons of gasoline and diesel fuel sold by distributors to
93 consumers and retailers in each municipality. In determining the
94 percentage allocation of funds under this subsection for the
95 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
96 State Tax Commission may consider gallons of gasoline and diesel
97 fuel sold for a period of less than one (1) fiscal year. For the
98 purposes of this subsection, the term "fiscal year" means the
99 fiscal year beginning July 1 of a year.

100 (3) On or before September 15, 1987, and on or before the
101 fifteenth day of each succeeding month, until the date specified
102 in Section 65-39-35, the proceeds derived from contractors' taxes
103 levied under Section 27-65-21 on contracts for the construction or
104 reconstruction of highways designated under the Four-Lane Highway
105 Program created under Section 65-3-97 shall, except as otherwise
106 provided in Section 31-17-127, be deposited into the State
107 Treasury to the credit of the State Highway Fund to be used to
108 fund such Four-Lane Highway Program. The Mississippi Department
109 of Transportation shall provide to the State Tax Commission such
110 information as is necessary to determine the amount of proceeds to
111 be distributed under this subsection.

112 (4) On or before August 15, 1994, and on or before the
113 fifteenth day of each succeeding month through July 15, 1999, from
114 the proceeds of gasoline, diesel fuel or kerosene taxes as

115 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
116 (\$4,000,000.00) shall be deposited in the State Treasury to the
117 credit of a special fund designated as the "State Aid Road Fund,"
118 created by Section 65-9-17. On or before August 15, 1999, and on
119 or before the fifteenth day of each succeeding month, from the
120 total amount of the proceeds of gasoline, diesel fuel or kerosene
121 taxes apportioned by Section 27-5-101(a)(ii), Four Million Dollars
122 (\$4,000,000.00) or an amount equal to twenty-three and one-fourth
123 percent (23.25%) of such funds, whichever is the greater amount,
124 shall be deposited in the State Treasury to the credit of the
125 "State Aid Road Fund," created by Section 65-9-17. Such funds
126 shall be pledged to pay the principal of and interest on state aid
127 road bonds heretofore issued under Sections 19-9-51 through
128 19-9-77, in lieu of and in substitution for the funds heretofore
129 allocated to counties under this section. Such funds may not be
130 pledged for the payment of any state aid road bonds issued after
131 April 1, 1981; however, this prohibition against the pledging of
132 any such funds for the payment of bonds shall not apply to any
133 bonds for which intent to issue such bonds has been published, for
134 the first time, as provided by law prior to March 29, 1981. From
135 the amount of taxes paid into the special fund pursuant to this
136 subsection and subsection (9) of this section, there shall be
137 first deducted and paid the amount necessary to pay the expenses
138 of the Office of State Aid Road Construction, as authorized by the
139 Legislature for all other general and special fund agencies. The
140 remainder of the fund shall be allocated monthly to the several
141 counties in accordance with the following formula:

142 (a) One-third (1/3) shall be allocated to all counties

143 in equal shares;

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

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

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

155 The amount of funds allocated to any county under this
156 subsection for any fiscal year after fiscal year 1994 shall not be
157 less than the amount allocated to such county for fiscal year
158 1994. Monies allocated to a county from the State Aid Road Fund
159 for fiscal year 1995 or any fiscal year thereafter that exceed the
160 amount of funds year 1994, first must be expended by the county
161 for replacement or rehabilitation of bridges on the state aid road
162 system that have a sufficiency rating of less than twenty-five
163 (25), according to National Bridge Inspection standards before
164 such monies may be approved for expenditure by the State Aid Road
165 Engineer on other projects that qualify for the use of state aid
166 road funds.

167 Any reference in the general laws of this state or the
168 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
169 construed to refer and apply to subsection (4) of Section
170 27-65-75.

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

177 (6) An amount each month beginning August 15, 1983, through
178 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
179 of 1983, shall be paid into the special fund known as the
180 Correctional Facilities Construction Fund created in Section 6 of
181 Chapter 542, Laws of 1983.

182 (7) On or before August 15, 1992, and each succeeding month
183 thereafter, two and two hundred sixty-six one-thousandths percent
184 (2.266%) of the total sales tax revenue collected during the
185 preceding month under the provisions of this chapter, except that
186 collected under the provisions of Section 27-65-17(2) shall be
187 deposited by the commission into the School Ad Valorem Tax
188 Reduction Fund created pursuant to Section 37-61-35.

189 (8) On or before August 15, 1992, and each succeeding month
190 thereafter, nine and seventy-three one-thousandths percent
191 (9.073%) of the total sales tax revenue collected during the
192 preceding month under the provisions of this chapter, except that
193 collected under the provisions of Section 27-65-17(2) shall be
194 deposited into the Education Enhancement Fund created pursuant to
195 Section 37-61-33.

196 (9) On or before August 15, 1994, and each succeeding month
197 thereafter, from the revenue collected under this chapter during
198 the preceding month, Two Hundred Fifty Thousand Dollars

199 (\$250,000.00) shall be paid into the State Aid Road Fund.

200 (10) On or before August 15, 1994, and each succeeding month
201 thereafter through August 15, 1995, from the revenue collected
202 under this chapter during the preceding month, Two Million Dollars
203 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
204 Valorem Tax Reduction Fund established in Section 27-51-105.

205 (11) Notwithstanding any other provision of this section to
206 the contrary, on or before February 15, 1995, and each succeeding
207 month thereafter, the sales tax revenue collected during the
208 preceding month under the provisions of Section 27-65-17(2) and
209 the corresponding levy in Section 27-65-23 on the rental or lease
210 of private carriers of passengers and light carriers of property
211 as defined in Section 27-51-101 shall be deposited, without
212 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
213 established in Section 27-51-105.

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

223 (13) On or before July 15, 1994, and on or before the
224 fifteenth day of each succeeding month thereafter, that portion of
225 the avails of the tax imposed in Section 27-65-22, which is
226 derived from activities held on the Mississippi state fairgrounds

227 complex, shall be paid into a special fund hereby created in the
228 State Treasury and shall be expended pursuant to legislative
229 appropriations solely to defray the costs of repairs and
230 renovation at such Trade Mart and Coliseum.

