

By: Cummings

To: Ways and Means

## HOUSE BILL NO. 1301

1 AN ACT TO PROVIDE AN INCENTIVE FOR PERSONS, CORPORATIONS OR  
2 OTHER ENTITIES THAT INCUR INDEBTEDNESS TO LOCATE CERTAIN  
3 FAMILY-ORIENTED ENTERPRISES IN THIS STATE; TO CREATE THE SALES TAX  
4 INCENTIVE FUND; TO AUTHORIZE INCENTIVE PAYMENTS FROM SUCH FUND TO  
5 PERSONS, CORPORATIONS OR OTHER ENTITIES THAT INCUR INDEBTEDNESS TO  
6 LOCATE CERTAIN FAMILY-ORIENTED ENTERPRISES IN THIS STATE; TO  
7 AUTHORIZE THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO  
8 DEVELOP A PROGRAM TO ADMINISTER THE INCENTIVE PAYMENT AUTHORIZED  
9 BY THIS ACT; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,  
10 TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR RELATED  
11 PURPOSES.

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

13 SECTION 1. As used in Sections 1 and 2 of this act, the  
14 following terms and phrases shall have the meanings ascribed in  
15 this section unless the context clearly indicates otherwise:

16 (a) "Approved participant" means a person, corporation  
17 or other entity issued a certificate by the Mississippi Department  
18 of Economic and Community Development under Section 2 of this act.

19 (b) "Department" means the Mississippi Department of  
20 Economic and Community Development.

21 (c) "Project" means any family-oriented entertainment  
22 enterprise such as campgrounds, golf courses and theme parks, as  
23 designated by the Mississippi Department of Economic and Community  
24 Development, with an initial capital investment of not less than  
25 Ten Million Dollars (\$10,000,000.00). The term "project" also  
26 means any of the following if located on the project site or  
27 within one (1) mile of the project and owned by the owner of the  
28 family-oriented enterprise: (a) auditoriums, (b) dining  
29 facilities, (c) gift shops and (d) lodging facilities. The term  
30 "project" does not mean any business, corporation or entity having

31 a gaming license issued under Section 75-76-1 et seq., Mississippi  
32 Code of 1972, but may include a family-oriented entertainment  
33 enterprise owned by such a business, corporation or entity.

34 (d) "State" means the State of Mississippi.

35 SECTION 2. (1) The department shall develop, implement and  
36 administer the incentive program authorized in this section and  
37 shall promulgate rules and regulations necessary for the  
38 development, implementation and administration of such program.

39 (2) A person, corporation or other entity desiring to  
40 participate in the incentive payment program authorized in this  
41 section must submit an application to the department. Such  
42 application must contain (a) plans for the proposed project; (b) a  
43 detailed description of the proposed project; (c) the method of  
44 financing the proposed project and the terms of such financing;  
45 and (d) any other information required by the department. The  
46 executive director of the department shall review the application  
47 and determine whether it qualifies as a project. If the  
48 executive director determines the proposed project qualifies as a  
49 project, he shall issue a certificate to the person, corporation  
50 or other entity designating such person, corporation or other  
51 entity as an approved participant and authorizing the approved  
52 participant to participate in the incentive payment program  
53 provided for in this section.

54 (3) (a) There is created in the State Treasury a special  
55 fund to be known as the "Sales Tax Incentive Fund," into which  
56 shall be deposited such money as provided in Section 27-65-75(15).

57 The monies in the fund shall be used for the purpose of making  
58 the incentive payments authorized in this section. The fund shall  
59 be administered by the department, and monies in the fund shall be  
60 expended upon appropriation by the Legislature. Unexpended  
61 amounts remaining in the fund at the end of a fiscal year shall  
62 not lapse into the General Fund, and any interest earned on or  
63 investment earnings on the amounts in the fund shall be deposited  
64 to the credit of the fund.

