MISSISSIPPI LEGISLATURE

REGULAR SESSION 2003

By: Representative Blackmon
To: Ways and Means

HOUSE BILL NO. 1593

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF ANY MUNICIPALITY TO IMPOSE A SPECIAL SALES TAX OF NOT MORE THAN THREE-FOURTHS OF ONE PERCENT ON THE GROSS PROCEEDS OF ALL SALES OR THE GROSS INCOME OF BUSINESSES IN THE MUNICIPALITY DERIVED FROM ACTIVITIES TAXED AT THE RATE OF SEVEN PERCENT OR MORE UNDER THE MISSISSIPPI SALES TAX LAW; TO PROVIDE THAT THE SPECIAL SALES TAX SHALL NOT BE LEVIED UNLESS AUTHORIZED BY AT LEAST THREE-FIFTHS OF THE VOTES CAST AT AN ELECTION CALLED AND HELD FOR SUCH PURPOSE, WHICH ELECTION SHALL BE HELD AT A REGULARLY SCHEDULED NOVEMBER GENERAL ELECTION; TO AUTHORIZE A MUNICIPALITY TO INCUR INDEBTEDNESS IN AN AMOUNT NOT GREATER THAN AN AMOUNT FOR WHICH DEBT SERVICE IS CAPABLE OF BEING FUNDED BY THE PROCEEDS OF THE SPECIAL SALES TAX; TO PROVIDE THAT THE SPECIAL SALES TAX REVENUE COLLECTED PURSUANT TO SUCH A TAX SHALL BE USED AND EXPENDED BY THE MUNICIPALITY ONLY TO FUND CERTAIN TRANSPORTATION INFRASTRUCTURE PROJECTS AND/OR OTHER CAPITAL PROJECTS; TO PROVIDE FOR THE DISCONTINUANCE OF THE SPECIAL SALES TAX UPON COMPLETION OF THE FUNDING OF THE PROJECTS FOR WHICH THE TAX WAS LEVIED; TO AUTHORIZE THE BOARD OF SUPERVISORS OF ANY COUNTY TO IMPOSE A SPECIAL SALES TAX OF NOT MORE THAN THREE-FOURTHS OF ONE PERCENT ON THE GROSS PROCEEDS OF ALL SALES OR THE GROSS INCOME OF BUSINESSES IN THE COUNTY OUTSIDE THE CORPORATE BOUNDARIES OF ANY MUNICIPALITY WITHIN SUCH COUNTY DERIVED FROM ACTIVITIES TAXED AT THE RATE OF SEVEN PERCENT OR MORE UNDER THE MISSISSIPPI SALES TAX LAW; TO PROVIDE THAT THE SPECIAL SALES TAX SHALL NOT BE LEVIED UNLESS AUTHORIZED BY AT LEAST THREE-FIFTHS OF THE VOTES CAST AT AN ELECTION CALLED AND HELD FOR SUCH PURPOSE, WHICH ELECTION SHALL BE HELD AT A REGULARLY SCHEDULED NOVEMBER GENERAL ELECTION; TO AUTHORIZE A COUNTY TO INCUR INDEBTEDNESS IN AN AMOUNT NOT GREATER THAN AN AMOUNT FOR WHICH DEBT SERVICE IS CAPABLE OF BEING FUNDED BY THE PROCEEDS OF THE SPECIAL SALES TAX; TO PROVIDE THAT THE SPECIAL SALES TAX REVENUE COLLECTED PURSUANT TO SUCH A TAX SHALL BE USED AND EXPENDED BY THE MUNICIPALITY ONLY TO FUND CERTAIN TRANSPORTATION INFRASTRUCTURE PROJECTS AND/OR OTHER CAPITAL PROJECTS; TO PROVIDE FOR THE DISCONTINUANCE OF THE SPECIAL SALES TAX UPON COMPLETION OF THE FUNDING OF THE PROJECTS FOR WHICH THE TAX WAS LEVIED; TO AUTHORIZE THE BOARD OF SUPERVISORS OF ANY COUNTY TO IMPOSE A SPECIAL SALES TAX OF NOT MORE THAN ONE-FOURTH OF ONE PERCENT ON THE GROSS PROCEEDS OF ALL SALES OR THE GROSS INCOME OF BUSINESSES IN THE COUNTY INCLUDING THE CORPORATE BOUNDARIES OF ANY MUNICIPALITY WITHIN SUCH COUNTY DERIVED FROM ACTIVITIES TAXED AT THE RATE OF SEVEN PERCENT OR MORE UNDER THE MISSISSIPPI SALES TAX LAW; TO PROVIDE THAT THE SPECIAL SALES TAX SHALL NOT BE LEVIED UNLESS AUTHORIZED BY AT LEAST THREE-FIFTHS OF THE VOTES CAST AT AN ELECTION CALLED AND HELD FOR SUCH PURPOSE, WHICH ELECTION SHALL BE HELD AT A REGULARLY SCHEDULED NOVEMBER GENERAL ELECTION; TO AUTHORIZE A COUNTY TO INCUR INDEBTEDNESS IN AN AMOUNT NOT GREATER THAN AN AMOUNT FOR WHICH DEBT SERVICE IS CAPABLE OF BEING FUNDED BY THE PROCEEDS OF THE SPECIAL SALES TAX; TO PROVIDE THAT THE SPECIAL SALES TAX REVENUE COLLECTED PURSUANT TO SUCH A TAX SHALL BE USED AND EXPENDED BY THE MUNICIPALITY ONLY TO FUND CERTAIN TRANSPORTATION INFRASTRUCTURE PROJECTS AND/OR OTHER CAPITAL PROJECTS; TO PROVIDE FOR THE DISCONTINUANCE OF THE SPECIAL SALES TAX UPON COMPLETION OF THE FUNDING OF THE PROJECTS FOR WHICH THE TAX WAS LEVIED; TO AUTHORIZE THE BOARD OF SUPERVISORS OF ANY COUNTY TO IMPOSE A SPECIAL SALES TAX OF NOT MORE THAN THREE-FOURTHS OF ONE PERCENT ON THE GROSS PROCEEDS OF ALL SALES OR THE GROSS INCOME OF BUSINESSES IN THE MUNICIPALITY DERIVED FROM ACTIVITIES TAXED AT THE RATE OF SEVEN PERCENT OR MORE UNDER THE MISSISSIPPI SALES TAX LAW; TO PROVIDE THAT THE SPECIAL SALES TAX SHALL NOT BE LEVIED UNLESS AUTHORIZED BY AT LEAST THREE-FIFTHS OF THE VOTES CAST AT AN ELECTION CALLED AND HELD FOR SUCH PURPOSE, WHICH ELECTION SHALL BE HELD AT A REGULARLY SCHEDULED NOVEMBER GENERAL ELECTION; TO AUTHORIZE A MUNICIPALITY TO INCUR INDEBTEDNESS IN AN AMOUNT NOT GREATER THAN AN AMOUNT FOR WHICH DEBT SERVICE IS CAPABLE OF BEING FUNDED BY THE PROCEEDS OF THE SPECIAL SALES TAX; TO PROVIDE THAT THE SPECIAL SALES TAX REVENUE COLLECTED PURSUANT TO SUCH A TAX SHALL BE USED AND EXPENDED BY THE MUNICIPALITY ONLY TO FUND CERTAIN TRANSPORTATION INFRASTRUCTURE PROJECTS AND/OR OTHER CAPITAL PROJECTS; TO PROVIDE FOR THE DISCONTINUANCE OF THE SPECIAL SALES TAX UPON COMPLETION OF THE FUNDING OF THE PROJECTS FOR WHICH THE TAX WAS LEVIED; TO AUTHORIZ
OTHER CAPITAL PROJECTS; TO PROVIDE FOR THE DISCONTINUANCE OF THE
SPECIAL SALES TAX UPON COMPLETION OF THE FUNDING OF THE PROJECTS
FOR WHICH THE TAX WAS LEVIED; TO AMEND SECTIONS 21-33-303, 19-9-5
AND 27-65-75, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND
FOR RELATED PURPOSES.