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

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

241 (16) It shall be the duty of the municipal officials of any
242 municipality which expands its limits, or of any community which
243 incorporates as a municipality, to notify the commissioner of such
244 action thirty (30) days before the effective date. Failure to so
245 notify the commissioner shall cause such municipality to forfeit
246 the revenue which it would have been entitled to receive during
247 this period of time when the commissioner had no knowledge of the
248 action. If any funds have been erroneously disbursed to any
249 municipality or county or any overpayment of tax is recovered by
250 the taxpayer, the commissioner may make correction and adjust the
251 error or overpayment with such municipality or county by
252 withholding the necessary funds from any subsequent payment to be
253 made to the municipality or county.

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

255 27-65-75. On or before the fifteenth day of each month, the
256 revenue collected under the provisions of this chapter during the
257 preceding month shall be paid and distributed as follows:

258 (1) On or before August 15, 1992, and each succeeding month
259 thereafter through July 15, 1993, eighteen percent (18%) of the
260 total sales tax revenue collected during the preceding month under
261 the provisions of this chapter, except that collected under the
262 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
263 business activities within a municipal corporation shall be
264 allocated for distribution to such municipality and paid to such
265 municipal corporation. On or before August 15, 1993, and each
266 succeeding month thereafter through July 15, 2000, eighteen and
267 one-half percent (18-1/2%) of the total sales tax revenue
268 collected during the preceding month under the provisions of this
269 chapter, except that collected under the provisions of Sections
270 27-65-15, 27-65-19(3) and 27-65-21, on business activities within
271 a municipal corporation shall be allocated for distribution to
272 such municipality and paid to such municipal corporation. On or
273 before August 15, 2000, and each succeeding month thereafter,
274 twenty and one-half percent (20&%) of the total sales tax revenue
275 collected during the preceding month under the provisions of this
276 chapter, except that collected under the provisions of Sections
277 27-65-15, 27-65-17(2), 27-65-19(3) and 27-65-21, on business
278 activities within a municipal corporation shall be allocated for
279 distribution to such municipality and paid to such municipal
280 corporation. On or before August 15, 2000, and each succeeding
281 month thereafter, an additional two percent (2%) of the total
282 sales tax revenue collected during the preceding month under the

283 provisions of this chapter, except that collected under the
284 provisions of Sections 27-65-15, 27-65-17(2), 27-65-19(3) and
285 27-65-21, on business activities within all of the municipal
286 corporations located within a county shall be allocated for
287 distribution to such county and paid to such county.

288 A municipal corporation, for the purpose of distributing the
289 tax under this subsection, shall mean and include all incorporated
290 cities, towns and villages.

291 Monies allocated for distribution and credited to a municipal
292 corporation under this subsection may be pledged as security for
293 any loan received by the municipal corporation for the purpose of
294 capital improvements as authorized under Section 57-1-303, or
295 loans as authorized under Section 57-44-7, or water systems
296 improvements as authorized under Section 41-3-16.

297 In any county having a county seat which is not an
298 incorporated municipality, the distribution provided hereunder
299 shall be made as though the county seat was an incorporated
300 municipality; however, the distribution to such municipality shall
301 be paid to the county treasury wherein the municipality is located
302 and such funds shall be used for road, bridge and street
303 construction or maintenance therein.

304 (2) On or before September 15, 1987, and each succeeding
305 month thereafter, from the revenue collected under this chapter
306 during the preceding month One Million One Hundred Twenty-five
307 Thousand Dollars (\$1,125,000.00) shall be allocated for
308 distribution to municipal corporations as defined under subsection
309 (1) of this section in the proportion that the number of gallons
310 of gasoline and diesel fuel sold by distributors to consumers and

311 retailers in each such municipality during the preceding fiscal
312 year bears to the total gallons of gasoline and diesel fuel sold
313 by distributors to consumers and retailers in municipalities
314 statewide during the preceding fiscal year. The State Tax
315 Commission shall require all distributors of gasoline and diesel
316 fuel to report to the commission monthly the total number of
317 gallons of gasoline and diesel fuel sold by them to consumers and
318 retailers in each municipality during the preceding month. The
319 State Tax Commission shall have the authority to promulgate such
320 rules and regulations as is necessary to determine the number of
321 gallons of gasoline and diesel fuel sold by distributors to
322 consumers and retailers in each municipality. In determining the
323 percentage allocation of funds under this subsection for the
324 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
325 State Tax Commission may consider gallons of gasoline and diesel
326 fuel sold for a period of less than one (1) fiscal year. For the
327 purposes of this subsection, the term "fiscal year" means the
328 fiscal year beginning July 1 of a year.

329 (3) On or before September 15, 1987, and on or before the
330 fifteenth day of each succeeding month, until the date specified
331 in Section 65-39-35, the proceeds derived from contractors' taxes
332 levied under Section 27-65-21 on contracts for the construction or
333 reconstruction of highways designated under the Four-Lane Highway
334 Program created under Section 65-3-97 shall, except as otherwise
335 provided in Section 31-17-127, be deposited into the State
336 Treasury to the credit of the State Highway Fund to be used to
337 fund such Four-Lane Highway Program. The Mississippi Department
338 of Transportation shall provide to the State Tax Commission such

339 information as is necessary to determine the amount of proceeds to
340 be distributed under this subsection.