65 (b) Incentive payments may be made to an approved  
66 participant that incurs indebtedness to locate a project in the  
67 state. The payments to an approved participant shall be for the

68 amount of sales tax revenue collected during the preceding month  
69 on the gross proceeds of sales of a project, after making the  
70 diversions required in Section 27-65-75. The amount of annual  
71 incentive payments made to an approved participant may not exceed  
72 the annual debt service on the indebtedness incurred by the  
73 approved participant for the project as approved by the  
74 department. The department shall make the calculations necessary  
75 to make the payments provided for in this section. The department  
76 shall cease making incentive payments to an approved participant  
77 on the occurrence of the earlier of (a) the date the original  
78 indebtedness incurred for the project or any refinancing of the  
79 original indebtedness is satisfied, (b) twenty-five (25) years  
80 from the date the original indebtedness for the project was  
81 incurred, without regard to any refinancing or additional  
82 financing for any addition to or expansion of the project, or (c)  
83 the project ceases operations.

84 SECTION 3. Section 27-65-75, Mississippi Code of 1972, is  
85 amended as follows:

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

87 27-65-75. On or before the fifteenth day of each month, the  
88 revenue collected under the provisions of this chapter during the  
89 preceding month shall be paid and distributed as follows:

90 (1) On or before August 15, 1992, and each succeeding month  
91 thereafter through July 15, 1993, eighteen percent (18%) of the  
92 total sales tax revenue collected during the preceding month under  
93 the provisions of this chapter, except that collected under the  
94 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
95 business activities within a municipal corporation shall be  
96 allocated for distribution to such municipality and paid to such  
97 municipal corporation. On or before August 15, 1993, and each  
98 succeeding month thereafter, eighteen and one-half percent  
99 (18-1/2%) of the total sales tax revenue collected during the  
100 preceding month under the provisions of this chapter, except that

101 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
102 and 27-65-21, on business activities within a municipal  
103 corporation shall be allocated for distribution to such  
104 municipality and paid to such municipal corporation.

105 A municipal corporation, for the purpose of distributing the  
106 tax under this subsection, shall mean and include all incorporated  
107 cities, towns and villages.

108 Monies allocated for distribution and credited to a municipal  
109 corporation under this subsection may be pledged as security for  
110 any loan received by the municipal corporation for the purpose of  
111 capital improvements as authorized under Section 57-1-303, or  
112 loans as authorized under Section 57-44-7, or water systems  
113 improvements as authorized under Section 41-3-16.

114 In any county having a county seat which is not an  
115 incorporated municipality, the distribution provided hereunder  
116 shall be made as though the county seat was an incorporated  
117 municipality; however, the distribution to such municipality shall  
118 be paid to the county treasury wherein the municipality is located  
119 and such funds shall be used for road, bridge and street  
120 construction or maintenance therein.

121 (2) On or before September 15, 1987, and each succeeding  
122 month thereafter, from the revenue collected under this chapter  
123 during the preceding month One Million One Hundred Twenty-five  
124 Thousand Dollars (\$1,125,000.00) shall be allocated for  
125 distribution to municipal corporations as defined under subsection  
126 (1) of this section in the proportion that the number of gallons  
127 of gasoline and diesel fuel sold by distributors to consumers and  
128 retailers in each such municipality during the preceding fiscal  
129 year bears to the total gallons of gasoline and diesel fuel sold  
130 by distributors to consumers and retailers in municipalities  
131 statewide during the preceding fiscal year. The State Tax  
132 Commission shall require all distributors of gasoline and diesel  
133 fuel to report to the commission monthly the total number of

134 gallons of gasoline and diesel fuel sold by them to consumers and  
135 retailers in each municipality during the preceding month. The  
136 State Tax Commission shall have the authority to promulgate such  
137 rules and regulations as is necessary to determine the number of  
138 gallons of gasoline and diesel fuel sold by distributors to  
139 consumers and retailers in each municipality. In determining the  
140 percentage allocation of funds under this subsection for the  
141 fiscal year beginning July 1, 1987, and ending June 30, 1988, the  
142 State Tax Commission may consider gallons of gasoline and diesel  
143 fuel sold for a period of less than one (1) fiscal year. For the  
144 purposes of this subsection, the term "fiscal year" means the  
145 fiscal year beginning July 1 of a year.

