

By: Representative Cameron

To: Ways and Means

HOUSE BILL NO. 296

1 AN ACT TO PROVIDE THAT IF A BUSINESS ENTERPRISE THAT WAS
 2 DOING BUSINESS IN THIS STATE FOR AT LEAST TWO YEARS BEFORE JANUARY
 3 1, 2002, AND IS LOCATED IN A GROWTH AND PROSPERITY COUNTY OR
 4 ELIGIBLE SUPERVISORS DISTRICT DETERMINES IT IS AT A COMPETITIVE
 5 DISADVANTAGE BECAUSE OF TAX EXEMPTIONS PROVIDED TO OTHER BUSINESS
 6 ENTERPRISES UNDER THE GROWTH AND PROSPERITY ACT, THE BUSINESS
 7 ENTERPRISE MAY REQUEST THE MISSISSIPPI DEVELOPMENT AUTHORITY TO
 8 DESIGNATE IT AS ELIGIBLE FOR SUCH TAX EXEMPTIONS; TO PROVIDE THAT
 9 A BUSINESS ENTERPRISE WILL BE ELIGIBLE TO RECEIVE SUCH TAX
 10 EXEMPTIONS IF THE MISSISSIPPI DEVELOPMENT AUTHORITY DETERMINES THE
 11 BUSINESS ENTERPRISE IS AT SUCH A COMPETITIVE DISADVANTAGE; TO
 12 PROVIDE THAT SUCH A BUSINESS ENTERPRISE SHALL NOT BE REQUIRED TO
 13 SATISFY THE MINIMUM NUMBER OF JOBS REQUIREMENT PROVIDED IN THE
 14 GROWTH AND PROSPERITY ACT; TO AMEND SECTIONS 27-7-21, 27-13-5,
 15 27-13-7 AND 27-65-101, MISSISSIPPI CODE OF 1972, IN CONFORMITY
 16 THERETO; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** (1) As used in this section, the following words
 19 and phrases shall have the meanings ascribed in this section
 20 unless the context clearly indicates otherwise:

21 (a) "Approved business enterprise" means, and has the
 22 same definition as that term has in Section 57-80-5.

23 (b) "Eligible supervisors district" means, and has the
 24 same definition as that term has in Section 57-80-5.

25 (c) "Growth and prosperity counties" means, and has the
 26 same definition as that term has in Section 57-80-5.

27 (d) "MDA" means the Mississippi Development Authority.

28 (2) If a business enterprise that was doing business in this
 29 state for at least two (2) years before January 1, 2002, and is
 30 located in a growth and prosperity county or in an eligible
 31 supervisors district within eight (8) miles of the boundary of a
 32 county that meets the criteria of Section 57-80-7(1)(b) determines
 33 it is at a competitive disadvantage because of tax exemptions
 34 provided to any approved business enterprise under the Growth and



35 Prosperity Act, such business enterprise may apply to the MDA and
36 request the MDA to designate it as eligible for the tax exemptions
37 provided under the Growth and Prosperity Act. The application
38 shall be on a form prescribed by the MDA and shall contain such
39 information as may be required by the MDA to determine if the
40 business enterprise is at a competitive disadvantage because of
41 tax exemptions provided to any approved business enterprise under
42 the Growth and Prosperity Act. The MDA shall review the
43 application and determine whether the business enterprise is at
44 such a competitive disadvantage. If the MDA determines the
45 business enterprise is at a competitive disadvantage, the MDA
46 shall issue a certificate to the business enterprise designating
47 it as eligible for the tax exemptions provided under the Growth
48 and Prosperity Act. A business enterprise issued a certificate
49 under this section shall not be required to satisfy any minimum
50 number of jobs requirement provided in the Growth and Prosperity
51 Act.

52 (3) The MDA shall promulgate rules and regulations necessary
53 for the implementation and administration of this section.

54 **SECTION 2.** Section 27-7-21, Mississippi Code of 1972, is
55 amended as follows:

56 27-7-21. (a) **Allowance of deductions.** In the case of a
57 resident individual, the exemptions provided by this section, as
58 applicable to individuals, shall be allowed as deductions in
59 computing taxable income.

60 (b) **Single individuals.** In the case of a single individual,
61 a personal exemption of Five Thousand Two Hundred Fifty Dollars
62 (\$5,250.00) for the 1979 and 1980 calendar years and Six Thousand
63 Dollars (\$6,000.00) for each calendar year thereafter.