341 (4) On or before August 15, 1994, and on or before the
342 fifteenth day of each succeeding month through July 15, 1999, from
343 the proceeds of gasoline, diesel fuel or kerosene taxes as
344 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
345 (\$4,000,000.00) shall be deposited in the State Treasury to the
346 credit of a special fund designated as the "State Aid Road Fund,"
347 created by Section 65-9-17. On or before August 15, 1999, and on
348 or before the fifteenth day of each succeeding month, from the
349 total amount of the proceeds of gasoline, diesel fuel or kerosene
350 taxes apportioned by Section 27-5-101(a)(ii), Four Million Dollars
351 (\$4,000,000.00) or an amount equal to twenty-three and one-fourth
352 percent (23.25%) of such funds, whichever is the greater amount,
353 shall be deposited in the State Treasury to the credit of the
354 "State Aid Road Fund," created by Section 65-9-17. Such funds
355 shall be pledged to pay the principal of and interest on state aid
356 road bonds heretofore issued under Sections 19-9-51 through
357 19-9-77, in lieu of and in substitution for the funds heretofore
358 allocated to counties under this section. Such funds may not be
359 pledged for the payment of any state aid road bonds issued after
360 April 1, 1981; however, this prohibition against the pledging of
361 any such funds for the payment of bonds shall not apply to any
362 bonds for which intent to issue such bonds has been published, for
363 the first time, as provided by law prior to March 29, 1981. From
364 the amount of taxes paid into the special fund pursuant to this
365 subsection and subsection (9) of this section, there shall be
366 first deducted and paid the amount necessary to pay the expenses

367 of the Office of State Aid Road Construction, as authorized by the
368 Legislature for all other general and special fund agencies. The
369 remainder of the fund shall be allocated monthly to the several
370 counties in accordance with the following formula:

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

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

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

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

384 The amount of funds allocated to any county under this
385 subsection for any fiscal year after fiscal year 1994 shall not be
386 less than the amount allocated to such county for fiscal year
387 1994. Monies allocated to a county from the State Aid Road Fund
388 for fiscal year 1995 or any fiscal year thereafter that exceed the
389 amount of funds allocated to that county from the State Aid Road
390 Fund for fiscal year 1994, first must be expended by the county
391 for replacement or rehabilitation of bridges on the state aid road
392 system that have a sufficiency rating of less than twenty-five
393 (25), according to National Bridge Inspection standards before
394 such monies may be approved for expenditure by the State Aid Road

395 Engineer on other projects that qualify for the use of state aid
396 road funds.

397 Any reference in the general laws of this state or the
398 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
399 construed to refer and apply to subsection (4) of Section
400 27-65-75.

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

407 (6) An amount each month beginning August 15, 1983, through
408 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
409 of 1983, shall be paid into the special fund known as the
410 Correctional Facilities Construction Fund created in Section 6 of
411 Chapter 542, Laws of 1983.

412 (7) On or before August 15, 1992, and each succeeding month
413 thereafter, two and two hundred sixty-six one-thousandths percent
414 (2.266%) of the total sales tax revenue collected during the
415 preceding month under the provisions of this chapter, except that
416 collected under the provisions of Section 27-65-17(2), not to
417 exceed the fiscal year 1997 appropriated level shall be deposited
418 by the commission into the School Ad Valorem Tax Reduction Fund
419 created pursuant to Section 37-61-35, with the balance to be
420 transferred to the Education Enhancement Fund created under
421 Section 37-61-33 for appropriation by the Legislature as other
422 education needs and not subject to the percentage set asides set

423 forth in Section 37-61-33.

424 (8) On or before August 15, 1992, and each succeeding month
425 thereafter, nine and seventy-three one-thousandths percent
426 (9.073%) of the total sales tax revenue collected during the
427 preceding month under the provisions of this chapter, except that
428 collected under the provisions of Section 27-65-17(2) shall be
429 deposited into the Education Enhancement Fund created pursuant to
430 Section 37-61-33.

431 (9) On or before August 15, 1994, and each succeeding month
432 thereafter, from the revenue collected under this chapter during
433 the preceding month, Two Hundred Fifty Thousand Dollars
434 (\$250,000.00) shall be paid into the State Aid Road Fund.

435 (10) On or before August 15, 1994, and each succeeding month
436 thereafter through August 15, 1995, from the revenue collected
437 under this chapter during the preceding month, Two Million Dollars
438 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
439 Valorem Tax Reduction Fund established in Section 27-51-105.

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

446 (12) Notwithstanding any other provision of this section to
447 the contrary, on or before August 15, 1995, and each succeeding
448 month thereafter, the sales tax revenue collected during the
449 preceding month under the provisions of Section 27-65-17(1) on
450 retail sales of private carriers of passengers and light carriers

451 of property, as defined in Section 27-51-101, shall be deposited,
452 after diversion, into the Motor Vehicle Ad Valorem Tax Reduction
453 Fund established in Section 27-51-105.

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

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

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

472 (16) It shall be the duty of the municipal officials of any
473 municipality which expands its limits, or of any community which
474 incorporates as a municipality, to notify the commissioner of such
475 action thirty (30) days before the effective date. Failure to so
476 notify the commissioner shall cause such municipality to forfeit
477 the revenue which it would have been entitled to receive during
478 this period of time when the commissioner had no knowledge of the

479 action. If any funds have been erroneously disbursed to any
480 municipality or county or any overpayment of tax is recovered by
481 the taxpayer, the commissioner may make correction and adjust the
482 error or overpayment with such municipality or county by
483 withholding the necessary funds from any subsequent payment to be
484 made to the municipality or county.

485 SECTION 2. Section 27-65-53, Mississippi Code of 1972, is
486 amended as follows:

487 27-65-53. If the commissioner finds that the taxpayer has
488 overpaid his tax for any reason and the taxpayer has discontinued
489 business and there is no subsequent liability upon which the
490 excess may be credited, or if the amount of the excess so paid
491 shall exceed the estimated liability for the next twelve (12)
492 months, the excess shall be refunded to the taxpayer. Such amount
493 shall be certified to the State Auditor of Public Accounts by the
494 commission. The * * * auditor may make such investigation and
495 audit of the claim as he finds necessary. If he finds that the
496 commissioner is correct in his determination, the auditor may
497 issue his warrant to the State Treasurer in favor of the taxpayer
498 for the amount of tax erroneously paid into the State Treasury,
499 such refunds to be made from current sales tax collections. If
500 part of the overpayment has been disbursed to any municipality or
501 county, under authority of Section 27-65-75, the municipality or
502 county having erroneously received the money, shall adjust the
503 amount with the commissioner, or the overpayment may be withheld
504 by the state from any funds due by the state to the municipality
505 or county.