146 (3) On or before September 15, 1987, and on or before the  
147 fifteenth day of each succeeding month, until the date specified  
148 in Section 65-39-35, the proceeds derived from contractors' taxes  
149 levied under Section 27-65-21 on contracts for the construction or  
150 reconstruction of highways designated under the Four-Lane Highway  
151 Program created under Section 65-3-97 shall, except as otherwise  
152 provided in Section 31-17-127, be deposited into the State  
153 Treasury to the credit of the State Highway Fund to be used to  
154 fund such Four-Lane Highway Program. The Mississippi Department  
155 of Transportation shall provide to the State Tax Commission such  
156 information as is necessary to determine the amount of proceeds to  
157 be distributed under this subsection.

158 (4) On or before August 15, 1994, and on or before the  
159 fifteenth day of each succeeding month, from the proceeds of  
160 gasoline, diesel fuel or kerosene taxes as provided in Section  
161 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be  
162 deposited in the State Treasury to the credit of a special fund  
163 designated as the "State Aid Road Fund," created by Section  
164 65-9-17. Such funds shall be pledged to pay the principal of and  
165 interest on state aid road bonds heretofore issued under Sections  
166 19-9-51 through 19-9-77, in lieu of and in substitution for the

167 funds heretofore allocated to counties under this section. Such  
168 funds may not be pledged for the payment of any state aid road  
169 bonds issued after April 1, 1981; however, this prohibition  
170 against the pledging of any such funds for the payment of bonds  
171 shall not apply to any bonds for which intent to issue such bonds  
172 has been published, for the first time, as provided by law prior  
173 to March 29, 1981. From the amount of taxes paid into the special  
174 fund pursuant to this subsection and subsection (9) of this  
175 section, there shall be first deducted and paid the amount  
176 necessary to pay the expenses of the Office of State Aid Road  
177 Construction, as authorized by the Legislature for all other  
178 general and special fund agencies. The remainder of the fund  
179 shall be allocated monthly to the several counties in accordance  
180 with the following formula:

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

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

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

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

194           The amount of funds allocated to any county under this  
195 subsection for any fiscal year after Fiscal Year 1994 shall not be  
196 less than the amount allocated to such county for Fiscal Year  
197 1994. Monies allocated to a county from the State Aid Road Fund  
198 for Fiscal Year 1995 or any fiscal year thereafter that exceed the  
199 amount of funds allocated to that county from the State Aid Road

200 Fund for Fiscal Year 1994, first must be expended by the county  
201 for replacement or rehabilitation of bridges on the state aid road  
202 system that have a sufficiency rating of less than twenty-five  
203 (25), according to National Bridge Inspection standards before  
204 such monies may be approved for expenditure by the State Aid Road  
205 Engineer on other projects that qualify for the use of state aid  
206 road funds.

207 Any reference in the general laws of this state or the  
208 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
209 construed to refer and apply to subsection (4) of Section  
210 27-65-75.

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

217 (6) An amount each month beginning August 15, 1983, through  
218 November 15, 1986, as specified in Section 6 of Chapter 542, Laws  
219 of 1983, shall be paid into the special fund known as the  
220 Correctional Facilities Construction Fund created in Section 6 of  
221 Chapter 542, Laws of 1983.

222 (7) On or before August 15, 1992, and each succeeding month  
223 thereafter, two and two hundred sixty-six one-thousandths percent  
224 (2.266%) of the total sales tax revenue collected during the  
225 preceding month under the provisions of this chapter, except that  
226 collected under the provisions of Section 27-65-17(2) shall be  
227 deposited by the commission into the School Ad Valorem Tax  
228 Reduction Fund created pursuant to Section 37-61-35.

229 (8) On or before August 15, 1992, and each succeeding month  
230 thereafter, nine and seventy-three one-thousandths percent  
231 (9.073%) of the total sales tax revenue collected during the  
232 preceding month under the provisions of this chapter, except that

233 collected under the provisions of Section 27-65-17(2) shall be  
234 deposited into the Education Enhancement Fund created pursuant to  
235 Section 37-61-33.

236 (9) On or before August 15, 1994, and each succeeding month  
237 thereafter, from the revenue collected under this chapter during  
238 the preceding month, Two Hundred Fifty Thousand Dollars  
239 (\$250,000.00) shall be paid into the State Aid Road Fund.