64 (c) **Married individuals.** In the case of married individuals
65 living together, a joint personal exemption of Eight Thousand
66 Dollars (\$8,000.00) for the 1979 and 1980 calendar years and Nine
67 Thousand Five Hundred Dollars (\$9,500.00) for the 1981 through



68 1997 calendar years, Ten Thousand Dollars (\$10,000.00) for the
69 calendar year 1998, Eleven Thousand Dollars (\$11,000.00) for the
70 calendar year 1999, and Twelve Thousand Dollars (\$12,000.00) for
71 each calendar year thereafter. A husband and wife living together
72 shall receive but one (1) personal exemption in the amounts
73 provided for in this subsection for each calendar year against
74 their aggregate income.

75 (d) **Head of family individuals.** In the case of a head of
76 family individual, a personal exemption of Eight Thousand Dollars
77 (\$8,000.00) for the 1979 and 1980 calendar years and Nine Thousand
78 Five Hundred Dollars (\$9,500.00) for each calendar year
79 thereafter. The term "head of family" means an individual who is
80 single, or married but not living with his spouse for the entire
81 taxable year, who maintains a household which constitutes the
82 principal place of abode of himself and one or more individuals
83 who are dependents under the provisions of Section 152(a) of the
84 Internal Revenue Code of 1954, as amended. The head of family
85 individual shall be entitled to the additional dependent exemption
86 as provided in subsection (e) of this section only to the extent
87 of dependents in excess of the one (1) dependent needed to qualify
88 as head of family.

89 (e) **Additional exemption for dependents.** In the case of any
90 individual having a dependent, other than husband or wife, an
91 additional personal exemption of One Thousand Five Hundred Dollars
92 (\$1,500.00) for each such dependent, except as otherwise provided
93 in subsection (d) of this section. The term "dependent" as used
94 in this subsection shall mean any person or individual who
95 qualifies as a dependent under the provisions of Section 152,
96 Internal Revenue Code of 1954, as amended.

97 (f) **Additional exemption for taxpayer or spouse aged**
98 **sixty-five (65) or more.** In the case of any taxpayer or the
99 spouse of the taxpayer who has attained the age of sixty-five (65)



100 before the close of his taxable year, an additional exemption of
101 One Thousand Five Hundred Dollars (\$1,500.00).

102 (g) **Additional exemption for blindness of taxpayer or**
103 **spouse.** In the case of any taxpayer or the spouse of the taxpayer
104 who is blind at the close of the taxable year, an additional
105 exemption of One Thousand Five Hundred Dollars (\$1,500.00). For
106 the purpose of this subsection, an individual is blind only if his
107 central visual acuity does not exceed 20/200 in the better eye
108 with correcting lenses, or if his visual acuity is greater than
109 20/200 but is accompanied by a limitation in the fields of vision
110 such that the widest diameter of the visual field subtends an
111 angle no greater than twenty (20) degrees.

112 (h) **Husband and wife--claiming exemptions.** In the case of
113 husband and wife living together and filing combined returns, the
114 personal and additional exemptions authorized and allowed by this
115 section may be taken by either, or divided between them in any
116 manner they may choose. If the husband and wife fail to choose,
117 the commissioner shall divide the exemptions between husband and
118 wife in an equitable manner. In the case of a husband and wife
119 filing separate returns, the personal and additional exemptions
120 authorized and allowed by this section shall be divided equally
121 between the spouses.

122 (i) **Nonresidents.** A nonresident individual shall be allowed
123 the same personal and additional exemptions as are authorized for
124 resident individuals in subsection (a) of this section; however,
125 the nonresident individual is entitled only to that proportion of
126 the personal and additional exemptions as his net income from
127 sources within the State of Mississippi bears to his total or
128 entire net income from all sources.

129 A nonresident individual who is married and whose spouse has
130 income from independent sources must declare the joint income of
131 himself and his spouse from sources within and without Mississippi
132 and claim as a personal exemption that proportion of the



133 authorized personal and additional exemptions which the total net
134 income from Mississippi sources bears to the total net income of
135 both spouses from all sources. If both spouses have income from
136 sources within Mississippi and wish to file separate returns,
137 their combined personal and additional exemptions shall be that
138 proration of the exemption which their combined net income from
139 Mississippi sources is of their total combined net income from all
140 sources. The amount of the personal and additional exemptions so
141 computed may be divided between them in any manner they choose.