506 * * * Where the taxpayer has overpaid his tax, the

507 commissioner may give credit for same and allow the taxpayer to
508 take credit on a subsequent return or, if necessary, in his
509 discretion, have the taxpayer file for a refund as provided
510 herein.

511 If any overpayment of tax as reflected in an application or
512 amended return, or both, filed by the taxpayer, and verified by
513 the commissioner or otherwise determined to be due by the
514 commissioner or commission, is not refunded or credited to a
515 taxpayer's account within ninety (90) days after the application
516 or amended return is filed or the date the commission or
517 commissioner determines a refund is due, whichever is later,
518 interest at the rate of one percent (1%) per month shall be
519 allowed on such overpayment computed for the period after
520 expiration of the ninety-day period provided herein to the date of
521 payment.

522 SECTION 3. Section 21-33-45, Mississippi Code of 1972, is
523 amended as follows:

524 21-33-45. Subject to the provisions of this section, the
525 governing authorities of each municipality of this state shall,
526 either at their regular meeting in September of each year or not
527 later than ten (10) days after the final approval of the
528 assessment rolls, levy the municipal ad valorem taxes for the
529 fiscal year next succeeding, and shall, by resolution, fix the tax
530 rate or levy for the municipality and for any other taxing
531 districts of which the municipality may be a part. The rates or
532 levies for the municipality or for any such taxing district shall
533 be expressed in mills or a decimal fraction of a mill, which tax
534 rates, or levies, shall determine the ad valorem taxes to be

535 collected upon each dollar of valuation upon the assessment rolls
536 of the municipality for municipal taxes, and to be collected upon
537 each dollar of valuation as shown upon the assessment rolls of the
538 municipality for each such taxing district, except as to such
539 values as may be exempt, in whole or in part, from certain tax
540 rates or levies. If the rates or levies for the municipality or
541 taxing district are an increase from the previous fiscal year,
542 then the proposed rate or levy increase shall be advertised in
543 accordance with Sections 27-39-203 and 27-39-205. From and after
544 July 1, 2000, the governing authorities of a municipality may not
545 levy ad valorem taxes for general revenue purposes and general
546 improvements in excess of the millage rate for general revenue
547 purposes and general improvements in effect for the municipality's
548 2000 fiscal year.

549 In making the levy of taxes, the governing authorities shall
550 specify in such resolution the levy for each purpose as follows:

551 (a) For general revenue purposes and for general
552 improvements, as authorized by Section 27-39-307.

553 (b) For school purposes, including all maintenance
554 levies, whether made against the property within such
555 municipality, or within any taxing district embraced in such
556 municipality, as authorized by Section 27-39-307 and Section
557 37-57-3 et seq.

558 (c) For municipal bonds and interest thereon, for
559 school bonds and interest thereon, separately for municipal-wide
560 bonds and for the bonds of each school district.

561 (d) For municipal-wide bonds and interest thereon,
562 other than for school bonds.

563 (e) For loans, notes or any other obligation, and the
564 interest thereon, if permitted by law.

565 (f) For special improvement or special benefit levies,
566 as now authorized by law.

567 (g) For any other purpose for which a levy is lawfully
568 made. If any municipal-wide levy is made for any general or
569 special purpose under the provisions of any law other than Section
570 27-39-307 each such levy shall be separately stated in the
571 resolution, and the law authorizing same shall be expressly stated
572 therein.

573 If the governing authorities of any municipality shall not
574 levy the municipal taxes and the district taxes at its regular
575 September meeting, such governing authorities shall levy the same
576 at an adjourned or special meeting not later than ten (10) days
577 after the final approval of the assessment rolls. However, * * *
578 if such levy be not made on or before September 15 then road and
579 bridge privilege tax license plates may be issued by the tax
580 collector or State Tax Commission, as the case may be, for motor
581 vehicles as defined in the Motor Vehicle Ad Valorem Tax Law of
582 1958 (Section 27-51-1 et seq.), without collecting or requiring
583 proof of payment of municipal ad valorem taxes until such levy is
584 duly certified to him, and for twenty-four (24) hours thereafter.

585 In the case of a municipality operating under a special or
586 private charter providing for or authorizing the assessment,
587 levying and collection of ad valorem taxes prior to October in
588 each year, ad valorem taxes for such municipality shall be levied
589 at the time prescribed or authorized by such special or private
590 charter, unless the governing authority of such municipality by

591 resolution adopted and spread of record in its minutes elect to
592 levy ad valorem taxes at the time prescribed hereinbefore in this
593 section. In any event, however, all ad valorem taxes levied by
594 any municipality in this state, shall be levied in the manner
595 required herein regardless of the time when such taxes are levied.

596 SECTION 4. Section 27-39-203, Mississippi Code of 1972, is
597 amended as follows:

598 27-39-203. (1) All taxing entities operating under the
599 January 1 through December 31 fiscal year or a July 1 through June
600 30 fiscal year shall hold a public hearing at which the budget for
601 the following fiscal year will be considered, regardless of
602 whether that budget will be increased or decreased from the
603 current budget or will remain the same as the current budget, and
604 shall notify the county of the date, time and place of the public
605 hearing. The county shall include that information with the tax
606 notice.

607 (2) Unless the increased revenue in a budget is derived
608 solely from the expansion of a taxing entity's ad valorem tax
609 base, a taxing entity shall not budget an increased amount
610 of revenue derived from the classes of ad valorem property
611 described in Section 112, Mississippi Constitution of 1890, unless
612 it first advertises its intention to do so at the same time that
613 it advertises its intention to fix its budget for the next fiscal
614 year. From and after July 1, 2000, the board of supervisors of a
615 county may not levy ad valorem taxes for general county purposes
616 in excess of the millage rate for general county purposes in
617 effect for the county's 2000 fiscal year, and the governing
618 authorities of a municipality may not levy ad valorem taxes for

619 general revenue purposes and general improvements in excess of the
620 millage rate for general revenue purposes and general improvements
621 in effect for the municipality's 2000 fiscal year.