240 (10) On or before August 15, 1994, and each succeeding month  
241 thereafter through August 15, 1995, from the revenue collected  
242 under this chapter during the preceding month, Two Million Dollars  
243 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
244 Valorem Tax Reduction Fund established in Section 27-51-105.

245 (11) Notwithstanding any other provision of this section to  
246 the contrary, on or before February 15, 1995, and each succeeding  
247 month thereafter, the sales tax revenue collected during the  
248 preceding month under the provisions of Section 27-65-17(2) and  
249 the corresponding levy in Section 27-65-23 on the rental or lease  
250 of private carriers of passengers and light carriers of property  
251 as defined in Section 27-51-101 shall be deposited, without  
252 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
253 established in Section 27-51-105.

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

263 (13) On or before July 15, 1994, and on or before the  
264 fifteenth day of each succeeding month thereafter, that portion of  
265 the avails of the tax imposed in Section 27-65-22, which is



266 derived from activities held on the Mississippi state fairgrounds  
267 complex, shall be paid into a special fund hereby created in the  
268 State Treasury and shall be expended pursuant to legislative  
269 appropriations solely to defray the costs of repairs and  
270 renovation at such Trade Mart and Coliseum.

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

278 (15) On or before August 15, 2000, and each succeeding month  
279 thereafter, the sales tax revenue collected during the preceding  
280 month under the provisions of this chapter on the gross proceeds  
281 of sales of a project as defined in Section 1 of House Bill  
282 No. \_\_\_\_\_, 2000 Regular Session, shall be deposited, after  
283 diversion, into the Sales Tax Incentive Fund created in Section 2  
284 of House Bill No. \_\_\_\_\_, 2000 Regular Session.

285 (16) The remainder of the amounts collected under the  
286 provisions of this chapter shall be paid into the State Treasury  
287 to the credit of the General Fund.

288 (17) It shall be the duty of the municipal officials of any  
289 municipality which expands its limits, or of any community which  
290 incorporates as a municipality, to notify the commissioner of such  
291 action thirty (30) days before the effective date. Failure to so  
292 notify the commissioner shall cause such municipality to forfeit  
293 the revenue which it would have been entitled to receive during  
294 this period of time when the commissioner had no knowledge of the  
295 action. If any funds have been erroneously disbursed to any  
296 municipality or any overpayment of tax is recovered by the  
297 taxpayer, the commissioner may make correction and adjust the  
298 error or overpayment with such municipality by withholding the

299 necessary funds from any subsequent payment to be made to the  
300 municipality.

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

302 27-65-75. On or before the fifteenth day of each month, the  
303 revenue collected under the provisions of this chapter during the  
304 preceding month shall be paid and distributed as follows:

305 (1) On or before August 15, 1992, and each succeeding month  
306 thereafter through July 15, 1993, eighteen percent (18%) of the  
307 total sales tax revenue collected during the preceding month under  
308 the provisions of this chapter, except that collected under the  
309 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
310 business activities within a municipal corporation shall be  
311 allocated for distribution to such municipality and paid to such  
312 municipal corporation. On or before August 15, 1993, and each  
313 succeeding month thereafter, eighteen and one-half percent  
314 (18-1/2%) of the total sales tax revenue collected during the  
315 preceding month under the provisions of this chapter, except that  
316 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
317 and 27-65-21, on business activities within a municipal  
318 corporation shall be allocated for distribution to such  
319 municipality and paid to such municipal corporation.

320 A municipal corporation, for the purpose of distributing the  
321 tax under this subsection, shall mean and include all incorporated  
322 cities, towns and villages.

323 Monies allocated for distribution and credited to a municipal  
324 corporation under this subsection may be pledged as security for  
325 any loan received by the municipal corporation for the purpose of  
326 capital improvements as authorized under Section 57-1-303, or  
327 loans as authorized under Section 57-44-7, or water systems  
328 improvements as authorized under Section 41-3-16.

