

By: Dearing

To: Finance

SENATE BILL NO. 2061

1 AN ACT TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972,
 2 TO EXEMPT FROM TAXATION PURCHASES OF TANGIBLE PERSONAL PROPERTY OR
 3 SERVICES BY DUCKS UNLIMITED CHAPTERS, WHICH TANGIBLE PERSONAL
 4 PROPERTY OR SERVICES ARE RESOLD AS PART OF THE CHAPTERS'
 5 FUND-RAISING ACTIVITIES; AND FOR RELATED PURPOSES.

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

7 SECTION 1. Section 27-65-111, Mississippi Code of 1972, is
 8 amended as follows:[JU1]

9 27-65-111. The exemptions from the provisions of this
 10 chapter which are not industrial, agricultural or governmental, or
 11 which do not relate to utilities or taxes, or which are not
 12 properly classified as one of the exemption classifications of
 13 this chapter, shall be confined to persons or property exempted by
 14 this section or by the Constitution of the United States or the
 15 State of Mississippi. No exemptions as now provided by any other
 16 section, except the classified exemption sections of this chapter
 17 set forth herein, shall be valid as against the tax herein levied.
 18 Any subsequent exemption from the tax levied hereunder, except as
 19 indicated above, shall be provided by amendments to this section.

20 No exemption provided in this section shall apply to taxes
 21 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

22 The tax levied by this chapter shall not apply to the

23 following:

24 (a) Sales of tangible personal property and services to
25 hospitals or infirmaries owned and operated by a corporation or
26 association in which no part of the net earnings inures to the
27 benefit of any private shareholder, group or individual, and which
28 are subject to and governed by Sections 41-7-123 through 41-7-127.

29 Only sales of tangible personal property or services
30 which are ordinary and necessary to the operation of such
31 hospitals and infirmaries are exempted from tax.

32 (b) Sales of daily or weekly newspapers, and
33 periodicals or publications of scientific, literary or educational
34 organizations exempt from federal income taxation under Section
35 501(c)(3) of the Internal Revenue Code of 1954, as it exists as of
36 March 31, 1975, and subscription sales of all magazines.

37 (c) Sales of coffins, caskets and other materials used
38 in the preparation of human bodies for burial.

39 (d) Sales of tangible personal property for immediate
40 export to a foreign country.

41 (e) Sales of tangible personal property to an
42 orphanage, old men's or ladies' home, supported wholly or in part
43 by a religious denomination, fraternal nonprofit organization or
44 other nonprofit organization.

45 (f) Sales of tangible personal property, labor or
46 services taxable under Sections 27-65-17, 27-65-19, and 27-65-23,
47 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a
48 corporation or association in which no part of the net earnings
49 inures to the benefit of any private shareholder, group or
50 individual.

51 (g) Sales to elementary and secondary grade schools,
52 junior and senior colleges owned and operated by a corporation or
53 association in which no part of the net earnings inures to the

54 benefit of any private shareholder, group or individual, and which
55 are exempt from state income taxation, provided that this
56 exemption does not apply to sales of property or services which
57 are not to be used in the ordinary operation of the school, or
58 which are to be resold to the students or the public.

59 (h) The gross proceeds of retail sales and the use or
60 consumption in this state of drugs and medicines:

61 (i) Prescribed for the treatment of a human being
62 by a person authorized to prescribe the medicines, and dispensed
63 or prescription filled by a registered pharmacist in accordance
64 with law; or

65 (ii) Furnished by a licensed physician, surgeon,
66 dentist or podiatrist to his own patient for treatment of the
67 patient; or

68 (iii) Furnished by a hospital for treatment of any
69 person pursuant to the order of a licensed physician, surgeon,
70 dentist or podiatrist; or

71 (iv) Sold to a licensed physician, surgeon,
72 podiatrist, dentist or hospital for the treatment of a human
73 being; or

74 (v) Sold to this state or any political
75 subdivision or municipal corporation thereof, for use in the
76 treatment of a human being or furnished for the treatment of a
77 human being by a medical facility or clinic maintained by this
78 state or any political subdivision or municipal corporation
79 thereof.