622 (3) (a) For taxing entities operating under an October 1
623 through September 30 fiscal year, this advertisement may be
624 combined with the advertisement required by Section 27-39-205.
625 For all taxing entities, the advertisement shall meet the size,
626 type, placement and frequency requirements established under
627 Section 27-39-205.

628 (b) When the advertisement is required, it shall be in
629 the following form:

630 **"NOTICE OF TAX INCREASE - (Name of the taxing entity)**

631 The (name of the taxing entity) will hold a public hearing on
632 its proposed budget for fiscal year (insert the year) on (date and
633 time) at (meeting place). At this meeting, a proposed ad valorem
634 tax revenue increase in the proposed budget will be considered.

635 The (name of the taxing entity) is now operating with
636 projected total budget revenue of \$_____. (___ percent) or
637 \$_____ of such revenue is obtained through ad valorem taxes.
638 For next fiscal year, the proposed budget has total projected
639 revenue of \$_____. Of that amount, (___ percent) or \$_____,
640 is proposed to be financed through a total ad valorem tax levy.

641 This increase in ad valorem tax revenue means that you will
642 pay more in ad valorem taxes on your home, automobile tag,
643 utilities, business fixtures and equipment and rental real
644 property.

645 Any citizen of (name of the taxing entity) is invited to
646 attend this public hearing on the proposed ad valorem tax revenue

647 increase in the budget and will be allowed to speak for a
648 reasonable amount of time and offer tangible evidence before any
649 vote is taken."

650 SECTION 5. Section 27-39-205, Mississippi Code of 1972, is
651 amended as follows:

652 27-39-205. (1) Except as otherwise provided in subsection
653 (5) of this section, a tax rate in excess of the certified tax
654 rate shall not be levied under Sections 21-33-45, 27-39-307,
655 27-39-317 and 27-39-320 until a resolution has been approved by
656 the governing body of the taxing entity in accordance with the
657 following procedure:

658 (a) The taxing entity shall advertise its intent to
659 exceed the certified tax rate in a newspaper of general
660 circulation in the county. A taxing entity collecting taxes in
661 more than one (1) county shall make the advertisement required
662 under this section by publication in each county where the taxing
663 entity collects taxes. The advertisement shall be no less than
664 one-fourth (1/4) page in size and the type used shall be no
665 smaller than eighteen (18) point and surrounded by a
666 one-fourth-inch solid black border. The advertisement shall not
667 be placed in any portion of the newspaper where legal notices and
668 classified advertisements appear. The advertisement shall appear
669 in a newspaper that is published at least five (5) days a week,
670 unless the only newspaper in the county is published less than
671 five (5) days a week. The newspaper selected shall be one of
672 general interest, readership and circulation in all areas of the
673 community. The advertisement shall be published once each week
674 for the two-week period preceding the adoption of the final

675 budget. The advertisement shall provide that the taxing entity
676 will meet on a certain day, date, time and place fixed in the
677 advertisement, which shall be no less than seven (7) days after
678 the day the first advertisement is published. The meeting on the
679 proposed increase may coincide with the hearing on the proposed
680 budget of the taxing entity.

681 (b) When the advertisement is required it shall be in
682 the following form:

683 **"NOTICE OF TAX INCREASE - (Name of the taxing entity)**

684 The (name of the taxing entity) will hold a public hearing on
685 a proposed ad valorem tax revenue increase for fiscal year (insert
686 the year) on (date and time) at (meeting place).

687 The (name of the taxing entity) is now operating with
688 projected total budget revenue of \$_____. (____ percent) or
689 \$_____, of such revenue is obtained through ad valorem taxes.
690 For next fiscal year, the proposed budget has total projected
691 revenue of \$_____. Of that amount, (____ percent) or
692 \$_____, is proposed to be financed through a total ad valorem
693 tax levy.

694 For next fiscal year, the (name of the taxing entity) plans
695 to increase your ad valorem tax millage rate by _____ mills from
696 _____ mills to _____ mills. This increase means that you will pay
697 more in ad valorem taxes on your home, automobile tag, utilities,
698 business fixtures and equipment and rental real property.

699 Any citizen of (name of the taxing entity) is invited to
700 attend this public hearing on the proposed ad valorem tax
701 increase, and will be allowed to speak for a reasonable amount of
702 time and offer tangible evidence before any vote is taken."

703 (2) After the hearing has been held in accordance with the
704 above procedures, the governing body of the taxing entity may
705 adopt a resolution levying a tax rate on classes of property
706 designated by Section 112, Mississippi Constitution of 1890, in
707 excess of the certified tax rate. If the resolution adopting the
708 tax rate is not adopted on the day of the public hearing, the
709 scheduled date, time and place for consideration and adoption of
710 the resolution shall be announced at the public hearing and the
711 governing body shall advertise the date, time and place of the
712 proposed adoption of the resolution in the same manner as provided
713 under subsection (1).

714 (3) All hearings shall be open to the public. The governing
715 body of the taxing entity shall permit all interested parties
716 desiring to be heard an opportunity to present oral testimony
717 within reasonable time limits and offer tangible evidence.

718 (4) Each taxing entity shall notify the county or municipal
719 governing body of the date, time and place of its public hearing.
720 No taxing entity may schedule its hearing at the same time as
721 another overlapping taxing entity in the same county, but all
722 taxing entities in which the power to set tax levies is vested in
723 the same governing authority may consolidate the required hearings
724 into one (1) hearing. The county or municipal governing body
725 shall resolve any conflicts in hearing dates and times after
726 consultation with each affected taxing entity.

727 (5) From and after July 1, 2000, the board of supervisors of
728 a county may not levy ad valorem taxes for general county purposes
729 in excess of the millage rate for general county purposes in
730 effect for the county's 2000 fiscal year, and the governing

731 authorities of a municipality may not levy ad valorem taxes for
732 general revenue purposes and general improvements in excess of the
733 millage rate for general revenue purposes and general improvements
734 in effect for the municipality's 2000 fiscal year.

