

By: Representative Fleming

To: Ways and Means

HOUSE BILL NO. 277

1 AN ACT TO AMEND SECTION 27-55-11, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE THE GASOLINE EXCISE TAX BY TWO CENTS PER GALLON; TO  
3 AMEND SECTION 27-5-101, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT  
4 THE PROCEEDS OF SUCH INCREASE SHALL BE DEPOSITED INTO THE  
5 MISSISSIPPI HIGHWAY-RAILROAD GRADE CROSSING SAFETY ACCOUNT; AND  
6 FOR RELATED PURPOSES.

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

8 SECTION 1. Section 27-55-11, Mississippi Code of 1972, is  
9 amended as follows:

10 **[Through June 30, 2002, this section shall read as follows:]**

11 27-55-11. Any person in business as a distributor of  
12 gasoline or who acts as a distributor of gasoline, as defined in  
13 this article, shall pay for the privilege of engaging in such  
14 business or acting as such distributor an excise tax equal to  
15 Eighteen Cents (18¢) per gallon until the date specified in  
16 Section 65-39-35, and Fourteen and Four-tenths Cents (14.4¢) per  
17 gallon thereafter, on all gasoline and blend stock stored, sold,  
18 distributed, manufactured, refined, distilled, blended or  
19 compounded in this state or received in this state for sale, use  
20 on the highways, storage, distribution, or for any purpose.

21 Any person in business as a distributor of aviation gasoline,  
22 or who acts as a distributor of aviation gasoline, shall pay for  
23 the privilege of engaging in such business or acting as such  
24 distributor an excise tax equal to Six and Four-tenths Cents  
25 (6.4¢) per gallon on all aviation gasoline stored, sold,  
26 distributed, manufactured, refined, distilled, blended or  
27 compounded in this state or received in this state for sale,  
28 storage, distribution or for any purpose.



29           The excise taxes collected under this section shall be paid  
30 and distributed in accordance with Section 27-5-101.

31           The tax herein imposed and assessed shall be collected and  
32 paid to the State of Mississippi but once in respect to any  
33 gasoline. The basis for determining the tax liability shall be  
34 the correct invoiced gallons, adjusted to sixty (60) degrees  
35 Fahrenheit at the refinery or point of origin of shipment when  
36 such shipment is made by tank car or by motor carrier. The point  
37 of origin of shipment of gasoline transported into this state by  
38 pipelines shall be deemed to be that point in this state where  
39 such gasoline is withdrawn from the pipeline for storage or  
40 distribution, and adjustment to sixty (60) degrees Fahrenheit  
41 shall there be made. The basis for determining the tax liability  
42 on gasoline shipped into this state in barge cargoes and by  
43 pipeline shall be the actual number of gallons adjusted to sixty  
44 (60) degrees Fahrenheit unloaded into storage tanks or other  
45 containers in this state, such gallonage to be determined by  
46 measurement and/or gauge of storage tank or tanks or by any other  
47 method authorized by the commission. The tank or tanks into which  
48 barge cargoes of gasoline are discharged, or into which gasoline  
49 transported by pipeline is discharged, shall have correct gauge  
50 tables listing capacity, such gauge tables to be prepared by some  
51 recognized calibrating agency and to be approved by the  
52 commission.

53           The tax levied herein shall accrue at the time gasoline is  
54 withdrawn from a refinery in this state except when withdrawal is  
55 by pipeline, barge, ship or vessel. The refiner shall pay to the  
56 commission the tax levied herein when gasoline is sold or  
57 delivered to persons who do not hold gasoline distributor permits.  
58 The refiner shall report to the commission all sales and  
59 deliveries of gasoline to bonded distributors of gasoline. The  
60 bonded distributor of gasoline who purchases, receives or acquires



61 gasoline from a refinery in this state shall report such gasoline  
62 and pay the tax levied herein.

63 Gasoline imported by common carrier shall be deemed to be  
64 received by the distributor of gasoline, and the tax levied herein  
65 shall accrue, when the car or tank truck containing such gasoline  
66 is unloaded by the carrier.

67 With respect to distributors or other persons who bring,  
68 ship, have transported, or have brought into this state gasoline  
69 by means other than through a common carrier, the tax accrues and  
70 the tax liability attaches on the distributor or other person for  
71 each gallon of gasoline brought into the state at the time when  
72 and at the point where such gasoline is brought into the state.

73 The tax levied herein shall accrue on blend stock at the time  
74 it is blended with gasoline. The blender shall pay to the  
75 commission the tax levied herein when blend stock is sold or  
76 delivered to persons who do not hold gasoline distributor permits.  
77 The blender shall report to the commission all sales and  
78 deliveries of blend stock to bonded distributors of gasoline. The  
79 bonded distributor of gasoline who purchases, receives or acquires  
80 blend stock from a blender in this state shall report blend stock  
81 and pay the tax levied herein.

