

By: Representatives Warren, Lott

To: Ways and Means

HOUSE BILL NO. 665

1 AN ACT TO AMEND SECTIONS 75-76-129 AND 75-76-177, MISSISSIPPI
 2 CODE OF 1972, TO IMPOSE AN ADDITIONAL LICENSE FEE ON THE GROSS
 3 REVENUE OF GAMING LICENSEES; TO PROVIDE THAT THE REVENUE COLLECTED
 4 FROM THE ADDITIONAL FEE SHALL BE DEPOSITED INTO THE STATE
 5 SUPPLEMENTAL DRUG ENFORCEMENT FUND AND THE STATE SUPPLEMENTAL
 6 EDUCATION FUND; TO CREATE THE STATE SUPPLEMENTAL DRUG ENFORCEMENT
 7 FUND; TO PROVIDE THAT MONIES IN SUCH FUND SHALL BE USED TO PROVIDE
 8 ADDITIONAL FUNDS TO THE MISSISSIPPI BUREAU OF NARCOTICS FOR USE IN
 9 THE ENFORCEMENT OF THE UNIFORM CONTROLLED SUBSTANCES LAW WITH
 10 RESPECT TO ILLICIT DRUG TRAFFIC IN THE STATE; TO CREATE THE STATE
 11 SUPPLEMENTAL EDUCATION FUND; TO PROVIDE THAT MONIES IN SUCH FUND
 12 SHALL BE USED TO SUPPORT PUBLIC EDUCATION IN KINDERGARTEN THROUGH
 13 GRADE 12, INSTITUTIONS OF HIGHER LEARNING, AND COMMUNITY AND
 14 JUNIOR COLLEGES; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** Section 75-76-129, Mississippi Code of 1972, is
 17 amended as follows:

18 **[Through June 30, 2005, this section shall read as follows:]**

19 75-76-129. On or before the last day of each month all
 20 taxes, fees, interest, penalties, damages, fines or other monies
 21 collected by the State Tax Commission during that month under the
 22 provisions of this chapter, with the exception of (a) the local
 23 government fees imposed under Section 75-76-195, * * * (b) an
 24 amount equal to Three Million Dollars (\$3,000,000.00) of the
 25 revenue collected pursuant to the fee imposed under Section
 26 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)
 27 of the revenue collected pursuant to the fee imposed under Section
 28 75-76-177(1)(c), whichever is the greater amount, and (c) the
 29 revenue collected pursuant to the fee imposed under Section
 30 75-76-177(2), shall be paid by the State Tax Commission to the
 31 State Treasurer to be deposited in the State General Fund. The
 32 local government fees shall be distributed by the State Tax
 33 Commission pursuant to Section 75-76-197. An amount equal to



34 Three Million Dollars (\$3,000,000.00) of the revenue collected
35 during that month pursuant to the fee imposed under Section
36 75-76-177(1)(c) shall be deposited by the State Tax Commission
37 into the bond sinking fund created in Section 65-39-3. The
38 revenue collected during that month pursuant to the fee imposed
39 under Section 75-76-177(1)(c) that is in excess of Three Million
40 Dollars (\$3,000,000.00), but is less than twenty-five percent
41 (25%) of the amount of revenue collected during that month, shall
42 be deposited into the State Highway Fund to be used exclusively
43 for the reconstruction and maintenance of highways of the State of
44 Mississippi. An amount equal to Three Hundred Thirty-three
45 Thousand Three Hundred Thirty-three Dollars and Thirty-three cents
46 (\$333,333.33) of the revenue collected during that month pursuant
47 to the fee imposed under Section 75-76-177(2) shall be deposited
48 by the State Tax Commission into the State Supplemental Drug
49 Enforcement Fund created in Section 3 of House Bill No. , 2003
50 Regular Session. The revenue collected during that month pursuant
51 to the fee imposed under Section 75-76-177(2) that is in excess of
52 Three Hundred Thirty-three Thousand Three Hundred Thirty-three
53 Dollars and Thirty-three cents (\$333,333.33) shall be deposited by
54 the State Tax Commission into the State Supplemental Education
55 Fund created in Section 4 of House Bill No. , 2003 Regular
56 Session.

