

By: Jordan

To: Finance

SENATE BILL NO. 3113

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT SALES TAX COLLECTED THROUGH THE USE OF DIRECT PAY
3 PERMITS SHALL BE INCLUDED THE CALCULATION OF THE AMOUNT REQUIRED
4 TO BE DIVERTED TO MUNICIPALITIES; TO AMEND SECTION 27-67-31,
5 MISSISSIPPI CODE OF 1972, TO REQUIRE 18-1/2% OF THE USE TAX
6 REVENUE COLLECTED EACH MONTH FROM RESIDENTS OF A MUNICIPALITY
7 SHALL BE PAID TO SUCH MUNICIPALITY; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Section 27-65-75, Mississippi Code of 1972, is
10 amended as follows:[WAN1]

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

12 27-65-75. On or before the fifteenth day of each month, the
13 revenue collected under the provisions of this chapter during the
14 preceding month shall be paid and distributed as follows:

15 (1) On or before August 15, 1992, and each succeeding
16 month thereafter through July 15, 1993, eighteen percent (18%) of
17 the total sales tax revenue collected during the preceding month
18 under the provisions of this chapter, except that collected under
19 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
20 business activities within a municipal corporation shall be
21 allocated for distribution to such municipality and paid to such
22 municipal corporation. On or before August 15, 1993, and each
23 succeeding month thereafter, eighteen and one-half percent
24 (18-1/2%) of the total sales tax revenue collected during the
25 preceding month under the provisions of this chapter, except that
26 collected under the provisions of Sections 27-65-15, 27-65-19(3)
27 and 27-65-21, on business activities within a municipal
28 corporation, including, but not limited to, sales tax revenue

29 collected pursuant to permits issued under Section 27-65-93, shall
30 be allocated for distribution to such municipality and paid to
31 such municipal corporation.

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

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

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

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

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

73 (3) On or before September 15, 1987, and on or before
74 the fifteenth day of each succeeding month, until the date
75 specified in Section 65-39-35, the proceeds derived from
76 contractors' taxes levied under Section 27-65-21 on contracts for
77 the construction or reconstruction of highways designated under
78 the Four-Lane Highway Program created under Section 65-3-97 shall,
79 except as otherwise provided in Section 31-17-127, be deposited
80 into the State Treasury to the credit of the State Highway Fund to
81 be used to fund such Four-Lane Highway Program. The Mississippi
82 Department of Transportation shall provide to the State Tax
83 Commission such information as is necessary to determine the
84 amount of proceeds to be distributed under this subsection.

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

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

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

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

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

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

128 The amount of funds allocated to any county under this
129 subsection for any fiscal year after fiscal year 1994 shall not be
130 less than the amount allocated to such county for fiscal year
131 1994. Monies allocated to a county from the State Aid Road Fund

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

141 Any reference in the general laws of this state or the
142 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
143 construed to refer and apply to subsection (4) of Section
144 27-65-75.

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

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

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

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

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

170 (9) On or before August 15, 1994, and each succeeding
171 month thereafter, from the revenue collected under this chapter
172 during the preceding month, Two Hundred Fifty Thousand Dollars
173 (\$250,000.00) shall be paid into the State Aid Road Fund.

174 (10) On or before August 15, 1994, and each succeeding
175 month thereafter through August 15, 1995, from the revenue
176 collected under this chapter during the preceding month, Two
177 Million Dollars (\$2,000,000.00) shall be deposited into the Motor
178 Vehicle Ad Valorem Tax Reduction Fund established in Section
179 27-51-105.

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

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

198 27-51-105.

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

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

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

217 (16) It shall be the duty of the municipal officials of
218 any municipality which expands its limits, or of any community
219 which incorporates as a municipality, to notify the commissioner
220 of such action thirty (30) days before the effective date.
221 Failure to so notify the commissioner shall cause such
222 municipality to forfeit the revenue which it would have been
223 entitled to receive during this period of time when the
224 commissioner had no knowledge of the action. If any funds have
225 been erroneously disbursed to any municipality or any overpayment
226 of tax is recovered by the taxpayer, the commissioner may make
227 correction and adjust the error or overpayment with such
228 municipality by withholding the necessary funds from any
229 subsequent payment to be made to the municipality.