82 **[From and after July 1, 2002, this section shall read as**  
83 **follows:]**

84 27-55-11. Any person in business as a distributor of  
85 gasoline or who acts as a distributor of gasoline, as defined in  
86 this article, shall pay for the privilege of engaging in such  
87 business or acting as such distributor an excise tax equal to  
88 Twenty Cents (20¢) per gallon until the date specified in Section  
89 65-39-35, and Sixteen and Four-tenths Cents (16.4¢) per gallon  
90 thereafter, on all gasoline and blend stock stored, sold,  
91 distributed, manufactured, refined, distilled, blended or  
92 compounded in this state or received in this state for sale, use  
93 on the highways, storage, distribution, or for any purpose.



94           Any person in business as a distributor of aviation gasoline,  
95 or who acts as a distributor of aviation gasoline, shall pay for  
96 the privilege of engaging in such business or acting as such  
97 distributor an excise tax equal to Six and Four-tenths Cents  
98 (6.4¢) per gallon on all aviation gasoline stored, sold,  
99 distributed, manufactured, refined, distilled, blended or  
100 compounded in this state or received in this state for sale,  
101 storage, distribution or for any purpose.

102           The excise taxes collected under this section shall be paid  
103 and distributed in accordance with Section 27-5-101.

104           The tax herein imposed and assessed shall be collected and  
105 paid to the State of Mississippi but once in respect to any  
106 gasoline. The basis for determining the tax liability shall be  
107 the correct invoiced gallons, adjusted to sixty (60) degrees  
108 Fahrenheit at the refinery or point of origin of shipment when  
109 such shipment is made by tank car or by motor carrier. The point  
110 of origin of shipment of gasoline transported into this state by  
111 pipelines shall be deemed to be that point in this state where  
112 such gasoline is withdrawn from the pipeline for storage or  
113 distribution, and adjustment to sixty (60) degrees Fahrenheit  
114 shall there be made. The basis for determining the tax liability  
115 on gasoline shipped into this state in barge cargoes and by  
116 pipeline shall be the actual number of gallons adjusted to sixty  
117 (60) degrees Fahrenheit unloaded into storage tanks or other  
118 containers in this state, such gallonage to be determined by  
119 measurement and/or gauge of storage tank or tanks or by any other  
120 method authorized by the commission. The tank or tanks into which  
121 barge cargoes of gasoline are discharged, or into which gasoline  
122 transported by pipeline is discharged, shall have correct gauge  
123 tables listing capacity, such gauge tables to be prepared by some  
124 recognized calibrating agency and to be approved by the  
125 commission.



126           The tax levied herein shall accrue at the time gasoline is  
127 withdrawn from a refinery in this state except when withdrawal is  
128 by pipeline, barge, ship or vessel. The refiner shall pay to the  
129 commission the tax levied herein when gasoline is sold or  
130 delivered to persons who do not hold gasoline distributor permits.  
131 The refiner shall report to the commission all sales and  
132 deliveries of gasoline to bonded distributors of gasoline. The  
133 bonded distributor of gasoline who purchases, receives or acquires  
134 gasoline from a refinery in this state shall report such gasoline  
135 and pay the tax levied herein.

136           Gasoline imported by common carrier shall be deemed to be  
137 received by the distributor of gasoline, and the tax levied herein  
138 shall accrue, when the car or tank truck containing such gasoline  
139 is unloaded by the carrier.

140           With respect to distributors or other persons who bring,  
141 ship, have transported, or have brought into this state gasoline  
142 by means other than through a common carrier, the tax accrues and  
143 the tax liability attaches on the distributor or other person for  
144 each gallon of gasoline brought into the state at the time when  
145 and at the point where such gasoline is brought into the state.

146           The tax levied herein shall accrue on blend stock at the time  
147 it is blended with gasoline. The blender shall pay to the  
148 commission the tax levied herein when blend stock is sold or  
149 delivered to persons who do not hold gasoline distributor permits.  
150 The blender shall report to the commission all sales and  
151 deliveries of blend stock to bonded distributors of gasoline. The  
152 bonded distributor of gasoline who purchases, receives or acquires  
153 blend stock from a blender in this state shall report blend stock  
154 and pay the tax levied herein.