80 "Medicines," as used in this paragraph (h), shall mean
81 and include any substance or preparation intended for use by

82 external or internal application to the human body in the
83 diagnosis, cure, mitigation, treatment or prevention of disease
84 and which is commonly recognized as a substance or preparation
85 intended for such use; provided that "medicines" do not include
86 any auditory, prosthetic, ophthalmic or ocular device or
87 appliance, any dentures or parts thereof or any artificial limbs
88 or their replacement parts, articles which are in the nature of
89 splints, bandages, pads, compresses, supports, dressings,
90 instruments, apparatus, contrivances, appliances, devices or other
91 mechanical, electronic, optical or physical equipment or article
92 or the component parts and accessories thereof, or any alcoholic
93 beverage or any other drug or medicine not commonly referred to as
94 a prescription drug.

95 Notwithstanding the preceding sentence of this paragraph
96 (h), "medicines" as used in this paragraph (h), shall mean and
97 include sutures, whether or not permanently implanted, bone
98 screws, bone pins, pacemakers and other articles permanently
99 implanted in the human body to assist the functioning of any
100 natural organ, artery, vein or limb and which remain or dissolve
101 in the body.

102 "Hospital," as used in this paragraph (h), shall have
103 the meaning ascribed to it in Section 41-9-3, Mississippi Code of
104 1972.

105 Insulin furnished by a registered pharmacist to a person
106 for treatment of diabetes as directed by a physician shall be
107 deemed to be dispensed on prescription within the meaning of this
108 paragraph (h).

109 (i) Retail sales of automobiles, trucks and

110 truck-tractors if exported from this state within forty-eight (48)
111 hours and registered and first used in another state.

112 (j) Sales of tangible personal property or services to
113 the Salvation Army and the Muscular Dystrophy Association, Inc.

114 (k) From July 1, 1985, through December 31, 1992,
115 retail sales of "alcohol blended fuel" as such term is defined in
116 Section 75-55-5. The gasoline-alcohol blend or the straight
117 alcohol eligible for this exemption shall not contain alcohol
118 distilled outside the State of Mississippi.

119 (l) Sales of tangible personal property or services to
120 the Institute for Technology Development.

121 (m) The gross proceeds of retail sales of food and
122 drink for human consumption made through vending machines serviced
123 by full line vendors from and not connected with other taxable
124 businesses.

125 (n) The gross proceeds of sales of motor fuel.

126 (o) Retail sales of food for human consumption
127 purchased with food stamps issued by the United States Department
128 of Agriculture, or other federal agency, from and after October 1,
129 1987, or from and after the expiration of any waiver granted
130 pursuant to federal law, the effect of which waiver is to permit
131 the collection by the state of tax on such retail sales of food
132 for human consumption purchased with food stamps.

133 (p) Sales of cookies for human consumption by the Girl
134 Scouts of America no part of the net earnings from which sales
135 inures to the benefit of any private group or individual.

136 (q) Gifts or sales of tangible personal property or
137 services to public or private nonprofit museums of art.

138 (r) Sales of tangible personal property or services to
139 alumni associations of state-supported colleges or universities.

140 (s) Sales of tangible personal property or services to
141 chapters of the National Association of Junior Auxiliaries, Inc.

142 (t) Sales of tangible personal property or services to
143 domestic violence shelters which qualify for state funding under
144 Sections 93-21-101 through 93-21-113.

145 (u) Sales of tangible personal property or services to
146 the National Multiple Sclerosis Society, Mississippi Chapter.

147 (v) Retail sales of food for human consumption
148 purchased with food instruments issued the Mississippi Band of
149 Choctaw Indians under the Women, Infants and Children Program
150 (WIC) funded by the United States Department of Agriculture.

151 (w) Sales of tangible personal property or services to
152 a private company, as defined in Section 57-61-5, which is making
153 such purchases with proceeds of bonds issued under Section 57-61-1
154 et seq., the Mississippi Business Investment Act.

155 (x) The gross collections from the operation of
156 self-service, coin-operated car washing equipment and sales of the
157 service of washing motor vehicles with portable high pressure
158 washing equipment on the premises of the customer.

159 (y) Sales of tangible personal property or services to
160 Ducks Unlimited, Inc., chapters in this state when such property
161 or services are purchased for resale by a chapter as part of the
162 fund-raising activities of the chapter.

163 SECTION 2. This act shall take effect and be in force from
164 and after July 1, 2000.