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

231 27-65-75. On or before the fifteenth day of each month, the
232 revenue collected under the provisions of this chapter during the
233 preceding month shall be paid and distributed as follows:

234 (1) On or before August 15, 1992, and each succeeding
235 month thereafter through July 15, 1993, eighteen percent (18%) of
236 the total sales tax revenue collected during the preceding month
237 under the provisions of this chapter, except that collected under
238 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
239 business activities within a municipal corporation shall be
240 allocated for distribution to such municipality and paid to such
241 municipal corporation. On or before August 15, 1993, and each
242 succeeding month thereafter, eighteen and one-half percent
243 (18-1/2%) of the total sales tax revenue collected during the
244 preceding month under the provisions of this chapter, except that
245 collected under the provisions of Sections 27-65-15, 27-65-19(3)
246 and 27-65-21, on business activities within a municipal
247 corporation, including, but not limited to, sales tax revenue
248 collected pursuant to permits issued under Section 27-65-93, shall
249 be allocated for distribution to such municipality and paid to
250 such municipal corporation.

251 A municipal corporation, for the purpose of distributing the
252 tax under this subsection, shall mean and include all incorporated
253 cities, towns and villages.

254 Monies allocated for distribution and credited to a municipal
255 corporation under this subsection may be pledged as security for
256 any loan received by the municipal corporation for the purpose of
257 capital improvements as authorized under Section 57-1-303, or
258 loans as authorized under Section 57-44-7, or water systems
259 improvements as authorized under Section 41-3-16.

260 In any county having a county seat which is not an
261 incorporated municipality, the distribution provided hereunder
262 shall be made as though the county seat was an incorporated
263 municipality; however, the distribution to such municipality shall

264 be paid to the county treasury wherein the municipality is located
265 and such funds shall be used for road, bridge and street
266 construction or maintenance therein.

267 (2) On or before September 15, 1987, and each
268 succeeding month thereafter, from the revenue collected under this
269 chapter during the preceding month One Million One Hundred
270 Twenty-five Thousand Dollars (\$1,125,000.00) shall be allocated
271 for distribution to municipal corporations as defined under
272 subsection (1) of this section in the proportion that the number
273 of gallons of gasoline and diesel fuel sold by distributors to
274 consumers and retailers in each such municipality during the
275 preceding fiscal year bears to the total gallons of gasoline and
276 diesel fuel sold by distributors to consumers and retailers in
277 municipalities statewide during the preceding fiscal year. The
278 State Tax Commission shall require all distributors of gasoline
279 and diesel fuel to report to the commission monthly the total
280 number of gallons of gasoline and diesel fuel sold by them to
281 consumers and retailers in each municipality during the preceding
282 month. The State Tax Commission shall have the authority to
283 promulgate such rules and regulations as is necessary to determine
284 the number of gallons of gasoline and diesel fuel sold by
285 distributors to consumers and retailers in each municipality. In
286 determining the percentage allocation of funds under this
287 subsection for the fiscal year beginning July 1, 1987, and ending
288 June 30, 1988, the State Tax Commission may consider gallons of
289 gasoline and diesel fuel sold for a period of less than one (1)
290 fiscal year. For the purposes of this subsection, the term
291 "fiscal year" means the fiscal year beginning July 1 of a year.

292 (3) On or before September 15, 1987, and on or before
293 the fifteenth day of each succeeding month, until the date
294 specified in Section 65-39-35, the proceeds derived from
295 contractors' taxes levied under Section 27-65-21 on contracts for
296 the construction or reconstruction of highways designated under

297 the Four-Lane Highway Program created under Section 65-3-97 shall,
298 except as otherwise provided in Section 31-17-127, be deposited
299 into the State Treasury to the credit of the State Highway Fund to
300 be used to fund such Four-Lane Highway Program. The Mississippi
301 Department of Transportation shall provide to the State Tax
302 Commission such information as is necessary to determine the
303 amount of proceeds to be distributed under this subsection.