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

SECTION 1. (1) Subject to the provisions of this section,
the governing authorities of any municipality may impose upon all
persons as a privilege for engaging or continuing in business or
doing business within such municipality, a special sales tax at
the rate of not more than three-fourths of one percent (0.75%) of
the gross proceeds of sales or gross income of the business, as
the case may be, derived from any of the activities taxed at the
rate of seven percent (7%) or more under the Mississippi Sales Tax
Law, Section 27-65-1 et seq., as provided hereinafter. The tax
levied under this section shall apply to every person making
sales, delivery or installations of tangible personal property or
services within any municipality which has adopted the levy
authorized in this section but shall not apply to sales exempted

(2) (a) The governing authorities of the municipality shall
specify in the resolution ordering the election required by
paragraph (b) of this subsection (2), the specific transportation
infrastructure projects or other capital projects (which also may
include capital projects for which the municipality already has
outstanding indebtedness), or both, for which the revenue
collected pursuant to the tax levy may be used and expended.

(b) The tax levy authorized in this section shall not
be made unless authorized by at least three-fifths (3/5) of the
votes cast at an election to be called and held for that purpose,
which election shall be held at a regularly scheduled November
general election. Notice of such election shall be given, the
election shall be held and the result thereof determined, as far
as is practicable, in the same manner as other elections are held

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in the municipality. At such election, all qualified electors of
the municipality may vote. The ballots used at such election
shall have printed thereon a brief description of the sales tax,
the amount of the sales tax levy, a description of the specific
transportation infrastructure projects or other capital projects,
or both, for which the tax revenue may be used and expended and
the words "FOR THE LOCAL SALES TAX" and "AGAINST THE LOCAL SALES
TAX" and the voter shall vote by placing a cross (X) or check mark
(✓) opposite his choice on the proposition. When the results of
the election have been canvassed by the election commissioners of
the municipality and certified by them to the governing
authorities, it shall be the duty of such governing authorities to
determine and adjudicate whether at least three-fifths (3/5) of
the qualified electors who voted in such election voted in favor
of the tax. If the election results in favor of the levy, the
governing authorities shall adopt a resolution declaring the levy
and collection of the tax provided in subsections (1) through (3)
of this section and shall set the first day of the second month
following the date of such adoption as the effective date of the
tax levy. A certified copy of this resolution together with the
result of the election shall be furnished to the State Tax
Commission not less than thirty (30) days before the effective
date of the levy.