329 In any county having a county seat which is not an  
330 incorporated municipality, the distribution provided hereunder  
331 shall be made as though the county seat was an incorporated

332 municipality; however, the distribution to such municipality shall  
333 be paid to the county treasury wherein the municipality is located  
334 and such funds shall be used for road, bridge and street  
335 construction or maintenance therein.

336 (2) On or before September 15, 1987, and each succeeding  
337 month thereafter, from the revenue collected under this chapter  
338 during the preceding month One Million One Hundred Twenty-five  
339 Thousand Dollars (\$1,125,000.00) shall be allocated for  
340 distribution to municipal corporations as defined under subsection  
341 (1) of this section in the proportion that the number of gallons  
342 of gasoline and diesel fuel sold by distributors to consumers and  
343 retailers in each such municipality during the preceding fiscal  
344 year bears to the total gallons of gasoline and diesel fuel sold  
345 by distributors to consumers and retailers in municipalities  
346 statewide during the preceding fiscal year. The State Tax  
347 Commission shall require all distributors of gasoline and diesel  
348 fuel to report to the commission monthly the total number of  
349 gallons of gasoline and diesel fuel sold by them to consumers and  
350 retailers in each municipality during the preceding month. The  
351 State Tax Commission shall have the authority to promulgate such  
352 rules and regulations as is necessary to determine the number of  
353 gallons of gasoline and diesel fuel sold by distributors to  
354 consumers and retailers in each municipality. In determining the  
355 percentage allocation of funds under this subsection for the  
356 fiscal year beginning July 1, 1987, and ending June 30, 1988, the  
357 State Tax Commission may consider gallons of gasoline and diesel  
358 fuel sold for a period of less than one (1) fiscal year. For the  
359 purposes of this subsection, the term "fiscal year" means the  
360 fiscal year beginning July 1 of a year.

361 (3) On or before September 15, 1987, and on or before the  
362 fifteenth day of each succeeding month, until the date specified  
363 in Section 65-39-35, the proceeds derived from contractors' taxes  
364 levied under Section 27-65-21 on contracts for the construction or

365 reconstruction of highways designated under the Four-Lane Highway  
366 Program created under Section 65-3-97 shall, except as otherwise  
367 provided in Section 31-17-127, be deposited into the State  
368 Treasury to the credit of the State Highway Fund to be used to  
369 fund such Four-Lane Highway Program. The Mississippi Department  
370 of Transportation shall provide to the State Tax Commission such  
371 information as is necessary to determine the amount of proceeds to  
372 be distributed under this subsection.

373 (4) On or before August 15, 1994, and on or before the  
374 fifteenth day of each succeeding month, from the proceeds of  
375 gasoline, diesel fuel or kerosene taxes as provided in Section  
376 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be  
377 deposited in the State Treasury to the credit of a special fund  
378 designated as the "State Aid Road Fund," created by Section  
379 65-9-17. Such funds shall be pledged to pay the principal of and  
380 interest on state aid road bonds heretofore issued under Sections  
381 19-9-51 through 19-9-77, in lieu of and in substitution for the  
382 funds heretofore allocated to counties under this section. Such  
383 funds may not be pledged for the payment of any state aid road  
384 bonds issued after April 1, 1981; however, this prohibition  
385 against the pledging of any such funds for the payment of bonds  
386 shall not apply to any bonds for which intent to issue such bonds  
387 has been published, for the first time, as provided by law prior  
388 to March 29, 1981. From the amount of taxes paid into the special  
389 fund pursuant to this subsection and subsection (9) of this  
390 section, there shall be first deducted and paid the amount  
391 necessary to pay the expenses of the Office of State Aid Road  
392 Construction, as authorized by the Legislature for all other  
393 general and special fund agencies. The remainder of the fund  
394 shall be allocated monthly to the several counties in accordance  
395 with the following formula:

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

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

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

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

409           The amount of funds allocated to any county under this  
410 subsection for any fiscal year after Fiscal Year 1994 shall not be  
411 less than the amount allocated to such county for Fiscal Year  
412 1994. Monies allocated to a county from the State Aid Road Fund  
413 for Fiscal Year 1995 or any fiscal year thereafter that exceed the  
414 amount of funds allocated to that county from the State Aid Road  
415 Fund for Fiscal Year 1994, first must be expended by the county  
416 for replacement or rehabilitation of bridges on the state aid road  
417 system that have a sufficiency rating of less than twenty-five  
418 (25), according to National Bridge Inspection standards before  
419 such monies may be approved for expenditure by the State Aid Road  
420 Engineer on other projects that qualify for the use of state aid  
421 road funds.