57 **[From and after July 1, 2005, through June 30, 2007, this**
58 **section shall read as follows:]**

59 75-76-129. On or before the last day of each month all
60 taxes, fees, interest, penalties, damages, fines or other monies
61 collected by the State Tax Commission during that month under the
62 provisions of this chapter, with the exception of (a) the local
63 government fees imposed under Section 75-76-195, * * * (b) an
64 amount equal to Three Million Dollars (\$3,000,000.00) of the
65 revenue collected pursuant to the fee imposed under Section
66 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)



67 of the revenue collected pursuant to the fee imposed under Section
68 75-76-177(1)(c), whichever is the greater amount, and (c) the
69 revenue collected pursuant to the fee imposed under Section
70 75-76-177(2), shall be paid by the State Tax Commission to the
71 State Treasurer to be deposited in the State General Fund. The
72 local government fees shall be distributed by the State Tax
73 Commission pursuant to Section 75-76-197. An amount equal to
74 Three Million Dollars (\$3,000,000.00) of the revenue collected
75 during that month pursuant to the fee imposed under Section
76 75-76-177(1)(c) shall be deposited by the State Tax Commission
77 into the bond sinking fund created in Section 65-39-3. The
78 revenue collected during that month pursuant to the fee imposed
79 under Section 75-76-177(1)(c) that is in excess of Three Million
80 Dollars (\$3,000,000.00), but is less than twenty-five percent
81 (25%) of the amount of revenue collected during that month, shall
82 be deposited into the State Highway Fund to be used exclusively
83 for the reconstruction and maintenance of highways of the State of
84 Mississippi. An amount equal to One Hundred Sixty-six Thousand
85 Six Hundred Sixty-six Dollars and Sixty-six cents (\$166,666.66) of
86 the revenue collected during that month pursuant to the fee
87 imposed under Section 75-76-177(2) shall be deposited by the State
88 Tax Commission into the State Supplemental Drug Enforcement Fund
89 created in Section 3 of House Bill No. , 2003 Regular Session.
90 The revenue collected during that month pursuant to the fee
91 imposed under Section 75-76-177(2) that is in excess of One
92 Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars and
93 Sixty-six Cents (\$166,666.66) shall be deposited by the State Tax
94 Commission into the State Supplemental Education Fund created in
95 Section 4 of House Bill No. , 2003 Regular Session.

96 **[From and after July 1, 2007, through June 30, 2022, this**
97 **section shall read as follows:]**

98 75-76-129. On or before the last day of each month all
99 taxes, fees, interest, penalties, damages, fines or other monies



100 collected by the State Tax Commission during that month under the
101 provisions of this chapter, with the exception of (a) the local
102 government fees imposed under Section 75-76-195, and (b) an amount
103 equal to Three Million Dollars (\$3,000,000.00) of the revenue
104 collected pursuant to the fee imposed under Section
105 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)
106 of the revenue collected pursuant to the fee imposed under Section
107 75-76-177(1)(c), whichever is the greater amount, shall be paid by
108 the State Tax Commission to the State Treasurer to be deposited in
109 the State General Fund. The local government fees shall be
110 distributed by the State Tax Commission pursuant to Section
111 75-76-197. An amount equal to Three Million Dollars
112 (\$3,000,000.00) of the revenue collected during that month
113 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be
114 deposited by the State Tax Commission into the bond sinking fund
115 created in Section 65-39-3. The revenue collected during that
116 month pursuant to the fee imposed under Section 75-76-177(1)(c)
117 that is in excess of Three Million Dollars (\$3,000,000.00), but is
118 less than twenty-five percent (25%) of the amount of revenue
119 collected during that month, shall be deposited into the State
120 Highway Fund to be used exclusively for the reconstruction and
121 maintenance of highways of the State of Mississippi.

122 **[From and after July 1, 2022, this section shall read as**
123 **follows:]**

124 75-76-129. On or before the last day of each month, all
125 taxes, fees, interest, penalties, damages, fines or other monies
126 collected by the State Tax Commission during that month under the
127 provisions of this chapter, with the exception of the local
128 government fees imposed under Section 75-76-195, shall be paid by
129 the State Tax Commission to the State treasurer to be deposited in
130 the State General Fund. The local government fees shall be
131 distributed by the State Tax Commission pursuant to Section
132 75-76-197.