(3) (a) The special sales tax authorized by subsections (1)
through (3) of this section shall be collected by the State Tax
Commission, shall be accounted for separately from the amount of
sales tax collected for the state in the municipality and shall be
paid to the municipality in which collected. The State Tax
Commission may retain three percent (3%) of the proceeds of such
tax for the purpose of defraying the costs incurred by the
commission in the collection of the tax. Payments to the
municipalities shall be made by the State Tax Commission on or
before the fifteenth day of the month following the month in which
the tax was collected.

(b) The proceeds of the special sales tax shall be
placed into a separate fund apart from the municipal general fund
and any other funds of the municipality, and shall be expended by
the municipality solely for the purpose of paying any indebtedness
or other obligation incurred or that may be incurred by the
municipality for the transportation infrastructure projects or
other capital projects, or both, specified in the resolution
ordering the election.

(c) All provisions of the Mississippi Sales Tax Law
applicable to filing of returns, discounts to the taxpayer,
remittances to the State Tax Commission, enforced collection,
rights of taxpayers, recovery of improper taxes, refunds of
overpaid taxes or other provisions of law providing for imposition
and collection of the state sales tax shall apply to the special
sales tax authorized by subsections (1) through (3) of this
section, except where there is a conflict, in which case the
provisions of subsections (1) through (3) of this section shall
control. Any damages, penalties or interest collected for the
nonpayment of taxes imposed under subsections (1) through (3) of
this section, or for noncompliance with the provisions of
subsections (1) through (3) of this section, shall be paid to the
municipality in which such damages, penalties or interest were
collected on the same basis and in the same manner as the tax
proceeds. Any overpayment of tax for any reason that has been
disbursed to any municipality or any payment of the tax to any
municipality in error may be adjusted by the State Tax Commission
on any subsequent payment to the municipality involved pursuant to
the provisions of the Mississippi Sales Tax Law. The State Tax
Commission may, from time to time, make such rules and regulations
not inconsistent with subsections (1) through (3) of this section
as may be deemed necessary to carry out the provisions of
subsidiary (1) through (3) of this section, and such rules and
regulations shall have the full force and effect of law.
(d) The special sales tax shall be discontinued by the
governing authorities of the municipality on the first day of the
month immediately succeeding the date any indebtedness, including
interest, incurred by the municipality for the transportation
infrastructure projects or other capital projects, or both, is
retired, or in the event the municipality incurs no indebtedness,
the first day of the month after all obligations for the
transportation infrastructure projects or other capital projects,
or both, have been paid. Any amount remaining in the separate
fund containing the proceeds of the special sales tax not
necessary to retire the debt or pay any other obligations, shall
be transferred to the municipal general fund.
(e) The governing authorities of a municipality may not
impose a special sales tax under this section on sales that are
subject to any tax levied and collected (before the date a
resolution is adopted under subsection (2)(b) of this section)
under the authority of a local and private law of the State of
Mississippi, and which tax is collected and paid to the State Tax
Commission in the same or similar manner that state sales taxes
are collected and paid.
(f) If a municipality imposing a special sales tax
under this section expands its corporate boundaries, the governing
authorities of the municipality may not impose the special sales
tax in the annexed area unless the tax is approved at an election
conducted, as far as is practicable, in the manner provided in
subsection (2) of this section, except that only qualified
electors in the annexed area may vote in such election. However,
if a municipality imposing a special sales tax under this section
expands its corporate boundaries into a county that is imposing a
special sales tax under Section 2 of this act, the governing
authorities of the municipality may not impose the special sales
tax in the annexed area for as long as such county is imposing a
special sales tax under Section 2 of this act.

(g) If a municipality imposing a special sales tax
under this section contracts its corporate boundaries, the special
sales tax shall continue to be imposed in the area that was in the
corporate boundaries of the municipality before the contraction of
such boundaries.

(4) The governing authorities of any municipality that
levies a special sales tax pursuant to subsections (1) through (3)
of this section may incur indebtedness of the municipality in an
aggregate principal amount that is not in excess of an amount for
which debt service is capable of being funded by the proceeds of
the special sales tax levied pursuant to subsections (1) through
(3) of this section. The indebtedness authorized by this
subsection (4) shall not be considered when computing any
limitation of indebtedness of the municipality established by law.

SECTION 2. (1) Subject to the provisions of this section,
the board of supervisors of any county may impose upon all persons
as a privilege for engaging or continuing in business or doing
business within such county but outside the corporate boundaries
of any municipality within such county, a special sales tax at the
rate of not more than three-fourths of one percent (0.75%) of the
gross proceeds of sales or gross income of the business, as the
case may be, derived from any of the activities taxed at the rate
of seven percent (7%) or more under the Mississippi Sales Tax Law,
Section 27-65-1 et seq., as provided hereinafter. The tax levied
under this section shall apply to every person making sales,
delivery or installations of tangible personal property or
services within any county which has adopted the levy authorized
in this section but shall not apply to sales exempted by Sections
and 27-65-111 of the Mississippi Sales Tax Law.
(2) (a) The board of supervisors of the county shall specify in the resolution ordering the election required by paragraph (b) of this subsection (2), the specific transportation infrastructure projects or other capital projects (which also may include capital projects for which the county already has outstanding indebtedness), or both, for which the revenue collected pursuant to the tax levy may be used and expended.