735 SECTION 6. Section 27-39-303, Mississippi Code of 1972, is
736 amended as follows:

737 27-39-303. Subject to the provisions of this section, the
738 board of supervisors of any county is hereby empowered to levy ad
739 valorem taxes on taxable property in the respective counties in
740 any one (1) year, as shown by the assessment roll containing
741 assessments of property made as of January 1 of the year, and the
742 assessment of motor vehicles as made according to the provisions
743 of the Motor Vehicle Ad Valorem Tax Law of 1958 (Section 27-51-1
744 et seq.) for all general county purposes, exclusive only of levies
745 for roads and bridges and schools at the rate necessary to fund
746 such purposes. From and after July 1, 2000, the board of
747 supervisors of a county may not levy ad valorem taxes for general
748 county purposes in excess of the millage rate for general county
749 purposes in effect for the county's 2000 fiscal year.

750 The board of supervisors of any county is further empowered
751 to expend the proceeds of this levy for any purpose authorized for
752 any other levy which the board of supervisors is authorized to
753 make, excluding the levy for roads and bridges, and the board may
754 authorize general fund expenditures for school purposes when
755 necessary to meet the minimum local ad valorem tax effort required
756 by Section 37-57-1.

757 The board of supervisors of any county is further empowered
758 to distribute from the county general fund a portion of the

759 county's share of payments made by the Tennessee Valley Authority
760 to the state in lieu of taxes (a) to the school districts of said
761 county and (b) for construction on the roads and bridges of said
762 county in an amount which bears the same proportion to the total
763 amount of the county's share as the millage for the school fund
764 and road and bridge fund bears to the total millage levied by the
765 county. In the event said in lieu payments are expended for
766 capital improvements, said payments shall not be subject to the
767 increase limitations specified in Section 27-39-321 or 37-57-107.

768 SECTION 7. Section 27-39-307, Mississippi Code of 1972, is
769 amended as follows:

770 27-39-307. Subject to the provisions of this section,
771 municipalities may levy ad valorem taxes upon all taxable property
772 within such municipality for general revenue purposes and for
773 general improvements. Further, the governing authorities of any
774 municipality may make additional levies for special purposes as
775 authorized by law. Any such levy which is an increase from the
776 previous fiscal year must be advertised in accordance with
777 Sections 27-39-203 and 27-39-205. In addition to funding
778 municipal general purposes, the municipal general ad valorem tax
779 levy may be used to supplement any municipal ad valorem tax levy
780 for a special purpose authorized by law, excluding levies for
781 schools, without regard to any statutory millage limitation on
782 such special purpose tax levy; however, nothing herein contained
783 shall be construed to exempt such tax levies from the limitation
784 on total receipts under Section 27-39-321.

785 From and after July 1, 2000, the governing authorities of a
786 municipality may not levy ad valorem taxes for general revenue

787 purposes and general improvements in excess of the millage rate
788 for general revenue purposes and general improvements in effect
789 for the municipality's 2000 fiscal year.

790 SECTION 8. Section 27-39-317, Mississippi Code of 1972, is
791 amended as follows:

792 27-39-317. The board of supervisors of each county shall, at
793 its regular meeting in September of each year, levy the county ad
794 valorem taxes for the fiscal year, and shall, by order, fix the
795 tax rate, or levy, for the county, for the road districts, if any,
796 and for the school districts, if any, and for any other taxing
797 districts; and the rates, or levies, for the county and for any
798 district shall be expressed in mills or a decimal fraction of a
799 mill. Said tax rates, or levies, shall determine the ad valorem
800 taxes to be collected upon each dollar of valuation, upon the
801 assessment rolls of the county, including the assessment of motor
802 vehicles as provided by the Motor Vehicle Ad Valorem Tax Law of
803 1958, Section 27-51-1 et seq., for county taxes; and upon each
804 dollar of valuation for the respective districts, as shown upon
805 the assessment rolls of the county, including the assessment of
806 motor vehicles as provided by the Motor Vehicle Ad Valorem Tax Law
807 of 1958, Section 27-51-1 et seq.; except as to such values as
808 shall be exempt, in whole or in part, from certain tax rates or
809 levies. If the rate or levy for the county is an increase from
810 the previous fiscal year, then the proposed rate or levy shall be
811 advertised in accordance with Sections 27-39-203 and 27-39-205.
812 From and after July 1, 2000, the board of supervisors of a county
813 may not levy ad valorem taxes on taxable property for general
814 county purposes in excess of the millage rate for general county

815 purposes in effect for the county's 2000 fiscal year. If the
816 board of supervisors of any county shall not levy the county taxes
817 and the district taxes at its regular September meeting, the board
818 shall levy the same on or before September 15 at an adjourned or
819 special meeting, or thereafter, provided, however, that if such
820 levy be not made on or before the fifteenth day of September then
821 the tax collector or State Tax Commission may issue road and
822 bridge privilege tax license plates for motor vehicles as defined
823 in the Motor Vehicle Ad Valorem Tax Law of 1958, Section 27-51-1
824 et seq., without collecting or requiring proof of payment of
825 county ad valorem taxes, and may continue to so issue such plates
826 until such levy is duly certified to him, and for twenty-four (24)
827 hours thereafter.

828 Notwithstanding the requirements of this section, in the
829 event the State Tax Commission orders the county to make an
830 adjustment to the tax roll pursuant to Section 27-35-113, the
831 county shall have a period of thirty (30) days from the date of
832 the commission's final determination to adjust the millage in
833 order to collect the same dollar amount of taxes as originally
834 levied by the board.

835 In making the levy of taxes, the board of supervisors shall
836 specify, in its order, the levy for each purpose, as follows:

837 (a) For general county purposes (current expense and
838 maintenance taxes), as authorized by Section 27-39-303.

839 (b) For roads and bridges, as authorized by Section
840 27-39-305.