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

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



159           27-5-101. Unless otherwise provided in this section, on or  
160 before the fifteenth day of each month, all gasoline, diesel fuel  
161 or kerosene taxes which are levied under the laws of this state  
162 and collected during the previous month shall be paid and  
163 apportioned by the State Tax Commission as follows:

164           (a) (i) Except as otherwise provided in Section  
165 31-17-127, from the gross amount of gasoline, diesel fuel or  
166 kerosene taxes produced by the state, there shall be deducted an  
167 amount equal to one-sixth (1/6) of principal and interest  
168 certified by the State Treasurer to the State Tax Commission to be  
169 due on the next semiannual bond and interest payment date, as  
170 required under the provisions of Chapter 130, Laws of 1938, and  
171 subsequent acts authorizing the issuance of bonds payable from  
172 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
173 bonds issued under authority of said Chapter 130. The State  
174 Treasurer shall certify to the State Tax Commission on or before  
175 the fifteenth day of each month the amount to be paid to the  
176 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws  
177 of 1938, and subsequent acts authorizing the issuance of bonds  
178 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
179 parity with the bonds issued under authority of said Chapter 130;  
180 and the State Tax Commission shall, on or before the twenty-fifth  
181 day of each month, pay into the State Treasury for credit to the  
182 "Highway Bonds Sinking Fund" the amount so certified to him by the  
183 State Treasurer due to be paid into such fund each month. The  
184 payments to the "Highway Bonds Sinking Fund" shall be made out of  
185 gross gasoline, diesel fuel or kerosene tax collections before  
186 deductions of any nature are considered; however, such payments  
187 shall be deducted from the allocation to the Mississippi  
188 Department of Transportation under paragraph (c) of this section.

189           (ii) From collections derived from the portion of  
190 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
191 from the portion of the tax on aviation gas under Section 27-55-11



192 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
193 portion of the special fuel tax levied under Sections 27-55-519  
194 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten  
195 Cents (10¢) per gallon, from the portion of the taxes levied under  
196 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per  
197 gallon) that exceeds One Cent (1¢) per gallon on special fuel and  
198 Five and One-fourth Cents (5.25¢) per gallon on special fuel used  
199 as aircraft fuel, from the portion of the excise tax on compressed  
200 gas used as a motor fuel that exceeds the rate of tax in effect on  
201 June 30, 1987, and from the portion of the gasoline excise tax in  
202 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
203 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there  
204 shall be deducted:

205                   1. An amount as provided in Section  
206 27-65-75(4) to the credit of a special fund designated as the  
207 "Office of State Aid Road Construction."

208                   2. An amount equal to the tax collections  
209 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
210 for distribution to the State Highway Fund to be used exclusively  
211 for the construction, reconstruction and maintenance of highways  
212 of the State of Mississippi or the payment of interest and  
213 principal on bonds when specifically authorized by the Legislature  
214 for that purpose.

215                   3. The balance shall be deposited in the  
216 State Treasury to the credit of the State Highway Fund.

217                   (b) Subject to the provisions that said basis of  
218 distribution shall in nowise affect adversely the amount  
219 specifically pledged in paragraph (a) of this section to be paid  
220 into the "Highway Bonds Sinking Fund," the following shall be  
221 deducted from the amount produced by the state tax on gasoline,  
222 diesel fuel or kerosene tax collections, excluding collections  
223 derived from the portion of the gasoline excise tax that exceeds  
224 Seven Cents (7¢) per gallon, from the portion of the tax on



225 aviation gas under Section 27-55-11 that exceeds Six and  
226 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
227 special fuel tax levied under Sections 27-55-519 and 27-55-521, at  
228 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per  
229 gallon, from the portion of the taxes levied under Section  
230 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that  
231 exceeds One Cent (1¢) per gallon on special fuel and Five and  
232 One-fourth Cents (5.25¢) per gallon on special fuel used as  
233 aircraft fuel, from the portion of the excise tax on compressed  
234 gas used as a motor fuel that exceeds the rate of tax in effect on  
235 June 30, 1987, and from the portion of the gasoline excise tax in  
236 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
237 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

238 (i) Twenty percent (20%) of such amount which  
239 shall be earmarked and set aside for the construction,  
240 reconstruction and maintenance of the highways and roads of the  
241 state, provided that if such twenty percent (20%) should reduce  
242 any county to a lesser amount than that received in the fiscal  
243 year ending June 30, 1966, then such twenty percent (20%) shall be  
244 reduced to a percentage to provide that no county shall receive  
245 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

256 (vi) The remainder shall be divided on a basis of  
257 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the





258 same basis as Four and One-half Cents (4-1/2¢) and Two and  
259 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and  
260 six and forty-three one-hundredths (6.43) and three and  
261 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel  
262 fuel or kerosene). The amount produced by the nine-fourteenths  
263 (9/14) division shall be allocated to the Transportation  
264 Department and paid into the State Treasury as provided in this  
265 section and in Section 27-5-103 and the five-fourteenths (5/14)  
266 division shall be returned to the counties of the state on the  
267 following basis:

268                   1. In each fiscal year, each county shall be  
269 paid each month the same percentage of the monthly total to be  
270 distributed as was paid to that county during the same month in  
271 the fiscal year which ended April 9, 1960, until the county  
272 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such  
273 fiscal year, at which time funds shall be distributed under the  
274 provisions of paragraph (b)(vi)4. of this section.