(b) The tax levy authorized in this section shall not be made unless authorized by at least three-fifths (3/5) of the votes cast at an election to be called and held for that purpose, which election shall be held at a regularly scheduled November general election. Notice of such election shall be given, the election shall be held and the result thereof determined, as far as is practicable, in the same manner as other elections are held in the county. At such election, all qualified electors of the county who reside outside the corporate boundaries of any municipality within such county may vote. The ballots used at such election shall have printed thereon a brief description of the sales tax, the amount of the sales tax levy, a description of the specific transportation infrastructure projects or other capital projects, or both, for which the tax revenue may be used and expended and the words "FOR THE LOCAL SALES TAX" and "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing a cross (X) or check mark (✓) opposite his choice on the proposition. When the results of the election have been canvassed by the election commissioners of the county and certified by them to the board of supervisors, it shall be the duty of such board of supervisors to determine and adjudicate whether at least three-fifths (3/5) of the qualified electors who voted in such election voted in favor of the tax. If the election results in favor of the levy, the board of supervisors shall adopt a resolution declaring the levy and collection of the tax provided in subsections (1) through (3) of this section and shall set the...
first day of the second month following the date of such adoption as the effective date of the tax levy. A certified copy of this resolution together with the result of the election shall be furnished to the State Tax Commission not less than thirty (30) days before the effective date of the levy.

(3) (a) The special sales tax authorized by subsections (1) through (3) of this section shall be collected by the State Tax Commission, shall be accounted for separately from the amount of sales tax collected for the state in the county and shall be paid to the county in which collected. The State Tax Commission may retain three percent (3%) of the proceeds of such tax for the purpose of defraying the costs incurred by the commission in the collection of the tax. Payments to the counties shall be made by the State Tax Commission on or before the fifteenth day of the month following the month in which the tax was collected.

(b) The proceeds of the special sales tax shall be placed into a separate fund apart from the county general fund and any other funds of the county, and shall be expended by the county solely for the purpose of paying any indebtedness or other obligation incurred or that may be incurred by the county for the transportation infrastructure projects or other capital projects, or both, specified in the resolution ordering the election.

(c) All provisions of the Mississippi Sales Tax Law applicable to filing of returns, discounts to the taxpayer, remittances to the State Tax Commission, enforced collection, rights of taxpayers, recovery of improper taxes, refunds of overpaid taxes or other provisions of law providing for imposition and collection of the state sales tax shall apply to the special sales tax authorized by subsections (1) through (3) of this section, except where there is a conflict, in which case the provisions of subsections (1) through (3) of this section shall control. Any damages, penalties or interest collected for the nonpayment of taxes imposed under subsections (1) through (3) of
this section, or for noncompliance with the provisions of subsections (1) through (3) of this section, shall be paid to the county in which such damages, penalties or interest were collected on the same basis and in the same manner as the tax proceeds. Any overpayment of tax for any reason that has been disbursed to any county or any payment of the tax to any county in error may be adjusted by the State Tax Commission on any subsequent payment to the county involved pursuant to the provisions of the Mississippi Sales Tax Law. The State Tax Commission may, from time to time, make such rules and regulations not inconsistent with subsections (1) through (3) of this section as may be deemed necessary to carry out the provisions of subsections (1) through (3) of this section, and such rules and regulations shall have the full force and effect of law.

(d) The special sales tax shall be discontinued by the board of supervisors of the county on the first day of the month immediately succeeding the date any indebtedness, including interest, incurred by the county for the transportation infrastructure projects or other capital projects, or both, is retired, or in the event the county incurs no indebtedness, the first day of the month after all obligations for the transportation infrastructure projects or other capital projects, or both, have been paid. Any amount remaining in the separate fund containing the proceeds of the special sales tax not necessary to retire the debt or pay any other obligations, shall be transferred to the county general fund.

(e) The board of supervisors of a county may not impose a special sales tax under this section on sales that are subject to any tax levied and collected (before the date a resolution is adopted under subsection (2)(b) of this section) under the authority of a local and private law of the State of Mississippi, and which tax is collected and paid to the State Tax Commission in
the same or similar manner that state sales taxes are collected
and paid.

(f) If the board of supervisors of a county imposes a
special sales tax under this section and a municipality annexes a
part of the county, the special sales tax shall continue to be
imposed in the annexed area until the board of supervisors
discontinues the tax as provided in paragraph (d) of this
subsection (3).

(g) If the board of supervisors of a county imposes a
special sales tax under this section, and a municipality within
the county that is not imposing a special sales tax under Section
1 of this act contracts its municipal corporate boundaries, the
board of supervisors of the county may not impose a special sales
tax in the de-annexed area unless the tax is approved at an
election conducted, as far as is practicable, in the manner
provided in subsection (2) of this section, except that only
qualified electors in the de-annexed area may vote in such
election.

(4) The board of supervisors of any county that levies a
special sales tax pursuant to subsections (1) through (3) of this
section may incur indebtedness of the county in an aggregate
principal amount that is not in excess of an amount for which debt
service is capable of being funded by the proceeds of the special
sales tax levied pursuant to subsections (1) through (3) of this
section. The indebtedness authorized by this subsection (4) shall
not be considered when computing any limitation of indebtedness of
the county established by law.