142 In the case of married individuals where one (1) spouse is a
143 resident and the other is a nonresident, the personal exemption of
144 the resident individual shall be prorated on the same basis as if
145 both were nonresidents having net income from within and without
146 the State of Mississippi.

147 For the purpose of this subsection, the term "net income"
148 means gross income less business expenses incurred in the
149 taxpayer's regular trade or business and computed in accordance
150 with the provisions of the Mississippi Income Tax Law.

151 (j) **Part-year residents.** An individual who is a resident of
152 Mississippi for only a part of his taxable year by reason of
153 either moving into the state or moving from the state shall be
154 allowed the same personal and additional exemptions as authorized
155 for resident individuals in subsection (a) of this section; the
156 part-year resident shall prorate his exemption on the same basis
157 as nonresidents having net income from within and without the
158 state.

159 (k) **Estates.** In the case of an estate, a specific exemption
160 of Six Hundred Dollars (\$600.00).

161 (l) **Trusts.** In the case of a trust which, under its
162 governing instrument, is required to distribute all of its income
163 currently, a specific exemption of Three Hundred Dollars
164 (\$300.00). In the case of all other trusts, a specific exemption
165 of One Hundred Dollars (\$100.00).



166 (m) **Corporations, foundations, joint ventures, associations.**
167 In the case of a corporation, foundation, joint venture or
168 association taxable herein, there shall be allowed no specific
169 exemption, except as provided under the Growth and Prosperity Act
170 and Section 1 of House Bill No. , 2002 Regular Session.

171 (n) **Status.** The status on the last day of the taxable year,
172 except in the case of the head of family as provided in subsection
173 (d) of this section, shall determine the right to the exemptions
174 provided in this section; provided, that a taxpayer shall be
175 entitled to such exemptions, otherwise allowable, if the husband
176 or wife or dependent has died during the taxable year.

177 (o) **Fiscal-year taxpayers.** Individual taxpayers reporting
178 on a fiscal year basis shall prorate their exemptions in a manner
179 established by regulations promulgated by the commissioner.

180 **SECTION 3.** Section 27-13-5, Mississippi Code of 1972, is
181 amended as follows:

182 27-13-5. (1) **Franchise tax levy.** Except as otherwise
183 provided in subsections (3), (4) and (5) of this section, there is
184 hereby imposed, to be paid and collected as hereinafter provided,
185 a franchise or excise tax upon every corporation, association or
186 joint-stock company or partnership treated as a corporation under
187 the income tax laws or regulations, organized or created for
188 pecuniary gain, having privileges not possessed by individuals,
189 and having authorized capital stock now existing in this state, or
190 hereafter organized, created or established, under and by virtue
191 of the laws of the State of Mississippi, equal to Two Dollars and
192 Fifty Cents (\$2.50) for each One Thousand Dollars (\$1,000.00), or
193 fraction thereof, of the value of the capital used, invested or
194 employed in the exercise of any power, privilege or right enjoyed
195 by such organization within this state, except as hereinafter
196 provided. In no case shall the franchise tax due for the
197 accounting period be less than Twenty-five Dollars (\$25.00). It
198 is the purpose of this section to require the payment to the State



199 of Mississippi of this tax for the right granted by the laws of
200 this state to exist as such organization, and to enjoy, under the
201 protection of the laws of this state, the powers, rights,
202 privileges and immunities derived from the state by the form of
203 such existence.

204 (2) **Annual report of domestic corporations.** Each domestic
205 corporation shall file, within the time prescribed by Section
206 79-3-251, an annual report as required by the provisions of
207 Section 79-3-249.

208 (3) A corporation that has negotiated a fee-in-lieu as
209 defined in Section 57-75-5 shall not be subject to the tax levied
210 by this section on such project; provided, however, that the
211 fee-in-lieu payment shall be otherwise treated in the same manner
212 as the payment of franchise taxes.

213 (4) An approved business enterprise as defined in the Growth
214 and Prosperity Act shall not be subject to the tax levied by this
215 section on the value of capital used, invested or employed by the
216 approved business enterprise in a growth and prosperity county or
217 supervisors district as provided in the Growth and Prosperity Act.