304 (4) On or before August 15, 1994, and on or before the
305 fifteenth day of each succeeding month through July 15, 1999, from
306 the proceeds of gasoline, diesel fuel or kerosene taxes as
307 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
308 (\$4,000,000.00) shall be deposited in the State Treasury to the
309 credit of a special fund designated as the "State Aid Road Fund,"
310 created by Section 65-9-17. On or before August 15, 1999, and on
311 or before the fifteenth day of each succeeding month, from the
312 total amount of the proceeds of gasoline, diesel fuel or kerosene
313 taxes apportioned by Section 27-5-101(a)(ii), Four Million Dollars
314 (\$4,000,000.00) or an amount equal to twenty-three and one-fourth
315 percent (23.25%) of such funds, whichever is the greater amount,
316 shall be deposited in the State Treasury to the credit of the
317 "State Aid Road Fund," created by Section 65-9-17. Such funds
318 shall be pledged to pay the principal of and interest on state aid
319 road bonds heretofore issued under Sections 19-9-51 through
320 19-9-77, in lieu of and in substitution for the funds heretofore
321 allocated to counties under this section. Such funds may not be
322 pledged for the payment of any state aid road bonds issued after
323 April 1, 1981; however, this prohibition against the pledging of
324 any such funds for the payment of bonds shall not apply to any
325 bonds for which intent to issue such bonds has been published, for
326 the first time, as provided by law prior to March 29, 1981. From
327 the amount of taxes paid into the special fund pursuant to this
328 subsection and subsection (9) of this section, there shall be
329 first deducted and paid the amount necessary to pay the expenses

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

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

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

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

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

347 The amount of funds allocated to any county under this
348 subsection for any fiscal year after fiscal year 1994 shall not be
349 less than the amount allocated to such county for fiscal year
350 1994. Monies allocated to a county from the State Aid Road Fund
351 for fiscal year 1995 or any fiscal year thereafter that exceed the
352 amount of funds allocated to that county from the State Aid Road
353 Fund for fiscal year 1994, first must be expended by the county
354 for replacement or rehabilitation of bridges on the state aid road
355 system that have a sufficiency rating of less than twenty-five
356 (25), according to National Bridge Inspection standards before
357 such monies may be approved for expenditure by the State Aid Road
358 Engineer on other projects that qualify for the use of state aid
359 road funds.

360 Any reference in the general laws of this state or the
361 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
362 construed to refer and apply to subsection (4) of Section

363 27-65-75.

364 (5) One Million Six Hundred Sixty-six Thousand Six
365 Hundred Sixty-six Dollars (\$1,666,666.00) each month shall be paid
366 into the special fund known as the "State Public School Building
367 Fund" created and existing under the provisions of Sections
368 37-47-1 through 37-47-67. Such payments into said fund are to be
369 made on the last day of each succeeding month hereafter.

370 (6) An amount each month beginning August 15, 1983,
371 through November 15, 1986, as specified in Section 6 of Chapter
372 542, Laws of 1983, shall be paid into the special fund known as
373 the Correctional Facilities Construction Fund created in Section 6
374 of Chapter 542, Laws of 1983.

375 (7) On or before August 15, 1992, and each succeeding
376 month thereafter, two and two hundred sixty-six one-thousandths
377 percent (2.266%) of the total sales tax revenue collected during
378 the preceding month under the provisions of this chapter, except
379 that collected under the provisions of Section 27-65-17(2), not to
380 exceed the fiscal year 1997 appropriated level shall be deposited
381 by the commission into the School Ad Valorem Tax Reduction Fund
382 created pursuant to Section 37-61-35, with the balance to be
383 transferred to the Education Enhancement Fund created under
384 Section 37-61-33 for appropriation by the Legislature as other
385 education needs and not subject to the percentage set asides set
386 forth in Section 37-61-33.

387 (8) On or before August 15, 1992, and each succeeding
388 month thereafter, nine and seventy-three one-thousandths percent
389 (9.073%) of the total sales tax revenue collected during the
390 preceding month under the provisions of this chapter, except that
391 collected under the provisions of Section 27-65-17(2) shall be
392 deposited into the Education Enhancement Fund created pursuant to
393 Section 37-61-33.