841 (c) For schools, including the countywide minimum
842 education program levy and the levy for each school district

843 including special municipal separate school districts, but not
844 including other municipal separate school districts, and for an
845 agricultural high school, county high school or junior college
846 (current expense and maintenance taxes), as authorized by Chapter
847 57, Title 37, Mississippi Code of 1972, and any other applicable
848 statute. The levy for schools shall apply to the assessed value
849 of property in the respective school districts, including special
850 municipal separate school districts, but not including other
851 municipal separate school districts, and a distinct and separate
852 levy shall be made for each school district, and the purpose for
853 each levy shall be stated.

854 (d) For road bonds and the interest thereon, separately
855 for countywide bonds and for the bonds of each road district.

856 (e) For school bonds and the interest thereon,
857 separately for countywide bonds and for the bonds of each school
858 district.

859 (f) For countywide bonds, and the interest thereon,
860 other than for road bonds and school bonds.

861 (g) For loans, notes or any other obligation, and the
862 interest thereon, if permitted by the law.

863 (h) For any other purpose for which a levy is lawfully
864 made.

865 The order shall state all of the purposes for which the
866 general county levy is made, using the administrative items
867 suggested by the State Department of Audit of Mississippi under
868 the county budget law in its uniform system of accounts for
869 counties, but the rate or levy for any item or purpose need not be
870 shown; and if a countywide levy is made for any general or special

871 purpose under the provisions of any law other than Section
872 27-39-303, each such levy shall be separately stated.

873 During the month of February of each year, if the order or
874 resolution of the board of trustees of any school district of said
875 county or partly in said county, is filed with it requesting the
876 levying of ad valorem taxes for the support and maintenance of
877 such school district for the following fiscal year, then the board
878 of supervisors of every such county in the state shall notify, in
879 writing, within thirty (30) days, the county superintendent of
880 education of such county, the levy or levies it intends to make
881 for the support and maintenance of such school districts of such
882 county at its regular meeting in September following, and the
883 county superintendent of education and the trustees of all such
884 school districts shall be authorized to use such expressed
885 intention of the board of supervisors in computing the support and
886 maintenance budget or budgets of such school district or districts
887 for the ensuing fiscal school year.

888 SECTION 9. Section 27-39-320, Mississippi Code of 1972, is
889 amended as follows:

890 27-39-320. (1) The Legislature finds and determines that
891 legislation requiring a specific levy or requiring consent of some
892 other governing body to reduce the levy was intended to raise a
893 certain amount of revenue for specific purposes. Upon this
894 determination and notwithstanding the provisions of any statute
895 which requires a definite levy to be made or which requires that a
896 levy may not be reduced except by the consent of some other
897 governing authority, except as otherwise provided in subsection
898 (5) of this section, the amount of such levy shall be deemed to be

899 an amount necessary to produce the revenues received in the next
900 preceding year plus, at the option of the taxing authority, an
901 increase not to exceed ten percent (10%) of such revenues.

902 (2) In any county where there is located a nuclear
903 generating power plant on which a tax is assessed under Section
904 27-35-309(3), such required levy and revenue produced thereby may
905 be reduced by the levying authority in an amount in proportion to
906 a reduction in the base revenue of any such county from the
907 previous year. Such reduction shall be allowed only if the
908 reduction in base revenue equals or exceeds five percent (5%).
909 "Base revenue" shall mean the revenue received by the county from
910 the ad valorem tax levy plus the revenue received by the county
911 from the tax assessed under Section 27-35-309(3) and authorized to
912 be used for any purposes for which a county is authorized by law
913 to levy an ad valorem tax. For purposes of determining if the
914 reduction equals or exceeds five percent (5%), a levy of millage
915 equal to the prior year's millage shall be hypothetically applied
916 to the current year's ad valorem tax base to determine the amount
917 of revenue to be generated from the ad valorem tax levy. For the
918 purposes of this section, the portion of base revenue used to fund
919 the purpose for which a specific levy is required shall be deemed
920 to be the total receipts from ad valorem taxes for such purpose.
921 This paragraph shall apply to taxes levied for the 1987 fiscal
922 year and for each fiscal year thereafter. If the Mississippi
923 Supreme Court or another court finally adjudicates that the tax
924 levied under Section 27-35-309(3) is unconstitutional, then this
925 paragraph shall stand repealed.

926 (3) Except as otherwise provided in subsection (5) of this

927 section, with respect to ad valorem taxes levied on or after
928 October 1, 1980, no county or municipality shall levy those mills
929 heretofore required by law to be levied to an extent that such
930 levy shall produce more than the total receipts produced from such
931 levy in the next preceding year, plus, at the option of the taxing
932 authority, an increase not to exceed ten percent (10%) of such
933 receipts. Such total receipts shall be deemed to include the
934 total avails of such levy either collected from the property owner
935 or by reimbursement by the state. The revenues produced from any
936 newly constructed properties or any existing properties added to
937 the tax rolls or any properties previously exempt which were not
938 assessed in the next preceding year may be excluded from the
939 limitation set forth herein.

940 (4) Except as otherwise provided in subsection (5) of this
941 section, the ten percent (10%) increase limitation prescribed in
942 this section may be increased by an additional amount by the board
943 of supervisors of any county if the aggregate receipts from all
944 county levies to which this section and Sections 27-39-305 and
945 27-39-321 apply do not exceed one hundred ten percent (110%) of
946 the aggregate receipts from all such levies during any one (1) of
947 the immediately preceding three (3) fiscal years, as determined by
948 the board of supervisors.

949 (5) From and after July 1, 2000, the board of supervisors of
950 a county may not levy ad valorem taxes for general county purposes
951 in excess of the millage rate for general county purposes in
952 effect for the county's 2000 fiscal year, and the governing
953 authorities of a municipality may not levy ad valorem taxes for
954 general revenue purposes and general improvements in excess of the

955 millage rate for general revenue purposes and general improvements
956 in effect for the municipality's 2000 fiscal year.

957 (6) The limitations set forth in this section shall apply to
958 the mandatory tax levied by Section 27-39-329.