218 (5) A business enterprise issued a certificate under Section
219 1 of House Bill No. , 2002 Regular Session, shall not be
220 subject to the tax levied by this section on the value of capital
221 used, invested or employed by the business enterprise in a growth
222 and prosperity county or eligible supervisors district as provided
223 in Section 1 of House Bill No. , 2002 Regular Session.

224 **SECTION 4.** Section 27-13-7, Mississippi Code of 1972, is
225 amended as follows:

226 27-13-7. (1) **Franchise tax levy.** Except as otherwise
227 provided in subsections (3), (4) and (5) of this section, there is
228 hereby imposed, levied and assessed upon every corporation,
229 association or joint stock company, or partnership treated as a
230 corporation under the Income Tax Laws or regulations as
231 hereinbefore defined, organized and existing under and by virtue



232 of the laws of some other state, territory or country, or
233 organized and existing without any specific statutory authority,
234 now or hereafter doing business or exercising any power, privilege
235 or right within this state, as hereinbefore defined, a franchise
236 or excise tax equal to Two Dollars and Fifty Cents (\$2.50) of each
237 One Thousand Dollars (\$1,000.00), or fraction thereof, of the
238 value of capital used, invested or employed within this state,
239 except as hereinafter provided. In no case shall the franchise
240 tax due for the accounting period be less than Twenty-five Dollars
241 (\$25.00). It is the purpose of this section to require the
242 payment of a tax by all organizations not organized under the laws
243 of this state, measured by the amount of capital or its
244 equivalent, for which such organization receives the benefit and
245 protection of the government and laws of the state.

246 (2) **Annual report of foreign corporations.** Each foreign
247 corporation authorized to transact business in this state shall
248 file, within the time prescribed by Section 79-3-251, an annual
249 report as required by the provisions of Section 79-3-249.

250 (3) A corporation that has negotiated a fee-in-lieu as
251 defined in Section 57-75-5 shall not be subject to the tax levied
252 by this section on such project; provided, however, that the
253 fee-in-lieu payment shall be otherwise treated in the same manner
254 as the payment of franchise taxes.

255 (4) An approved business enterprise as defined in the Growth
256 and Prosperity Act shall not be subject to the tax levied by this
257 section on the value of capital used, invested or employed by the
258 approved business enterprise in a growth and prosperity county or
259 supervisors district as provided in the Growth and Prosperity Act.

260 (5) A business enterprise issued a certificate under Section
261 1 of House Bill No. , 2002 Regular Session, shall not be
262 subject to the tax levied by this section on the value of capital
263 used, invested or employed by the business enterprise in a growth



264 and prosperity county or eligible supervisors district as provided
265 in Section 1 of House Bill No. _____, 2002 Regular Session.

266 **SECTION 5.** Section 27-65-101, Mississippi Code of 1972, is
267 amended as follows:

268 27-65-101. (1) The exemptions from the provisions of this
269 chapter which are of an industrial nature or which are more
270 properly classified as industrial exemptions than any other
271 exemption classification of this chapter shall be confined to
272 those persons or property exempted by this section or by the
273 provisions of the Constitution of the United States or the State
274 of Mississippi. No industrial exemption as now provided by any
275 other section except Section 57-3-33 shall be valid as against the
276 tax herein levied. Any subsequent industrial exemption from the
277 tax levied hereunder shall be provided by amendment to this
278 section. No exemption provided in this section shall apply to
279 taxes levied by Section 27-65-15 or 27-65-21.

280 The tax levied by this chapter shall not apply to the
281 following:

282 (a) Sales of boxes, crates, cartons, cans, bottles and
283 other packaging materials to manufacturers and wholesalers for use
284 as containers or shipping materials to accompany goods sold by
285 said manufacturers or wholesalers where possession thereof will
286 pass to the customer at the time of sale of the goods contained
287 therein and sales to anyone of containers or shipping materials
288 for use in ships engaged in international commerce.

289 (b) Sales of raw materials, catalysts, processing
290 chemicals, welding gases or other industrial processing gases
291 (except natural gas) to a manufacturer for use directly in
292 manufacturing or processing a product for sale or rental or
293 repairing or reconditioning vessels or barges of fifty (50) tons
294 load displacement and over. This exemption shall not apply to any
295 property used as fuel except to the extent that such fuel
296 comprises by-products which have no market value.



297 (c) The gross proceeds of sales of dry docks, offshore
298 drilling equipment for use in oil exploitation or production,
299 vessels or barges of fifty (50) tons load displacement and over,
300 when sold by the manufacturer or builder thereof.