394 (9) On or before August 15, 1994, and each succeeding
395 month thereafter, from the revenue collected under this chapter

396 during the preceding month, Two Hundred Fifty Thousand Dollars
397 (\$250,000.00) shall be paid into the State Aid Road Fund.

398 (10) On or before August 15, 1994, and each succeeding
399 month thereafter through August 15, 1995, from the revenue
400 collected under this chapter during the preceding month, Two
401 Million Dollars (\$2,000,000.00) shall be deposited into the Motor
402 Vehicle Ad Valorem Tax Reduction Fund established in Section
403 27-51-105.

404 (11) Notwithstanding any other provision of this
405 section to the contrary, on or before February 15, 1995, and each
406 succeeding month thereafter, the sales tax revenue collected
407 during the preceding month under the provisions of Section
408 27-65-17(2) shall be deposited, without diversion, into the Motor
409 Vehicle Ad Valorem Tax Reduction Fund established in Section
410 27-51-105.

411 (12) Notwithstanding any other provision of this
412 section to the contrary, on or before August 15, 1995, and each
413 succeeding month thereafter, the sales tax revenue collected
414 during the preceding month under the provisions of Section
415 27-65-17(1) on retail sales of private carriers of passengers and
416 light carriers of property, as defined in Section 27-51-101, shall
417 be deposited, after diversion, into the Motor Vehicle Ad Valorem
418 Tax Reduction Fund established in Section 27-51-105.

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

427 (14) On or before August 15, 1998, and each succeeding
428 month thereafter through July 15, 2005, that portion of the avails

429 of the tax imposed in Section 27-65-23 which is derived from sales
430 by cotton compresses or cotton warehouses and which would
431 otherwise be paid into the General Fund, shall be deposited in an
432 amount not to exceed Two Million Dollars (\$2,000,000.00) into the
433 special fund created pursuant to Section 69-37-39.

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

437 (16) It shall be the duty of the municipal officials of
438 any municipality which expands its limits, or of any community
439 which incorporates as a municipality, to notify the commissioner
440 of such action thirty (30) days before the effective date.
441 Failure to so notify the commissioner shall cause such
442 municipality to forfeit the revenue which it would have been
443 entitled to receive during this period of time when the
444 commissioner had no knowledge of the action. If any funds have
445 been erroneously disbursed to any municipality or any overpayment
446 of tax is recovered by the taxpayer, the commissioner may make
447 correction and adjust the error or overpayment with such
448 municipality by withholding the necessary funds from any
449 subsequent payment to be made to the municipality.

450 SECTION 2. Section 27-67-31, Mississippi Code of 1972, is
451 amended as follows:[WAN2]

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

453 27-67-31. All administrative provisions of the sales tax
454 law, and amendments thereto, including those which fix damages,
455 penalties and interest for failure to comply with the provisions
456 of said sales tax law, and all other requirements and duties
457 imposed upon taxpayer, shall apply to all persons liable for use
458 taxes under the provisions of this article. The commissioner
459 shall exercise all power and authority and perform all duties with
460 respect to taxpayers under this article as are provided in said
461 sales tax law, except where there is conflict, then the provisions

462 of this article shall control.

463 The commissioner may require transportation companies to
464 permit the examination of waybills, freight bills, or other
465 documents covering shipments of tangible personal property into
466 this state.

467 On or before the fifteenth day of each month, the amount
468 received from taxes, damages and interest under the provisions of
469 this article during the preceding month shall be paid and
470 distributed as follows:

471 (a) On or before July 15, 1994, and each succeeding
472 month thereafter, two and two hundred sixty-six one-thousandths
473 percent (2.266%) of the total use tax revenue collected during the
474 preceding month under the provisions of this article shall be
475 deposited in the School Ad Valorem Tax Reduction Fund created
476 pursuant to Section 37-61-35.

477 (b) On or before July 15, 1994, and each succeeding
478 month thereafter, nine and seventy-three one thousandths percent
479 (9.073%) of the total use tax revenue collected during the
480 preceding month under the provisions of this article shall be
481 deposited into the Education Enhancement Fund created pursuant to
482 Section 37-61-33.

