

By: Representative Fillingane

To: Ways and Means

HOUSE BILL NO. 1332

1 AN ACT TO AMEND SECTIONS 27-7-901 AND 27-7-903, MISSISSIPPI
2 CODE OF 1972, TO INCREASE THE AMOUNT OF THE TAX LEVIED ON AMOUNTS
3 THAT ARE PAID TO PATRONS BY GAMING ESTABLISHMENTS; TO PROVIDE THAT
4 A PORTION OF THE REVENUE COLLECTED FROM THE TAX WILL BE DEPOSITED
5 INTO THE ROAD, INFRASTRUCTURE AND PARKS FUND; TO CREATE THE ROAD,
6 INFRASTRUCTURE AND PARKS FUND IN THE STATE TREASURY; TO PROVIDE
7 THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY SHALL ADMINISTER SUCH
8 FUND FOR THE PURPOSE OF MAKING GRANTS TO ASSIST COUNTIES AND
9 MUNICIPALITIES IN THE COMPLETION OF CERTAIN PROJECTS; AND FOR
10 RELATED PURPOSES.

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

12 **SECTION 1.** Section 27-7-901, Mississippi Code of 1972, is
13 amended as follows:

14 27-7-901. (1) There is hereby levied, assessed and shall be
15 collected a tax of five percent (5%) upon amounts that are paid or
16 credited by gaming establishments licensed under the provisions of
17 the Mississippi Gaming Control Act to their patrons. The tax
18 shall be collected by licensed gaming establishments and remitted
19 to the State Tax Commission in the manner provided for by
20 regulations promulgated by the Chairman of the State Tax
21 Commission.

22 (2) As used in this section, "amounts that are paid or
23 credited" means amounts or credits that are subject to the
24 withholding or reporting requirements of the Internal Revenue
25 Code, except that the dollar thresholds for amounts that are paid
26 or credited shall be Two Hundred Fifty Dollars (\$250.00).

27 (3) No credit shall be allowed under the Income Tax Law of
28 1952 for the tax collected by licensed gaming establishments
29 pursuant to this section.

30 (4) Forty percent (40%) of the revenue collected from the
31 tax levied under this section shall be deposited into the Roads,



32 Infrastructure and Parks Fund created under Section 3 of House
33 Bill No. , 2003 Regular Session.

34 **SECTION 2.** Section 27-7-903, Mississippi Code of 1972, is
35 amended as follows:

36 27-7-903. (1) There is hereby levied and assessed upon
37 patrons of gaming establishments located in this state that are
38 not licensed under the provisions of the Mississippi Gaming
39 Control Act, a tax of five percent (5%) of the amounts that are
40 paid or credited to such patrons by the gaming establishment,
41 which tax is the same in kind and rate as has heretofore been
42 imposed pursuant to Section 27-7-901 upon the patrons of gaming
43 establishments which are licensed under the Mississippi Gaming
44 Control Act. The legal incidence and duty to pay such taxes shall
45 fall upon the patron. The assessment of such tax is subject to
46 any exemptions as may exist under federal or state law. The State
47 Tax Commission may enter into tax collection agreements regarding
48 this tax.

49 (2) As used in this section, "amounts that are paid or
50 credited" means amounts or credits that are subject to the
51 withholding or reporting requirements of the Internal Revenue
52 Code, except that the dollar thresholds for amounts that are paid
53 or credited shall be Two Hundred Fifty Dollars (\$250.00).

54 (3) No credit shall be allowed under the Income Tax Law of
55 1952 for the tax collected by gaming establishments pursuant to
56 this section.

57 (4) Forty percent (40%) of the revenue collected from the
58 tax levied under this section shall be deposited into the Roads,
59 Infrastructure and Parks Fund created under Section 3 of House
60 Bill No. , 2003 Regular Session.

61 **SECTION 3.** (1) As used in this section, the following
62 words and phrases shall have the meanings ascribed in this section
63 unless the context clearly indicates otherwise:

64 (a) "MDA" means the Mississippi Development Authority.



65 (b) "Project" means highways, streets and other roadways,
66 bridges, utilities, airfields, airports, acquisition of equipment,
67 acquisition of real property, development of real property,
68 improvements to real property, water supply systems, sewage and
69 waste disposal systems, parks, outdoor recreation facilities and
70 athletic facilities, auditoriums, convention centers, art centers,
71 campgrounds and any other project approved by the Mississippi
72 Development Authority.

73 (2) (a) There is created in the State Treasury a special
74 fund to be designated as the "Roads, Infrastructure and Parks
75 Fund," which shall consist of funds made available by the
76 Legislature in any manner and funds from any other source
77 designated for deposit into such fund. Unexpended amounts
78 remaining in the fund at the end of a fiscal year shall not lapse
79 into the State General Fund, and any investment earnings or
80 interest earned on amounts in the fund shall be deposited to the
81 credit of the fund. Monies in the fund shall be used to make
82 grants to counties and municipalities to assist in defraying the
83 costs incurred in the construction, furnishing, equipping,
84 upgrading, expansion, repair, renovation and maintenance of
85 projects.

86 (3) (a) The MDA shall establish a program for the purpose
87 of making grants to counties and municipalities from the Roads,
88 Infrastructure and Parks Fund to assist counties and
89 municipalities defray costs incurred in the construction,
90 furnishing, equipping, upgrading, expansion, repair, renovation
91 and maintenance of projects. A county or municipality desiring
92 assistance under the program may apply to the MDA in the manner
93 provided in this section. A county or municipality desiring
94 assistance under the program must submit an application to the
95 MDA. The application must include a description of the project
96 for which assistance is requested, the cost of the project for
97 which assistance is requested, the amount of assistance requested,



98 the amount of matching funds the applicant county or municipality
99 will provide and any other information required by the MDA. A
100 county or municipality applying for a grant under the program must
101 provide matching funds from any source or combination of sources
102 in an amount equal the amount of the grant, which shall be used
103 together with the grant for the purpose of defraying the costs of
104 the project for which the grant is made.

105 (b) The maximum aggregate amount of grant funds that
106 may be provided to a county or municipality during a fiscal year
107 shall not exceed One Million Dollars (\$1,000,000.00). However, if
108 the MDA determines that a project for which assistance is
109 requested is a long term project that will be funded from other
110 sources over multiple years, the MDA may approve grant funds in
111 an aggregate amount not to exceed Five Million Dollars
112 (\$5,000,000.00) for the project to be disbursed over not more than
113 five (5) consecutive fiscal years in a maximum amount of One
114 Million Dollars (\$1,000,000.00) per fiscal year.

115 (3) The MDA shall adopt necessary rules and regulations to
116 govern the administration of the program described in this
117 section, including, but not limited to, rules and regulations
118 governing applications for grants and rules and regulations
119 providing for the equitable distribution of grant funds.

120 **SECTION 4.** This act shall take effect and be in force from
121 and after January 1, 2004.