SECTION 3. (1) Subject to the provisions of this section,
the board of supervisors of any county that does not contain
within such county a municipality with corporate boundaries also
located in one or more other counties may impose upon all persons
as a privilege for engaging or continuing in business or doing
business within such county (including the corporate boundaries of

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any municipality within the county), a special sales tax at the rate of not more than one-fourth of one percent (0.25%) of the gross proceeds of sales or gross income of the business, as the case may be, derived from any of the activities taxed at the rate of seven percent (7%) or more under the Mississippi Sales Tax Law, Section 27-65-1 et seq., as provided hereinafter. The tax levied under this section shall apply to every person making sales, delivery or installations of tangible personal property or services within any county which has adopted the levy herein authorized but shall not apply to sales exempted by Sections 27-65-19, 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and 27-65-111 of the Mississippi Sales Tax Law.

(2) (a) The board of supervisors of the county shall specify in the resolution ordering the election required by paragraph (b) of this subsection (2), the specific transportation infrastructure projects or other capital projects (which also may include capital projects for which the county already has outstanding indebtedness), or both, for which the revenue collected pursuant to the tax levy may be used and expended.

(b) The tax levy authorized in this section shall not be made unless authorized by at least three-fifths (3/5) of the votes cast at an election to be called and held for that purpose, which election shall be held at a regularly scheduled November general election. However, if the specific transportation infrastructure projects or other capital projects, or both, for which the tax levy is proposed may have a direct impact on the municipal government physical or fiscal functions, budget or infrastructure of one or more municipalities within the county, as determined by an impact study which the board of supervisors shall have prepared, then the board of supervisors may call an election only after entering into a joint agreement with the governing authorities of the affected municipalities consenting to the calling of a county wide election on the question of the special
sales tax levy. Notice of such election shall be given, the election shall be held and the result thereof determined, as far as is practicable, in the same manner as other elections are held in the county. At such election, all qualified electors of the county may vote. The ballots used at such election shall have printed thereon a brief description of the sales tax, the amount of the sales tax levy, a description of the specific transportation infrastructure projects or other capital projects, or both, for which the tax revenue may be used and expended and the words "FOR THE LOCAL SALES TAX" and "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing a cross (X) or check mark (✓) opposite his choice on the proposition. When the results of the election have been canvassed by the election commissioners of the county and certified by them to the board of supervisors, it shall be the duty of such board of supervisors to determine and adjudicate whether at least three-fifths (3/5) of the qualified electors who voted in such election voted in favor of the tax. If the election results in favor of the levy, the board of supervisors shall adopt a resolution declaring the levy and collection of the tax provided in subsections (1) through (3) of this section and shall set the first day of the second month following the date of such adoption as the effective date of the tax levy. A certified copy of this resolution together with the result of the election shall be furnished to the State Tax Commission not less than thirty (30) days before the effective date of the levy.

(3) (a) The special sales tax authorized by subsections (1) through (3) of this section shall be collected by the State Tax Commission, shall be accounted for separately from the amount of sales tax collected for the state in the county and shall be paid to the county in which collected. The State Tax Commission may retain three percent (3%) of the proceeds of such tax for the purpose of defraying the costs incurred by the commission in the
collection of the tax. Payments to the counties shall be made by
the State Tax Commission on or before the fifteenth day of the
month following the month in which the tax was collected.

(b) The proceeds of the special sales tax shall be
placed into a separate fund apart from the county general fund and
any other funds of the county, and shall be expended by the county
solely for the purpose of paying any indebtedness or other
obligation incurred or that may be incurred by the county for the
transportation infrastructure projects or other capital projects,
or both, specified in the resolution ordering the election.

(c) All provisions of the Mississippi Sales Tax Law
applicable to filing of returns, discounts to the taxpayer,
remittances to the State Tax Commission, enforced collection,
rights of taxpayers, recovery of improper taxes, refunds of
overpaid taxes or other provisions of law providing for imposition
and collection of the state sales tax shall apply to the special
sales tax authorized by subsections (1) through (3) of this
section, except where there is a conflict, in which case the
provisions of subsections (1) through (3) of this section shall
control. Any damages, penalties or interest collected for the
nonpayment of taxes imposed under subsections (1) through (3) of
this section, or for noncompliance with the provisions of
subsections (1) through (3) of this section, shall be paid to the
county in which such damages, penalties or interest were collected
on the same basis and in the same manner as the tax proceeds. Any
overpayment of tax for any reason that has been disbursed to any
county or any payment of the tax to any county in error may be
adjusted by the State Tax Commission on any subsequent payment to
the county involved pursuant to the provisions of the Mississippi
Sales Tax Law. The State Tax Commission may, from time to time,
make such rules and regulations not inconsistent with subsections
(1) through (3) of this section as may be deemed necessary to
carry out the provisions of subsections (1) through (3) of this
section, and such rules and regulations shall have the full force
and effect of law.

(d) The special sales tax shall be discontinued by the
board of supervisors of the county on the first day of the month
immediately succeeding the date any indebtedness, including
interest, incurred by the county for the transportation
infrastructure projects or other capital projects, or both, is
retired, or in the event the county incurs no indebtedness, the
first day of the month after all obligations for the
transportation infrastructure projects or other capital projects,
or both, have been paid. Any amount remaining in the separate
fund containing the proceeds of the special sales tax not
necessary to retire the debt or pay any other obligations, shall
be transferred to the county general fund.

(e) The board of supervisors of a county may not impose
a special sales tax under this section on sales that are subject
to any tax levied and collected (before the date a resolution is
adopted under subsection (2)(b) of this section) under the
authority of a local and private law of the State of Mississippi,
and which tax is collected and paid to the State Tax Commission in
the same or similar manner that state sales taxes are collected
and paid.