275                   2. If after payments in 1. above, any county  
276 has not received a total of One Hundred Ninety Thousand Dollars  
277 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
278 and each fiscal year thereafter, then any available funds not  
279 distributed under 1. above shall be used to bring such county or  
280 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
281 or such funds shall be divided equally among such counties not  
282 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
283 there is not sufficient money to bring all the counties to said  
284 One Hundred Ninety Thousand Dollars (\$190,000.00).

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



291                   4. During the last month of the current  
292 fiscal year, should it be determined that there are funds  
293 available in excess of the amount distributed for the year under  
294 1. and 2. above, then such excess funds shall be distributed among  
295 the various counties as follows:

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

298                                 One-third (1/3) of such excess to be paid  
299 to the counties in the proportion which the population of each  
300 county bears to the total population of the state according to the  
301 last federal census;

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

305                   5. It is the declared purpose and intent of  
306 the Legislature that no county shall be paid less than was paid  
307 during the year ended April 9, 1960, unless the amount to be  
308 distributed to all counties in any year is less than the amount  
309 distributed to all counties during the year ended April 9, 1960.

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

314                 In any county having countywide road or bridge bonds, or  
315 supervisors district or district road or bridge bonds outstanding,  
316 which exceed, in the aggregate, twelve percent (12%) of the  
317 assessed valuation of the taxable property of the county or  
318 district, it shall be the duty of the board of supervisors to set  
319 aside not less than sixty percent (60%) of such county's share or  
320 district's share of the gasoline, diesel fuel or kerosene taxes to  
321 be used in paying the principal and interest on such road or  
322 bridge bonds as they mature.



323           In any county having such countywide road or bridge bonds or  
324 district road or bridge bonds outstanding which exceed, in the  
325 aggregate, eight percent (8%) of the assessed valuation of the  
326 taxable property of the county, but which do not exceed, in the  
327 aggregate, twelve percent (12%) of the assessed valuation of the  
328 taxable property of the county, it shall be the duty of the board  
329 of supervisors to set aside not less than thirty-five percent  
330 (35%) of such county's share of the gasoline, diesel fuel or  
331 kerosene taxes to be used in paying the principal and interest of  
332 such road or bridge bonds as they mature.

333           In any county having such countywide road or bridge bonds or  
334 district road or bridge bonds outstanding which exceed, in the  
335 aggregate, five percent (5%) of the assessed valuation of the  
336 taxable property of the county, but which do not exceed, in the  
337 aggregate, eight percent (8%) of the assessed valuation of the  
338 taxable property of the county, it shall be the duty of the board  
339 of supervisors to set aside not less than twenty percent (20%) of  
340 such county's share of the gasoline, diesel fuel or kerosene taxes  
341 to be used in paying the principal and interest of such road and  
342 bridge bonds as they mature.

343           In any county having such countywide road or bridge bonds or  
344 district road or bridge bonds outstanding which do not exceed, in  
345 the aggregate, five percent (5%) of the assessed valuation of the  
346 taxable property of the county, it shall be the duty of the board  
347 of supervisors to set aside not less than ten percent (10%) of  
348 such county's share of the gasoline, diesel fuel or kerosene taxes  
349 to be used in paying the principal and interest on such road or  
350 bridge bonds as they mature.

351           The portion of any such county's share of the gasoline,  
352 diesel fuel or kerosene taxes thus set aside for the payment of  
353 the principal and interest of road or bridge bonds, as provided  
354 for in this section, shall be used first in paying the currently  
355 maturing installments of the principal and interest of such



356 countywide road or bridge bonds, if there be any such countywide  
357 road or bridge bonds outstanding, and secondly, in paying the  
358 currently maturing installments of principal and interest of  
359 district road or bridge bonds outstanding. It shall be the duty  
360 of the board of supervisors to pay bonds and interest maturing in  
361 each supervisors district out of the supervisors district's share  
362 of the gasoline, diesel fuel or kerosene taxes of such district.

