HOUSE BILL NO. 1332

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) (a) The MDA shall establish a program for the purpose of making grants to counties and municipalities from the Roads, Infrastructure and Parks Fund to assist counties and municipalities defray costs incurred in the construction, furnishing, equipping, upgrading, expansion, repair, renovation and maintenance of projects. A county or municipality desiring assistance under the program may apply to the MDA in the manner provided in this section. A county or municipality desiring assistance under the program must submit an application to the MDA. The application must include a description of the project for which assistance is requested, the cost of the project for which assistance is requested, the amount of assistance requested,
the amount of matching funds the applicant county or municipality
will provide and any other information required by the MDA. A
county or municipality applying for a grant under the program must
provide matching funds from any source or combination of sources
in an amount equal the amount of the grant, which shall be used
together with the grant for the purpose of defraying the costs of
the project for which the grant is made.

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

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

SECTION 4. This act shall take effect and be in force from