(4) The board of supervisors of any county that levies a
special sales tax pursuant to subsections (1) through (3) of this
section may incur indebtedness of the county in an aggregate
principal amount that is not in excess of an amount for which debt
service is capable of being funded by the proceeds of the special
sales tax levied pursuant to subsections (1) through (3) of this
section. The indebtedness authorized by this subsection (4) shall
not be considered when computing any limitation of indebtedness of
the county established by law.

SECTION 4. (1) Subject to the provisions of this section,
the board of supervisors of any county that contains within such
county any municipality with corporate boundaries also located
within one or more other counties may impose upon all persons as a
privilege for engaging or continuing in business or doing business
within such county (including the corporate boundaries of any
municipality located within the county and such other county or
counties and including the corporate boundaries of any
municipality located completely within the county), a special
sales tax at the rate of not more than one-fourth of one percent
(0.25%) of the gross proceeds of sales or gross income of the
business, as the case may be, derived from any of the activities
taxed at the rate of seven percent (7%) or more under the
Mississippi Sales Tax Law, Section 27-65-1 et seq., as provided
hereinafter. The tax levied under this section shall apply to
every person making sales, delivery or installations of tangible
personal property or services but shall not apply to sales
27-65-107, 27-65-109 and 27-65-111 of the Mississippi Sales Tax
Law.

(2) (a) The board of supervisors of the county shall
specify in the resolution ordering the election required by
paragraph (b) of this subsection (2), the specific transportation
infrastructure projects or other capital projects (which also may
include capital projects for which the county already has
outstanding indebtedness), or both, for which the revenue
collected pursuant to the tax levy may be used and expended.

(b) Subject to the provisions of this paragraph (b),
the tax levy authorized in this section shall not be made unless
authorized at an election to be called and held for that purpose,
which election shall be held at a regularly scheduled November
general election. Before an election may be called on the
question of the special sales tax levy, a joint agreement must be
entered into by the board of supervisors of the county proposing
to levy the special sales tax ("initiating county"), the governing
authorities of each municipality with corporate boundaries located
within the initiating county and also located within one or more
other counties and in which municipality the board of supervisors
of the initiating county proposes to levy the tax, and the board
of supervisors of all other counties in which the corporate
boundaries of any such municipality located within the initiating
county also are located, consenting to the calling of an election
in each of the counties in which the municipal corporate
boundaries of any such municipality are located. However, the
board of supervisors of the initiating county may propose to
exclude one or more municipalities with corporate boundaries
located within the county and also located within one or more
other counties from the special sales tax levy and, in such case,
it shall not be necessary for the other county or counties in
which the corporate boundaries of an excluded municipality are
located to enter into the joint agreement before an election may
be called. The special sales tax may not be levied within the
corporate boundaries of such an excluded municipality regardless
of the results of an election. In addition, if the specific
transportation infrastructure projects or other capital projects,
or both, for which the tax levy is proposed may have a direct
impact on the municipal government physical or fiscal functions,
budget or infrastructure of one or more municipalities within the
county, as determined by an impact study which the board of
supervisors shall have prepared, then the board of supervisors may
call an election only after entering into a joint agreement with
the governing authorities of the affected municipalities
consenting to the calling of a county wide election on the
question of the special sales tax levy. Notice of such election
shall be given, the election shall be held and the result thereof
determined, as far as is practicable, in the same manner as other
elections are held in the counties. At such election, all
qualified electors of each of the counties may vote. The ballots
used at such election shall have printed thereon a brief description of the sales tax, the amount of the sales tax levy, a description of the specific transportation infrastructure projects or other capital projects, or both, for which the tax revenue may be used and expended and the words "FOR THE LOCAL SALES TAX" and "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing a cross (X) or check mark (✓) opposite his choice on the proposition. When the results of the election have been canvassed by the election commissioners of the respective counties and certified by them to the respective boards of supervisors, it shall be the duty of each of such boards of supervisors to determine and adjudicate whether at least three-fifths (3/5) of the qualified electors of each of the respective counties who voted in such election voted in favor of the tax. If the election results in favor of the levy, the board of supervisors of the initiating county shall adopt a resolution declaring the levy and collection of the tax provided in subsections (1) through (3) of this section and shall set the first day of the second month following the date of such adoption as the effective date of the tax levy. A certified copy of each of these resolutions together with the result of the election shall be furnished to the State Tax Commission not less than thirty (30) days before the effective date of the levy.

(3) (a) The special sales tax authorized by subsections (1) through (3) of this section shall be collected by the State Tax Commission, shall be accounted for separately from the amount of sales tax collected for the state in the county and shall be paid to the county in which collected. The State Tax Commission may retain three percent (3%) of the proceeds of such tax for the purpose of defraying the costs incurred by the commission in the collection of the tax. Payments to the counties shall be made by the State Tax Commission on or before the fifteenth day of the month following the month in which the tax was collected.
(b) The proceeds of the special sales tax shall be placed into a separate fund apart from the county general fund and any other funds of the county, and shall be expended by the county solely for the purpose of paying any indebtedness or other obligation incurred or that may be incurred by the county for the transportation infrastructure projects or other capital projects, or both, specified in the resolution ordering the election.