363       The remaining portion of such county's share of the gasoline,  
364 diesel fuel or kerosene taxes, after setting aside the portion  
365 above provided for the payment of the principal and interest of  
366 bonds, shall be used in the construction and maintenance of any  
367 public highways, bridges, or culverts of the county, including the  
368 roads in special or separate road districts, in the discretion of  
369 the board of supervisors, or in paying the interest and principal  
370 of county road and bridge bonds or district road and bridge bonds,  
371 in the discretion of the board of supervisors.

372       In any county having no countywide road or bridge bonds or  
373 district road or bridge bonds outstanding, all such county's share  
374 of the gasoline, diesel fuel or kerosene taxes shall be used in  
375 the construction, reconstruction, and maintenance of the public  
376 highways, bridges, or culverts of the county as the board of  
377 supervisors may determine.

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

382               (c) From the amount produced by the nine-fourteenths  
383 (9/14) division allocated to the Transportation Department, there  
384 shall be deducted:

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

387                       (ii) Any amounts due counties in accordance with  
388 Section 65-33-45 which have outstanding bonds issued for seawall



389 or road protection purposes, issued under provisions of Chapter  
390 319, Laws of 1924, and amendments thereto;

391 (iii) Beginning August 15, 2002, and on or before  
392 the fifteenth day of each month thereafter, an amount equal to  
393 one-sixth (1/6) of the principal and interest certified by the  
394 State Treasurer to the State Tax Commission to be due on the next  
395 semiannual bond and interest payment date for the bonds issued  
396 under Sections 65-39-5 through 65-39-33. On or before the  
397 twenty-fifth day of each month the State Tax Commission shall pay  
398 into the State Treasury for credit to the Gaming Counties Bond  
399 Sinking Fund created in Section 65-39-3, the amount so certified  
400 by the State Treasurer;

401 (iv) Except as otherwise provided in Section  
402 31-17-127, the remainder shall be paid by the State Tax Commission  
403 to the State Treasurer on the fifteenth day of each month next  
404 succeeding the month in which the gasoline, diesel fuel or  
405 kerosene taxes were collected to the credit of the State Highway  
406 Fund.

407 The funds allocated for the construction, reconstruction, and  
408 improvement of state highways, bridges, and culverts, or so much  
409 thereof as may be necessary, shall first be used in conjunction  
410 with funds supplied by the federal government for such purposes  
411 and allocated to the State Transportation Department to be  
412 expended on the state highway system. It is specifically provided  
413 hereby that the necessary portion of such funds hereinabove  
414 allocated to the State Transportation Department may be used for  
415 the prompt payment of principal and interest on highway bonds  
416 heretofore issued, including such bonds issued or to be issued  
417 under the provisions of Chapter 312, Laws of 1956, and amendments  
418 thereto.

419 Nothing contained in this section shall be construed to  
420 reduce the amount of such gasoline, diesel fuel or kerosene excise  
421 taxes levied by the state, allotted under the provisions of Title



422 65, Chapter 33, Mississippi Code of 1972, to counties in which  
423 there are outstanding bonds issued for seawall or road protection  
424 purposes issued under the provisions of Chapter 319, Laws of 1924,  
425 and amendments thereto; the amount of said gasoline, diesel fuel  
426 or kerosene excise taxes designated in this section for the  
427 payment of bonds and interest authorized and issued or to be  
428 issued under the provisions of Chapter 130, Laws of 1938, and  
429 subsequent acts authorizing the issuance of bonds payable from  
430 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
431 counties, be considered as being paid "into the State Treasury to  
432 the credit of the State Highway Fund" within the meaning of  
433 Section 65-33-45 in computing the amount to be paid to such  
434 counties under the provisions of said section, and this section  
435 shall be administered in connection with Title 65, Chapter 33,  
436 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
437 65-33-49 dealing with seawalls, as if made a part of this section.

438 (d) The proceeds of the Five and One-fourth Cents  
439 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
440 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
441 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
442 gallon for each gallon of gasoline for which a refund has been  
443 made pursuant to Section 27-55-23 because such gasoline was used  
444 for aviation purposes, shall be paid to the State Treasury into a  
445 special fund to be used exclusively, pursuant to legislative  
446 appropriation, for the support and development of aeronautics as  
447 defined in Section 61-1-3.

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



454           (f) Beginning August 15, 2002, and on or before the  
455 fifteenth day of each month thereafter, the proceeds of Two Cents  
456 (2¢) per gallon of the tax on gasoline levied under Section  
457 27-55-11 shall be deposited into the Mississippi Highway-Railroad  
458 Grade Crossing Safety Account, created in House Bill No. \_\_\_\_\_,  
459 2001 Regular Session.