959 SECTION 10. Section 27-39-321, Mississippi Code of 1972, is
960 amended as follows:

961 27-39-321. (1) Except as otherwise provided in subsection
962 (8) of this section, with respect to ad valorem taxes levied for
963 each fiscal year, no political subdivision may levy ad valorem
964 taxes in any fiscal year which would render in total receipts from
965 all levies an amount more than the receipts from that source
966 during any one (1) of the immediately preceding three (3) fiscal
967 years, as determined by the levying governing authority, plus, at
968 the option of the taxing authority, an increase not to exceed ten
969 percent (10%) of such receipts. The additional revenue from the
970 ad valorem tax on any newly constructed properties or any existing
971 properties added to the tax rolls or any properties previously
972 exempt, which were not assessed in the next preceding year and
973 cost incurred and paid in the next preceding year in connection
974 with reappraisal may be excluded from the ten percent (10%)
975 increase limitation set forth herein. Taxes levied for school
976 district purposes under any statute and taxes levied for the
977 maintenance and/or construction of roads and bridges under Section
978 27-39-305 shall be excluded from the ten percent (10%) increase
979 limitation set forth herein. Taxes levied for payment of
980 principal of and interest on general obligation bonds issued
981 heretofore or hereafter shall be excluded from the ten percent
982 (10%) increase limitation set forth herein. Any additional

983 millage levied to fund any new program mandated by the Legislature
984 shall be excluded from the limitation for the first year of the
985 levy and included within such limitation in any year thereafter.
986 The limitation imposed under this paragraph shall not apply to
987 those mandatory levies enumerated in Sections 27-39-320 and
988 27-39-329.

989 (2) Except as otherwise provided in subsection (8) of this
990 section, the limitation of this section may be increased only as
991 provided in subsection (3) or (4) of this section or when the
992 governing body of a political subdivision has determined the need
993 for additional revenues, adopts a resolution declaring its
994 intention so to do and has held an election on the question of
995 raising the limitation prescribed in this section. The notice
996 calling for an election shall state the purposes for which the
997 additional revenues shall be used, the amount of the tax levy to
998 be imposed for such purposes and period of time for which such tax
999 levy shall be made; however, such tax levy shall not be made for
1000 more than five (5) successive years. The limitation may be
1001 increased under this subsection only if the proposed increase is
1002 approved by a majority of those voting. Subject to specific
1003 provisions of this paragraph to the contrary, the publication of
1004 notice and manner of holding the election shall be as prescribed
1005 by law for the holding of elections for the issuance of bonds by
1006 the political subdivision. Revenues derived from any taxes levied
1007 pursuant to such election shall be excluded from the tax base for
1008 the purpose of determining aggregate receipts for which the ten
1009 percent (10%) increase limitation applies.

1010 (3) Except as otherwise provided in subsection (8) of this

1011 section, as an alternative to the procedure provided in subsection
1012 (2) of this section, the ten percent (10%) increase limitation
1013 prescribed in this section may be increased by an additional
1014 amount by the board of supervisors of any county without an
1015 election thereon if the aggregate receipts from all county levies
1016 to which this section and Sections 27-39-305 and 27-39-320 apply
1017 do not exceed one hundred ten percent (110%) of the aggregate
1018 receipts from all such levies during any one (1) of the
1019 immediately preceding three (3) fiscal years, as determined by the
1020 board of supervisors.

1021 (4) Except as otherwise provided in subsection (8) of this
1022 section, as an alternative to the procedure provided in
1023 subsections (2) and (3) of this section, the board of supervisors
1024 of any county or the governing authorities of any municipality
1025 may, without an election thereon, increase the ad valorem tax levy
1026 to which this section applies by the greater of:

1027 (a) An ad valorem tax levy that does not result in an
1028 aggregate levy to which this section applies in excess of twenty
1029 (20) mills; or

1030 (b) An ad valorem tax levy that is not in excess of any
1031 aggregate levy to which this section applies in any one (1) of the
1032 immediately preceding ten (10) fiscal years.

1033 (5) In any county where there is located a nuclear
1034 generating power plant on which a tax is assessed under Section
1035 27-35-309(3), the term "total receipts" as used in this section
1036 shall be the portion of the "base revenue" as defined in Section
1037 27-39-320 which is used for General Fund purposes.

1038 (6) If a shortfall occurs in revenues from sources other

1039 than ad valorem taxes and oil and gas severance taxes budgeted for
1040 the county or municipal general fund during the 1987 fiscal year,
1041 then the county or municipality, as the case may be, may levy a
1042 special ad valorem tax for the 1988 fiscal year in an amount the
1043 avails of which shall not exceed such shortfall; provided,
1044 however, that the aggregate receipts from all ad valorem levies
1045 for the county or municipal general fund for the 1988 fiscal year
1046 shall not exceed the aggregate receipts from this source for the
1047 immediately preceding fiscal year plus an increase not to exceed
1048 twenty percent (20%).

1049 (7) If a shortfall occurs in revenues from oil and gas
1050 severance taxes budgeted for the county or municipal general fund
1051 during the 1987 fiscal year, then the county or municipality, as
1052 the case may be, may levy a special ad valorem tax for the 1988
1053 fiscal year in an amount the avails of which shall not exceed such
1054 shortfall. The avails of such special ad valorem tax shall not be
1055 included within the ten percent (10%) increase limitation. The ad
1056 valorem taxes levied to offset the shortfall shall be deemed to be
1057 ad valorem tax receipts produced in the 1988 fiscal year for the
1058 purposes of determining the limitation on receipts for the
1059 succeeding fiscal years.

1060 (8) From and after July 1, 2000, the board of supervisors of
1061 a county may not levy ad valorem taxes for general county purposes
1062 in excess of the millage rate for general county purposes in
1063 effect for the county's 2000 fiscal year, and the governing
1064 authorities of a municipality may not levy ad valorem taxes for
1065 general revenue purposes and general improvements in excess of the
1066 millage rate for general revenue purposes and general improvements

1067 in effect for the municipality's 2000 fiscal year.

1068 SECTION 11. This act shall take effect and be in force from
1069 and after July 1, 2000.