

By: Representatives Snowden, Chism,  
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To: Ways and Means

HOUSE BILL NO. 1751

1 AN ACT TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972,  
2 TO EXEMPT FROM SALES TAXATION THE RETAIL SALES OF CERTAIN ARTICLES  
3 OF CLOTHING DURING THE FIRST WEEKEND IN AUGUST; TO PROVIDE THAT  
4 BEFORE SUCH EXEMPTION MAY TAKE EFFECT IT MUST FIRST BE AUTHORIZED  
5 BY THE GOVERNING AUTHORITIES OF A MUNICIPALITY FOR RETAIL SALES  
6 OCCURRING WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY, OR  
7 BOARD OF SUPERVISORS OF A COUNTY FOR RETAIL SALES OCCURRING IN THE  
8 COUNTY OUTSIDE THE CORPORATE LIMITS OF A MUNICIPALITY; TO PROVIDE  
9 THAT THE GOVERNING AUTHORITIES OF A MUNICIPALITY OR BOARD OF  
10 SUPERVISORS OF A COUNTY, AS THE CASE MAY BE, THAT HAS AUTHORIZED  
11 THE SALES TAX EXEMPTION PROVIDED IN THIS ACT MAY SUSPEND THE  
12 APPLICATION OF SUCH EXEMPTION; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Section 27-65-111, Mississippi Code of 1972, is  
15 amended as follows:

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

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

29 The tax levied by this chapter shall not apply to the  
30 following:

31 (a) Sales of tangible personal property and services to  
32 hospitals or infirmaries owned and operated by a corporation or



33 association in which no part of the net earnings inures to the  
34 benefit of any private shareholder, group or individual, and which  
35 are subject to and governed by Sections 41-7-123 through 41-7-127.

36 Only sales of tangible personal property or services which  
37 are ordinary and necessary to the operation of such hospitals and  
38 infirmaries are exempted from tax.

39 (b) Sales of daily or weekly newspapers, and  
40 periodicals or publications of scientific, literary or educational  
41 organizations exempt from federal income taxation under Section  
42 501(c)(3) of the Internal Revenue Code of 1954, as it exists as of  
43 March 31, 1975, and subscription sales of all magazines.

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

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

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

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

58 (g) Sales to elementary and secondary grade schools,  
59 junior and senior colleges owned and operated by a corporation or  
60 association in which no part of the net earnings inures to the  
61 benefit of any private shareholder, group or individual, and which  
62 are exempt from state income taxation, provided that this  
63 exemption does not apply to sales of property or services which  
64 are not to be used in the ordinary operation of the school, or  
65 which are to be resold to the students or the public.



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

68 (i) Prescribed for the treatment of a human being  
69 by a person authorized to prescribe the medicines, and dispensed  
70 or prescription filled by a registered pharmacist in accordance  
71 with law; or

72 (ii) Furnished by a licensed physician, surgeon,  
73 dentist or podiatrist to his own patient for treatment of the  
74 patient; or

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

78 (iv) Sold to a licensed physician, surgeon,  
79 podiatrist, dentist or hospital for the treatment of a human  
80 being; or

81 (v) Sold to this state or any political  
82 subdivision or municipal corporation thereof, for use in the  
83 treatment of a human being or furnished for the treatment of a  
84 human being by a medical facility or clinic maintained by this  
85 state or any political subdivision or municipal corporation  
86 thereof.

87 "Medicines," as used in this paragraph (h), shall mean and  
88 include any substance or preparation intended for use by external  
89 or internal application to the human body in the diagnosis, cure,  
90 mitigation, treatment or prevention of disease and which is  
91 commonly recognized as a substance or preparation intended for  
92 such use; provided that "medicines" do not include any auditory,  
93 prosthetic, ophthalmic or ocular device or appliance, any dentures  
94 or parts thereof or any artificial limbs or their replacement  
95 parts, articles which are in the nature of splints, bandages,  
96 pads, compresses, supports, dressings, instruments, apparatus,  
97 contrivances, appliances, devices or other mechanical, electronic,  
98 optical or physical equipment or article or the component parts



99 and accessories thereof, or any alcoholic beverage or any other  
100 drug or medicine not commonly referred to as a prescription drug.

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

107 "Hospital," as used in this paragraph (h), shall have the  
108 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
109 1972.

110 Insulin furnished by a registered pharmacist to a person for  
111 treatment of diabetes as directed by a physician shall be deemed  
112 to be dispensed on prescription within the meaning of this  
113 paragraph (h).

114 (i) Retail sales of automobiles, trucks and  
115 truck-tractors if exported from this state within forty-eight (48)  
116 hours and registered and first used in another state.

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

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

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

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

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



131           (o) Retail sales of food for human consumption  
132 purchased with food stamps issued by the United States Department  
133 of Agriculture, or other federal agency, from and after October 1,  
134 1987, or from and after the expiration of any waiver granted  
135 pursuant to federal law, the effect of which waiver is to permit  
136 the collection by the state of tax on such retail sales of food  
137 for human consumption purchased with food stamps.

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

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

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

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

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

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

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

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

160           (x) The gross collections from the operation of  
161 self-service, coin-operated car washing equipment and sales of the  
162 service of washing motor vehicles with portable high pressure  
163 washing equipment on the premises of the customer.



164           (y) Subject to the provisions of this paragraph (y),  
165 retail sales of an article of clothing or footwear designed to be  
166 worn on or about the human body if the sales price of the article  
167 is less than One Hundred Dollars (\$100.00) and the sale takes  
168 place during a period beginning at 12:01 a.m. on the first Friday  
169 in August and ending at 12:00 midnight the following Sunday. This  
170 paragraph (y) shall not apply to:

171           (i) Accessories including jewelry, handbags,  
172 luggage, umbrellas, wallets, watches, backpacks, briefcases,  
173 garment bags and similar items carried on or about the human body,  
174 without regard to whether worn on the body in a manner  
175 characteristic of clothing;

176           (ii) The rental of clothing or footwear; and

177           (iii) Skis, swim fins, roller blades, skates and  
178 similar items worn on the foot.

179           Before the exemption provided in this paragraph (y) may take  
180 effect for retail sales occurring within the corporate limits of a  
181 municipality or retail sales occurring in a county outside the  
182 corporate limits of a municipality, the governing authorities of  
183 the municipality or board of supervisors of the county, as the  
184 case may be, must first adopt a resolution to that effect stating  
185 the date upon which the exemption shall take effect. A certified  
186 copy of such resolution shall be furnished to the State Tax  
187 Commission at least thirty (30) days before the date upon which  
188 the municipality or county desires such exemption to take effect.  
189 The governing authorities of a municipality or board of  
190 supervisors of a county, as the case may be, that has authorized  
191 the exemption provided in this paragraph (y) may suspend the  
192 application of such exemption by adoption of a resolution to that  
193 effect stating the date upon which the suspension shall take  
194 effect. A certified copy of such resolution shall be furnished to  
195 the State Tax Commission at least thirty (30) days before the date



196 upon which the municipality or county desires such suspension to  
197 take effect.

198           **SECTION 2.** This act shall take effect and be in force from  
199 and after its passage.