460           (g) "Gasoline, diesel fuel or kerosene taxes" as used  
461 in this section shall be deemed to mean and include state  
462 gasoline, diesel fuel or kerosene taxes levied and imposed on  
463 distributors of gasoline, diesel fuel or kerosene, and all state  
464 excise taxes derived from any fuel used to propel vehicles upon  
465 the highways of this state, when levied by any statute.

466           **[With regard to any county which is required to operate on a**  
467 **countywide system of road administration as described in Section**  
468 **19-2-3, this section shall read as follows:]**

469           27-5-101. Unless otherwise provided in this section, on or  
470 before the fifteenth day of each month, all gasoline, diesel fuel  
471 or kerosene taxes which are levied under the laws of this state  
472 and collected during the previous month shall be paid and  
473 apportioned by the State Tax Commission as follows:

474           (a) (i) Except as otherwise provided in Section  
475 31-17-127, from the gross amount of gasoline, diesel fuel or  
476 kerosene taxes produced by the state, there shall be deducted an  
477 amount equal to one-sixth (1/6) of principal and interest  
478 certified by the State Treasurer to the State Tax Commission to be  
479 due on the next semiannual bond and interest payment date, as  
480 required under the provisions of Chapter 130, Laws of 1938, and  
481 subsequent acts authorizing the issuance of bonds payable from  
482 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
483 bonds issued under authority of said Chapter 130. The State  
484 Treasurer shall certify to the State Tax Commission on or before  
485 the fifteenth day of each month the amount to be paid to the  
486 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws



487 of 1938, and subsequent acts authorizing the issuance of bonds  
488 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
489 parity with the bonds issued under authority of said Chapter 130;  
490 and the State Tax Commission shall, on or before the twenty-fifth  
491 day of each month, pay into the State Treasury for credit to the  
492 "Highway Bonds Sinking Fund" the amount so certified to him by the  
493 State Treasurer due to be paid into such fund each month. The  
494 payments to the "Highway Bonds Sinking Fund" shall be made out of  
495 gross gasoline, diesel fuel or kerosene tax collections before  
496 deductions of any nature are considered; however, such payments  
497 shall be deducted from the allocation to the Transportation  
498 Department under paragraph (c) of this section.

499 (ii) From collections derived from the portion of  
500 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
501 from the portion of the tax on aviation gas under Section 27-55-11  
502 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
503 portion of the special fuel tax levied under Sections 27-55-519  
504 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten  
505 Cents (10¢) per gallon, from the portion of the taxes levied under  
506 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per  
507 gallon that exceeds One Cent (1¢) per gallon on special fuel and  
508 Five and One-fourth Cents (5.25¢) per gallon on special fuel used  
509 as aircraft fuel, from the portion of the excise tax on compressed  
510 gas used as a motor fuel that exceeds the rate of tax in effect on  
511 June 30, 1987, and from the portion of the gasoline excise tax in  
512 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
513 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there  
514 shall be deducted:

515 1. An amount as provided in Section  
516 27-65-75(4) to the credit of a special fund designated as the  
517 "Office of State Aid Road Construction."

518 2. An amount equal to the tax collections  
519 derived from Two Cents (2¢) per gallon of the gasoline excise tax





520 for distribution to the State Highway Fund to be used exclusively  
521 for the construction, reconstruction and maintenance of highways  
522 of the State of Mississippi or the payment of interest and  
523 principal on bonds when specifically authorized by the Legislature  
524 for that purpose.

525                   3. The balance shall be deposited in the  
526 State Treasury to the credit of the State Highway Fund.

527                   (b) Subject to the provisions that said basis of  
528 distribution shall in nowise affect adversely the amount  
529 specifically pledged in paragraph (a) of this section to be paid  
530 into the "Highway Bonds Sinking Fund," the following shall be  
531 deducted from the amount produced by the state tax on gasoline,  
532 diesel fuel or kerosene tax collections, excluding collections  
533 derived from the portion of the gasoline excise tax that exceeds  
534 Seven Cents (7¢) per gallon, from the portion of the tax on  
535 aviation gas under Section 27-55-11 that exceeds Six and  
536 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
537 special fuel tax levied under Sections 27-55-519 and 27-55-521, at  
538 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per  
539 gallon, from the portion of the taxes levied under Section  
540 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds  
541 One Cent (1¢) per gallon on special fuel and Five and One-fourth  
542 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,  
543 from the portion of the excise tax on compressed gas used as a  
544 motor fuel that exceeds the rate of tax in effect on June 30,  
545 1987, and from the portion of the gasoline excise tax in excess of  
546 Seven Cents (7¢) per gallon and the diesel excise tax in excess of  
547 Ten Cents (10¢) per gallon under Section 27-61-5:

548                   (i) Twenty percent (20%) of such amount which  
549 shall be earmarked and set aside for the construction,  
550 reconstruction and maintenance of the highways and roads of the  
551 state, provided that if such twenty percent (20%) should reduce  
552 any county to a lesser amount than that received in the fiscal



553 year ending June 30, 1966, then such twenty percent (20%) shall be  
554 reduced to a percentage to provide that no county shall receive  
555 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

566 (vi) The remainder shall be divided on a basis of  
567 nine-fourteenths ( $9/14$ ) and five-fourteenths ( $5/14$ ) (being the  
568 same basis as Four and One-half Cents ( $4-1/2\text{¢}$ ) and Two and  
569 One-half Cents ( $2-1/2\text{¢}$ ) is to Seven Cents ( $7\text{¢}$ ) on gasoline, and  
570 six and forty-three one-hundredths ( $6.43$ ) and three and  
571 fifty-seven one-hundredths ( $3.57$ ) is to Ten Cents ( $10\text{¢}$ ) on diesel  
572 fuel or kerosene). The amount produced by the nine-fourteenths  
573 ( $9/14$ ) division shall be allocated to the Transportation  
574 Department and paid into the State Treasury as provided in this  
575 section and in Section 27-5-103 and the five-fourteenths ( $5/14$ )  
576 division shall be returned to the counties of the state on the  
577 following basis:

578 1. In each fiscal year, each county shall be  
579 paid each month the same percentage of the monthly total to be  
580 distributed as was paid to that county during the same month in  
581 the fiscal year which ended April 9, 1960, until the county  
582 receives One Hundred Ninety Thousand Dollars ( $\$190,000.00$ ) in such  
583 fiscal year, at which time funds shall be distributed under the  
584 provisions of paragraph (b) (vi)4. of this section.



585                   2. If after payments in 1. above, any county  
586 has not received a total of One Hundred Ninety Thousand Dollars  
587 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
588 and each fiscal year thereafter, then any available funds not  
589 distributed under 1. above shall be used to bring such county or  
590 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
591 or such funds shall be divided equally among such counties not  
592 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
593 there is not sufficient money to bring all the counties to said  
594 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

601                   4. During the last month of the current  
602 fiscal year, should it be determined that there are funds  
603 available in excess of the amount distributed for the year under 1  
604 and 2 above, then such excess funds shall be distributed among the  
605 various counties as follows:

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

608                                 One-third (1/3) of such excess to be paid  
609 to the counties in the proportion which the population of each  
610 county bears to the total population of the state according to the  
611 last federal census;

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

615                   5. It is the declared purpose and intent of  
616 the Legislature that no county shall be paid less than was paid  
617 during the year ended April 9, 1960, unless the amount to be



618 distributed to all counties in any year is less than the amount  
619 distributed to all counties during the year ended April 9, 1960.

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

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

631 In any county having such road or bridge bonds outstanding  
632 which exceed, in the aggregate, eight percent (8%) of the assessed  
633 valuation of the taxable property of the county, but which do not  
634 exceed, in the aggregate, twelve percent (12%) of the assessed  
635 valuation of the taxable property of the county, it shall be the  
636 duty of the board of supervisors to set aside not less than  
637 thirty-five percent (35%) of such county's share of the gasoline,  
638 diesel fuel or kerosene taxes to be used in paying the principal  
639 and interest of such road or bridge bonds as they mature.

640 In any county having such road or bridge bonds outstanding  
641 which exceed, in the aggregate, five percent (5%) of the assessed  
642 valuation of the taxable property of the county, but which do not  
643 exceed, in the aggregate, eight percent (8%) of the assessed  
644 valuation of the taxable property of the county, it shall be the  
645 duty of the board of supervisors to set aside not less than twenty  
646 percent (20%) of such county's share of the gasoline, diesel fuel  
647 or kerosene taxes to be used in paying the principal and interest  
648 of such road and bridge bonds as they mature.

649 In any county having such road or bridge bonds outstanding  
650 which do not exceed, in the aggregate, five percent (5%) of the



651 assessed valuation of the taxable property of the county, it shall  
652 be the duty of the board of supervisors to set aside not less than  
653 ten percent (10%) of such county's share of the gasoline, diesel  
654 fuel or kerosene taxes to be used in paying the principal and  
655 interest on such road or bridge bonds as they mature.

656 The portion of any such county's share of the gasoline,  
657 diesel fuel or kerosene taxes thus set aside for the payment of  
658 the principal and interest of road or bridge bonds, as provided  
659 for in this section, shall be used in paying the currently  
660 maturing installments of the principal and interest of such road  
661 or bridge bonds, if there be any such road or bridge bonds  
662 outstanding.