(c) All provisions of the Mississippi Sales Tax Law applicable to filing of returns, discounts to the taxpayer, remittances to the State Tax Commission, enforced collection, rights of taxpayers, recovery of improper taxes, refunds of overpaid taxes or other provisions of law providing for imposition and collection of the state sales tax shall apply to the special sales tax authorized by subsections (1) through (3) of this section, except where there is a conflict, in which case the provisions of subsections (1) through (3) of this section shall control. Any damages, penalties or interest collected for the nonpayment of taxes imposed under subsections (1) through (3) of this section, or for noncompliance with the provisions of subsections (1) through (3) of this section, shall be paid to the county in which such damages, penalties or interest were collected on the same basis and in the same manner as the tax proceeds. Any overpayment of tax for any reason that has been disbursed to any county or any payment of the tax to any county in error may be adjusted by the State Tax Commission on any subsequent payment to the county involved pursuant to the provisions of the Mississippi Sales Tax Law. The State Tax Commission may, from time to time, make such rules and regulations not inconsistent with subsections (1) through (3) of this section as may be deemed necessary to carry out the provisions of subsections (1) through (3) of this section, and such rules and regulations shall have the full force and effect of law.
(d) The special sales tax shall be discontinued by the board of supervisors of the county on the first day of the month immediately succeeding the date any indebtedness, including interest, incurred by the county for the transportation infrastructure projects or other capital projects, or both, is retired, or in the event the county incurs no indebtedness, the first day of the month after all obligations for the transportation infrastructure projects or other capital projects, or both, have been paid. Any amount remaining in the separate fund containing the proceeds of the special sales tax not necessary to retire the debt or pay any other obligations, shall be transferred to the county general fund.

(e) The board of supervisors of a county may not impose a special sales tax under this section on sales that are subject to any tax levied and collected (before the date a resolution is adopted under subsection (2)(b) of this section) under the authority of a local and private law of the State of Mississippi, and collected and paid to the State Tax Commission in the same or similar manner that state sales taxes are collected and paid.

(4) The board of supervisors of any county that levies a special sales tax pursuant to subsections (1) through (3) of this section may incur indebtedness of the county in an aggregate principal amount that is not in excess of an amount for which debt service is capable of being funded by the proceeds of the special sales tax levied pursuant to subsections (1) through (3) of this section. The indebtedness authorized by this subsection (4) shall not be considered when computing any limitation of indebtedness of the county established by law.

SECTION 5. Section 21-33-303, Mississippi Code of 1972, is amended as follows:

21-33-303. No municipality shall hereafter issue bonds secured by a pledge of its full faith and credit for the purposes authorized by law in an amount which, when added to the then
outstanding bonded indebtedness of such municipality, shall exceed either (a) fifteen percent (15%) of the assessed value of the taxable property within such municipality, according to the last completed assessment for taxation, or (b) ten percent (10%) of the assessment upon which taxes were levied for its fiscal year ending September 30, 1984, whichever is greater. In computing such indebtedness, there may be deducted all bonds or other evidences of indebtedness, heretofore or hereafter issued, for school, water, sewerage systems, gas, and light and power purposes and for the construction of special improvements primarily chargeable to the property benefited, or for the purpose of paying the municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefited. However, in no case shall any municipality contract any indebtedness which, when added to all of the outstanding general obligation indebtedness, both bonded and floating, shall exceed either (a) twenty percent (20%) of the assessed value of all taxable property within such municipality according to the last completed assessment for taxation or (b) fifteen percent (15%) of the assessment upon which taxes were levied for its fiscal year ending September 30, 1984, whichever is greater. Nothing herein contained shall be construed to apply to contract obligations in any form heretofore or hereafter incurred by any municipality which are subject to annual appropriations therefor, or to bonds heretofore issued by any municipality for school purposes, or to contract obligations in any form heretofore or hereafter incurred by any municipality which are payable exclusively from the revenues of any municipally-owned utility, or to bonds issued by any municipality under the provisions of Sections 57-1-1 through 57-1-51, or to any special assessment improvement bonds issued by any municipality under the provisions of Sections 21-41-1 through 21-41-53, or to any indebtedness incurred under Section 55-23-8, or to any indebtedness incurred under Section 1 of House Bill
No. ___, 2003 Regular Session, or to any indebtedness incurred under Section 2 of House Bill No. ___, 2003 Regular Session, or to any indebtedness incurred under Section 3 of House Bill No. ___, 2003 Regular Session, or to any indebtedness incurred under Section 4 of House Bill No. ___, 2003 Regular Session.

All bonds issued prior to July 1, 1990, pursuant to this chapter by any municipality for the purpose of the constructing, replacing, renovating or improving wastewater collection and treatment facilities in order to comply with an administrative order of the Mississippi Department of Natural Resources issued pursuant to the Federal Water Pollution Control Act and amendments thereto, are hereby exempt from the limitation imposed by this section if the governing body of the municipality adopts an order, resolution or ordinance to the effect that the rates paid by the users of such facilities shall be increased to the extent necessary to provide sufficient funds for the payment of the principal of and interest on such bonds as each respectively becomes due and payable as well as the necessary expenses in connection with the operation and maintenance of such facilities.

SECTION 6. Section 19-9-5, Mississippi Code of 1972, is amended as follows:

19-9-5. No county shall hereafter issue bonds secured by a pledge of its full faith and credit for the purposes authorized by law in an amount which, when added to the then outstanding bonds of such county, shall exceed either (a) fifteen percent (15%) of the assessed value of the taxable property within such county according to the last completed assessment for taxation, or (b) fifteen percent (15%) of the assessment upon which taxes were levied for its fiscal year ending September 30, 1984, whichever is greater.