301 (d) Sales to commercial fishermen of commercial fishing
302 boats of over five (5) tons load displacement and not more than
303 fifty (50) tons load displacement as registered with the United
304 States Coast Guard and licensed by the Mississippi Commission on
305 Marine Resources.

306 (e) The gross income from repairs to vessels and barges
307 engaged in foreign trade or interstate transportation.

308 (f) Sales of petroleum products to vessels or barges
309 for consumption in marine international commerce or interstate
310 transportation businesses.

311 (g) Sales and rentals of rail rolling stock (and
312 component parts thereof) for ultimate use in interstate commerce
313 and gross income from services with respect to manufacturing,
314 repairing, cleaning, altering, reconditioning or improving such
315 rail rolling stock (and component parts thereof).

316 (h) Sales of raw materials, catalysts, processing
317 chemicals, welding gases or other industrial processing gases
318 (except natural gas) used or consumed directly in manufacturing,
319 repairing, cleaning, altering, reconditioning or improving such
320 rail rolling stock (and component parts thereof). This exemption
321 shall not apply to any property used as fuel.

322 (i) Sales of machinery or tools or repair parts
323 therefor or replacements thereof, fuel or supplies used directly
324 in manufacturing, converting or repairing ships of three thousand
325 (3,000) tons load displacement and over, but not to include office
326 and plant supplies or other equipment not directly used on the
327 ship being built, converted or repaired.

328 (j) Sales of tangible personal property to persons
329 operating ships in international commerce for use or consumption



330 on board such ships. This exemption shall be limited to cases in
331 which procedures satisfactory to the commissioner, ensuring
332 against use in this state other than on such ships, are
333 established.

334 (k) Sales of materials used in the construction of a
335 building, or any addition or improvement thereon, and sales of any
336 machinery and equipment not later than three (3) months after the
337 completion of construction of the building, or any addition
338 thereon, to be used therein, to qualified businesses, as defined
339 in Section 57-51-5, which are located in a county or portion
340 thereof designated as an enterprise zone pursuant to Sections
341 57-51-1 through 57-51-15.

342 (l) Sales of materials used in the construction of a
343 building, or any addition or improvement thereon, and sales of any
344 machinery and equipment not later than three (3) months after the
345 completion of construction of the building, or any addition
346 thereon, to be used therein, to qualified businesses, as defined
347 in Section 57-54-5.

348 (m) Income from storage and handling of perishable
349 goods by a public storage warehouse.

350 (n) The value of natural gas lawfully injected into the
351 earth for cycling, repressuring or lifting of oil, or lawfully
352 vented or flared in connection with the production of oil;
353 however, if any gas so injected into the earth is sold for such
354 purposes, then the gas so sold shall not be exempt.

355 (o) The gross collections from self-service commercial
356 laundering, drying, cleaning and pressing equipment.

357 (p) Sales of materials used in the construction of a
358 building, or any addition or improvement thereon, and sales of any
359 machinery and equipment not later than three (3) months after the
360 completion of construction of the building, or any addition
361 thereon, to be used therein, to qualified companies, certified as



362 such by the Mississippi Development Authority under Section
363 57-53-1.

364 (q) Sales of component materials used in the
365 construction of a building, or any addition or improvement
366 thereon, sales of machinery and equipment to be used therein, and
367 sales of manufacturing or processing machinery and equipment which
368 is permanently attached to the ground or to a permanent foundation
369 and which is not by its nature intended to be housed within a
370 building structure, not later than three (3) months after the
371 initial start-up date, to permanent business enterprises engaging
372 in manufacturing or processing in Tier Three areas (as such term
373 is defined in Section 57-73-21), which businesses are certified by
374 the State Tax Commission as being eligible for the exemption
375 granted in this paragraph (q).

376 (r) Sales of component materials used in the
377 construction of a building, or any addition or improvement
378 thereon, and sales of any machinery and equipment not later than
379 three (3) months after the completion of the building, addition or
380 improvement thereon, to be used therein, for any company
381 establishing or transferring its national or regional headquarters
382 from within or outside the State of Mississippi and creating a
383 minimum of thirty-five (35) jobs at the new headquarters in this
384 state. The Tax Commission shall establish criteria and prescribe
385 procedures to determine if a company qualifies as a national or
386 regional headquarters for the purpose of receiving the exemption
387 provided in this paragraph.