663 The remaining portion of such county's share of the gasoline,  
664 diesel fuel or kerosene taxes, after setting aside the portion  
665 above provided for the payment of the principal and interest of  
666 bonds, shall be used in the construction and maintenance of any  
667 public highways, bridges or culverts of the county, in the  
668 discretion of the board of supervisors.

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

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

678 (c) From the amount produced by the nine-fourteenths  
679 (9/14) division allocated to the Transportation Department, there  
680 shall be deducted:

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



683                   (ii) Any amounts due counties in accordance with  
684 Section 65-33-45 which have outstanding bonds issued for seawall  
685 or road protection purposes, issued under provisions of Chapter  
686 319, Laws of 1924, and amendments thereto; and

687                   (iii) Beginning August 15, 2002, and on or before  
688 the fifteenth day of each month thereafter, an amount equal to  
689 one-sixth (1/6) of the principal and interest certified by the  
690 State Treasurer to the State Tax Commission to be due on the next  
691 semiannual bond and interest payment date for the bonds issued  
692 under Sections 65-39-5 through 65-39-33. On or before the  
693 twenty-fifth day of each month the State Tax Commission shall pay  
694 into the State Treasury for credit to the Gaming Counties Bond  
695 Sinking Fund created in Section 65-39-3, the amount certified by  
696 the State Treasurer;

697                   (iv) Except as otherwise provided in Section  
698 31-17-127, the remainder shall be paid by the State Tax Commission  
699 to the State Treasurer on the fifteenth day of each month next  
700 succeeding the month in which the gasoline, diesel fuel or  
701 kerosene taxes were collected to the credit of the State Highway  
702 Fund.

703           The funds allocated for the construction, reconstruction and  
704 improvement of state highways, bridges and culverts, or so much  
705 thereof as may be necessary, shall first be used in conjunction  
706 with funds supplied by the federal government for such purposes  
707 and allocated to the Transportation Department to be expended on  
708 the state highway system. It is specifically provided hereby that  
709 the necessary portion of such funds hereinabove allocated to the  
710 Transportation Department may be used for the prompt payment of  
711 principal and interest on highway bonds heretofore issued,  
712 including such bonds issued or to be issued under the provisions  
713 of Chapter 312, Laws of 1956, and amendments thereto.

714           Nothing contained in this section shall be construed to  
715 reduce the amount of such gasoline, diesel fuel or kerosene excise



716 taxes levied by the state, allotted under the provisions of Title  
717 65, Chapter 33, Mississippi Code of 1972, to counties in which  
718 there are outstanding bonds issued for seawall or road protection  
719 purposes issued under the provisions of Chapter 319, Laws of 1924,  
720 and amendments thereto; the amount of said gasoline, diesel fuel  
721 or kerosene excise taxes designated in this section for the  
722 payment of bonds and interest authorized and issued or to be  
723 issued under the provisions of Chapter 130, Laws of 1938, and  
724 subsequent acts authorizing the issuance of bonds payable from  
725 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
726 counties, be considered as being paid "into the State Treasury to  
727 the credit of the State Highway Fund" within the meaning of  
728 Section 65-33-45 in computing the amount to be paid to such  
729 counties under the provisions of said section, and this section  
730 shall be administered in connection with Title 65, Chapter 33,  
731 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
732 65-33-49 dealing with seawalls, as if made a part of this section.

733           (d) The proceeds of the Five and One-fourth Cents  
734 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
735 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
736 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
737 gallon for each gallon of gasoline for which a refund has been  
738 made pursuant to Section 27-55-23 because such gasoline was used  
739 for aviation purposes, shall be paid to the State Treasury into a  
740 special fund to be used exclusively, pursuant to legislative  
741 appropriation, for the support and development of aeronautics as  
742 defined in Section 61-1-3.

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



749           (f) Beginning August 15, 2002, and on or before the  
750 fifteenth day of each month thereafter, the proceeds of Two Cents  
751 (2¢) per gallon of the tax on gasoline levied under Section  
752 27-55-11 shall be deposited into the Mississippi Highway-Railroad  
753 Grade Crossing Safety Account, created in House Bill No. \_\_\_\_\_,  
754 2001 Regular Session.

755           (g) "Gasoline, diesel fuel or kerosene taxes" as used  
756 in this section shall be deemed to mean and include state  
757 gasoline, diesel fuel or kerosene taxes levied and imposed on  
758 distributors of gasoline, diesel fuel or kerosene, and all state  
759 excise taxes derived from any fuel used to propel vehicles upon  
760 the highways of this state, when levied by any statute.

761           SECTION 3. This act shall take effect and be in force from  
762 and after July 1, 2001.