483 (c) On or before July 15, 1997, and on or before the
484 fifteenth day of each succeeding month thereafter, the revenue
485 collected under the provisions of this article imposed and levied
486 as a result of Section 27-65-17(2) and the corresponding levy in
487 Section 27-65-23 on the rental or lease of private carriers of
488 passengers and light carriers of property as defined in Section
489 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax
490 Reduction Fund created pursuant to Section 27-51-105.

491 (d) On or before July 15, 1997, and on or before the
492 fifteenth day of each succeeding month thereafter and after the
493 deposits required by paragraphs (a) and (b) of this section are
494 made, the remaining revenue collected under the provisions of this

495 article imposed and levied as a result of Section 27-65-17(1) and
496 the corresponding levy in Section 27-65-23 on the rental or lease
497 of private carriers of passengers and light carriers of property
498 as defined in Section 27-51-101 shall be deposited into the Motor
499 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section
500 27-51-105.

501 (e) On or before July 15, 2000, and on or before the
502 fifteenth day of each succeeding month thereafter, eighteen and
503 one-half percent (18-1/2%) of the revenue collected under the
504 provisions of this article from persons who reside within the
505 corporate limits of a municipality after the distributions are
506 made under paragraphs (a), (b), (c) and (d) of this section, shall
507 be allocated for distribution to such municipality and paid to
508 such municipal corporation.

509 (f) The remainder of the amount received from taxes,
510 damages and interest under the provisions of this article shall be
511 paid into the General Fund of the State Treasury by the
512 commissioner.

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

514 27-67-31. All administrative provisions of the sales tax
515 law, and amendments thereto, including those which fix damages,
516 penalties and interest for failure to comply with the provisions
517 of said sales tax law, and all other requirements and duties
518 imposed upon taxpayer, shall apply to all persons liable for use
519 taxes under the provisions of this article. The commissioner
520 shall exercise all power and authority and perform all duties with
521 respect to taxpayers under this article as are provided in said
522 sales tax law, except where there is conflict, then the provisions
523 of this article shall control.

524 The commissioner may require transportation companies to
525 permit the examination of waybills, freight bills, or other
526 documents covering shipments of tangible personal property into
527 this state.

528 On or before the fifteenth day of each month, the amount
529 received from taxes, damages and interest under the provisions of
530 this article during the preceding month shall be paid and
531 distributed as follows:

532 (a) On or before July 15, 1994, and each succeeding
533 month thereafter, two and two hundred sixty-six one-thousandths
534 percent (2.266%) of the total use tax revenue collected during the
535 preceding month under the provisions of this article not to exceed
536 the fiscal year 1997 appropriated level shall be deposited in the
537 School Ad Valorem Tax Reduction Fund created pursuant to Section
538 37-61-35, with the balance to be transferred to the Education
539 Enhancement Fund created under Section 37-61-33 for appropriation
540 by the Legislature as other education needs and not subject to the
541 percentage set asides set forth in Section 37-61-33.

542 (b) On or before July 15, 1994, and each succeeding
543 month thereafter, nine and seventy-three one-thousandths percent
544 (9.073%) of the total use tax revenue collected during the
545 preceding month under the provisions of this article shall be
546 deposited into the Education Enhancement Fund created pursuant to
547 Section 37-61-33.

548 (c) On or before July 15, 2000, and on or before the
549 fifteenth day of each succeeding month thereafter, eighteen and
550 one-half percent (18-1/2%) of the revenue collected under the
551 provisions of this article from persons who reside within the
552 corporate limits of a municipality after the distributions are
553 made under paragraphs (a) and (b) of this section, shall be
554 allocated for distribution to such municipality and paid to such
555 municipal corporation.

556 (d) The remainder of the amount received from taxes,
557 damages and interest under the provisions of this article shall be
558 paid into the General Fund of the State Treasury by the
559 commissioner.

560 SECTION 3. This act shall take effect and be in force from

561 and after July 1, 2000.