133 **SECTION 2.** Section 75-76-177, Mississippi Code of 1972, is
134 amended as follows:

135 75-76-177. (1) From and after August 1, 1990, there is
136 hereby imposed and levied on each gaming licensee a license fee
137 based upon all the gross revenue of the licensee as follows:

138 (a) Four percent (4%) of all the gross revenue of the
139 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)
140 per calendar month;

141 (b) Six percent (6%) of all the gross revenue of the
142 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per
143 calendar month and does not exceed One Hundred Thirty-four
144 Thousand Dollars (\$134,000.00) per calendar month; and

145 (c) Eight percent (8%) of all the gross revenue of the
146 licensee which exceeds One Hundred Thirty-four Thousand Dollars
147 (\$134,000.00) per calendar month.

148 (2) There is imposed and levied on each gaming licensee an
149 additional license fee as follows:

150 (a) From and after July 1, 2003, through June 30, 2005,
151 a license fee of four percent (4%) of all the gross revenue of the
152 licensee per calendar month.

153 (b) From and after July 1, 2005, through June 30, 2007,
154 a license fee of two percent (2%) of all the gross revenue of the
155 licensee per calendar month.

156 The license fee imposed and levied under this subsection (2)
157 shall be in addition to the license fee imposed and levied under
158 subsection (1) of this section.

159 (3) All revenue received from any game or gaming device
160 which is leased for operation on the premises of the
161 licensee-owner to a person other than the owner thereof or which
162 is located in an area or space on such premises which is leased by
163 the licensee-owner to any such person, must be attributed to the
164 owner for the purposes of this section and be counted as part of



165 the gross revenue of the owner. The lessee is liable to the owner
166 for his proportionate share of such license fees.

167 (4) If the amount of license fees required to be reported
168 and paid pursuant to this section is later determined to be
169 greater or less than the amount actually reported and paid by the
170 licensee, the Chairman of the State Tax Commission shall:

171 (a) Assess and collect the additional license fees
172 determined to be due, with interest thereon until paid; or

173 (b) Refund any overpayment, with interest thereon, to
174 the licensee.

175 Interest must be computed, until paid, at the rate of one
176 percent (1%) per month from the first day of the first month
177 following either the due date of the additional license fees or
178 the date of overpayment.

179 (5) Failure to pay the fees provided for in this section
180 when they are due for continuation of a license shall be deemed a
181 surrender of the license.

182 **SECTION 3.** There is created in the State Treasury a special
183 fund to be designated as the "State Supplemental Drug Enforcement
184 Fund." The fund shall consist of such monies deposited therein as
185 provided under Section 75-76-129. Monies in the fund shall be
186 subject to appropriation by the Legislature for the purpose of
187 providing additional funds to the Mississippi Bureau of Narcotics
188 for use in the enforcement of the Uniformed Controlled Substances
189 Law (Sections 41-29-101 through 41-29-187) with respect to illicit
190 drug traffic in the state. Monies in the fund used for the
191 purposes described in this section shall be in addition to other
192 funds available from any other source for such purposes.
193 Unexpended amounts remaining in the fund at the end of a fiscal
194 year shall not lapse into the State General Fund, and any interest
195 earned or investment earnings on amounts in the fund shall be
196 deposited to the credit of the fund.



197 **SECTION 4.** There is created in the State Treasury a special
198 fund to be designated as the "State Supplemental Education Fund."
199 The fund shall consist of such monies deposited therein as
200 provided under Section 75-76-129. Monies in the fund shall be
201 subject to appropriation by the Legislature in the following
202 manner: (a) seventy-one percent (71%) to support public education
203 in kindergarten through Grade 12; (b) twenty-one percent (21%) to
204 support the institutions of higher learning; and (c) eight percent
205 (8%) to support the community and junior colleges. Monies in the
206 fund used for the purposes described in this section shall be in
207 addition to other funds available from any other source for such
208 purposes. Unexpended amounts remaining in the fund at the end of
209 a fiscal year shall not lapse into the State General Fund, and any
210 interest earned or investment earnings on amounts in the fund
211 shall be deposited to the credit of the fund.

212 **SECTION 5.** This act shall take effect and be in force from
213 and after July 1, 2003.