388 (s) The gross proceeds from the sale of semitrailers,
389 trailers, boats, travel trailers, motorcycles and all-terrain
390 cycles if exported from this state within forty-eight (48) hours
391 and registered and first used in another state.

392 (t) Gross income from the storage and handling of
393 natural gas in underground salt domes and in other underground



394 reservoirs, caverns, structures and formations suitable for such
395 storage.

396 (u) Sales of machinery and equipment to nonprofit
397 organizations if the organization: (i) is tax-exempt pursuant to
398 Section 501(c)(4) of the Internal Revenue Code of 1986, as
399 amended; (ii) assists in the implementation of the national
400 contingency plan or area contingency plan, and which is created in
401 response to the requirements of Title IV, Subtitle B of the Oil
402 Pollution Act of 1990, Public Law 101-380; and (iii) engages
403 primarily in programs to contain, clean up and otherwise mitigate
404 spills of oil or other substances occurring in the United States
405 coastal and tidal waters. For purposes of this exemption,
406 "machinery and equipment" means any ocean-going vessels, barges,
407 booms, skimmers and other capital equipment used primarily in the
408 operations of nonprofit organizations referred to herein.

409 (v) Sales of component materials and equipment to
410 approved business enterprises as provided under the Growth and
411 Prosperity Act.

412 (w) From and after July 1, 2001, sales of pollution
413 control equipment to manufacturers or custom processors for
414 industrial use. For the purposes of this exemption, "pollution
415 control equipment" means equipment, devices, machinery or systems
416 used or acquired to prevent, control, monitor or reduce air, water
417 or groundwater pollution, or solid or hazardous waste as required
418 by federal or state law or regulation.

419 (x) Sales or leases to a manufacturer of motor vehicles
420 operating a project that has been certified by the Mississippi
421 Major Economic Impact Authority as a project as defined in Section
422 57-75-5(f)(iv)1 of machinery and equipment; special tooling such
423 as dies, molds, jigs and similar items treated as special tooling
424 for federal income tax purposes; or repair parts therefor or
425 replacements thereof; repair services thereon; fuel, supplies,
426 electricity, coal and natural gas used directly in the manufacture



427 of motor vehicles or motor vehicle parts or used to provide
428 climate control for manufacturing areas.

429 (y) Sales or leases of component materials, machinery
430 and equipment used in the construction of a building, or any
431 addition or improvement thereon to an enterprise operating a
432 project that has been certified by the Mississippi Major Economic
433 Impact Authority as a project as defined in Section
434 57-75-5(f)(iv)1 and any other sales or leases required to
435 establish or operate such project.

436 (z) Sales of component materials and equipment to a
437 business enterprise as provided under Section 1 of House Bill No.
438 , 2002 Regular Session.

439 (2) Sales of component materials used in the construction of
440 a building, or any addition or improvement thereon, sales of
441 machinery and equipment to be used therein, and sales of
442 manufacturing or processing machinery and equipment which is
443 permanently attached to the ground or to a permanent foundation
444 and which is not by its nature intended to be housed within a
445 building structure, not later than three (3) months after the
446 initial start-up date, to permanent business enterprises engaging
447 in manufacturing or processing in Tier Two areas and Tier One
448 areas (as such areas are designated in accordance with Section
449 57-73-21), which businesses are certified by the State Tax
450 Commission as being eligible for the exemption granted in this
451 paragraph, shall be exempt from one-half (1/2) of the taxes
452 imposed on such transactions under this chapter.

453 **SECTION 6.** Nothing in this act shall affect or defeat any
454 claim, assessment, appeal, suit, right or cause of action for
455 taxes due or accrued under the income tax laws, corporation
456 franchise tax laws or sales tax laws before the date on which this
457 act becomes effective, whether such claims, assessments, appeals,
458 suits or actions have been begun before the date on which this act
459 becomes effective or are begun thereafter; and the provisions of



460 the income tax laws, corporation franchise tax laws and sales tax
461 laws are expressly continued in full force, effect and operation
462 for the purpose of the assessment, collection and enrollment of
463 liens for any taxes due or accrued and the execution of any
464 warrant under such laws before the date on which this act becomes
465 effective, and for the imposition of any penalties, forfeitures or
466 claims for failure to comply with such laws.

467 **SECTION 7.** This act shall take effect and be in force from
468 and after July 1, 2002.