422           Any reference in the general laws of this state or the  
423 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
424 construed to refer and apply to subsection (4) of Section  
425 27-65-75.

426           (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
427 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
428 the special fund known as the "State Public School Building Fund"  
429 created and existing under the provisions of Sections 37-47-1  
430 through 37-47-67. Such payments into said fund are to be made on

431 the last day of each succeeding month hereafter.

432 (6) An amount each month beginning August 15, 1983, through  
433 November 15, 1986, as specified in Section 6 of Chapter 542, Laws  
434 of 1983, shall be paid into the special fund known as the  
435 Correctional Facilities Construction Fund created in Section 6 of  
436 Chapter 542, Laws of 1983.

437 (7) On or before August 15, 1992, and each succeeding month  
438 thereafter, two and two hundred sixty-six one-thousandths percent  
439 (2.266%) of the total sales tax revenue collected during the  
440 preceding month under the provisions of this chapter, except that  
441 collected under the provisions of Section 27-65-17(2), not to  
442 exceed the Fiscal Year 1997 appropriated level shall be deposited  
443 by the commission into the School Ad Valorem Tax Reduction Fund  
444 created pursuant to Section 37-61-35, with the balance to be  
445 transferred to the Education Enhancement Fund created under  
446 Section 37-61-33 for appropriation by the Legislature as other  
447 education needs and not subject to the percentage set asides set  
448 forth in Section 37-61-33.

449 (8) On or before August 15, 1992, and each succeeding month  
450 thereafter, nine and seventy-three one-thousandths percent  
451 (9.073%) of the total sales tax revenue collected during the  
452 preceding month under the provisions of this chapter, except that  
453 collected under the provisions of Section 27-65-17(2) shall be  
454 deposited into the Education Enhancement Fund created pursuant to  
455 Section 37-61-33.

456 (9) On or before August 15, 1994, and each succeeding month  
457 thereafter, from the revenue collected under this chapter during  
458 the preceding month, Two Hundred Fifty Thousand Dollars  
459 (\$250,000.00) shall be paid into the State Aid Road Fund.

460 (10) On or before August 15, 1994, and each succeeding month  
461 thereafter through August 15, 1995, from the revenue collected  
462 under this chapter during the preceding month, Two Million Dollars  
463 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad

464 Valorem Tax Reduction Fund established in Section 27-51-105.

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

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

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

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

494 (15) On or before August 15, 2000, and each succeeding month  
495 thereafter, the sales tax revenue collected during the preceding  
496 month under the provisions of this chapter on the gross proceeds

497 of sales of a project as defined in Section 1 of House Bill  
498 No. \_\_\_\_\_, 2000 Regular Session, shall be deposited, after  
499 diversion, into the Sales Tax Incentive Fund created in Section 2  
500 of House Bill No. \_\_\_\_\_, 2000 Regular Session.

501       (16) The remainder of the amounts collected under the  
502 provisions of this chapter shall be paid into the State Treasury  
503 to the credit of the General Fund.

504       (17) It shall be the duty of the municipal officials of any  
505 municipality which expands its limits, or of any community which  
506 incorporates as a municipality, to notify the commissioner of such  
507 action thirty (30) days before the effective date. Failure to so  
508 notify the commissioner shall cause such municipality to forfeit  
509 the revenue which it would have been entitled to receive during  
510 this period of time when the commissioner had no knowledge of the  
511 action. If any funds have been erroneously disbursed to any  
512 municipality or any overpayment of tax is recovered by the  
513 taxpayer, the commissioner may make correction and adjust the  
514 error or overpayment with such municipality by withholding the  
515 necessary funds from any subsequent payment to be made to the  
516 municipality.

517       SECTION 4. This act shall take effect and be in force from  
518 and after its passage.