However, any county in the state which shall have experienced washed-out or collapsed bridges on the public roads of the county for any cause or reason may hereafter issue bonds for bridge
purposes as now authorized by law in an amount which, when added
to the then outstanding general obligation bonds of such county,
shall not exceed either (a) twenty percent (20%) of the assessed
value of the taxable property within such county according to the
last completed assessment for taxation or (b) fifteen percent
(15%) of the assessment upon which taxes were levied for its
fiscal year ending September 30, 1984, whichever is greater.

Provided further, in computing such indebtedness, there may
be deducted all bonds or other evidences of indebtedness
heretofore or hereafter issued, for the construction of hospitals,
ports or other capital improvements which are payable primarily
from the net revenue to be generated from such hospital, port or
other capital improvement, which revenue shall be pledged to the
retirement of such bonds or other evidences of indebtedness,

Together with the full faith and credit of the county. However,
in no case shall any county contract any indebtedness payable in
whole or in part from proceeds of ad valorem taxes which, when
added to all of the outstanding general obligation indebtedness,
both bonded and floating, shall exceed either (a) twenty percent
(20%) of the assessed value of all taxable property within such
county according to the last completed assessment for taxation, or
(b) fifteen percent (15%) of the assessment upon which taxes were
levied for its fiscal year ending September 30, 1984, whichever is
greater. Nothing herein contained shall be construed to apply to
contract obligations in any form heretofore or hereafter incurred
by any county which are subject to annual appropriations therefor,
or to bonds heretofore or hereafter issued by any county for
school purposes, or to bonds issued by any county under the
provisions of Sections 57-1-1 through 57-1-51, or to any
indebtedness incurred under Section 55-23-8, or to any
indebtedness incurred under Section 1 of House Bill No. 1593, 2003
Regular Session, or to any indebtedness incurred under Section 2
of House Bill No. 1593, 2003 Regular Session, or to any
indebtedness incurred under Section 3 of House Bill No. 744 , 2003 Regular Session, or to any indebtedness incurred under Section 4 of House Bill No. 745 , 2003 Regular Session.

SECTION 7. Section 27-65-75, Mississippi Code of 1972, is amended as follows:

27-65-75. On or before the fifteenth day of each month, the revenue collected under the provisions of this chapter during the preceding month shall be paid and distributed as follows:

(1) On or before August 15, 1992, and each succeeding month thereafter through July 15, 1993, eighteen percent (18%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a municipal corporation shall be allocated for distribution to such municipality and paid to such municipal corporation. On or before August 15, 1993, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a municipal corporation shall be allocated for distribution to such municipality and paid to such municipal corporation.

A municipal corporation, for the purpose of distributing the tax under this subsection, shall mean and include all incorporated cities, towns and villages.

Monies allocated for distribution and credited to a municipal corporation under this subsection may be pledged as security for any loan received by the municipal corporation for the purpose of capital improvements as authorized under Section 57-1-303, or loans as authorized under Section 57-44-7, or water systems improvements as authorized under Section 41-3-16.
In any county having a county seat which is not an incorporated municipality, the distribution provided hereunder shall be made as though the county seat was an incorporated municipality; however, the distribution to such municipality shall be paid to the county treasury wherein the municipality is located and such funds shall be used for road, bridge and street construction or maintenance therein.

(2) On or before September 15, 1987, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month One Million One Hundred Twenty-five Thousand Dollars ($1,125,000.00) shall be allocated for distribution to municipal corporations as defined under subsection (1) of this section in the proportion that the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each such municipality during the preceding fiscal year bears to the total gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in municipalities statewide during the preceding fiscal year. The State Tax Commission shall require all distributors of gasoline and diesel fuel to report to the commission monthly the total number of gallons of gasoline and diesel fuel sold by them to consumers and retailers in each municipality during the preceding month. The State Tax Commission shall have the authority to promulgate such rules and regulations as is necessary to determine the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each municipality. In determining the percentage allocation of funds under this subsection for the fiscal year beginning July 1, 1987, and ending June 30, 1988, the State Tax Commission may consider gallons of gasoline and diesel fuel sold for a period of less than one (1) fiscal year. For the purposes of this subsection, the term "fiscal year" means the fiscal year beginning July 1 of a year.
(3) On or before September 15, 1987, and on or before the fifteenth day of each succeeding month, until the date specified in Section 65-39-35, the proceeds derived from contractors' taxes levied under Section 27-65-21 on contracts for the construction or reconstruction of highways designated under the highway program created under Section 65-3-97 shall, except as otherwise provided in Section 31-17-127, be deposited into the State Treasury to the credit of the State Highway Fund to be used to fund such highway program. The Mississippi Department of Transportation shall provide to the State Tax Commission such information as is necessary to determine the amount of proceeds to be distributed under this subsection.

(4) On or before August 15, 1994, and on or before the fifteenth day of each succeeding month through July 15, 1999, from the proceeds of gasoline, diesel fuel or kerosene taxes as provided in Section 27-5-101(a)(ii)1, Four Million Dollars ($4,000,000.00) shall be deposited in the State Treasury to the credit of a special fund designated as the "State Aid Road Fund," created by Section 65-9-17. On or before August 15, 1999, and on or before the fifteenth day of each succeeding month, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes apportioned by Section 27-5-101(a)(ii)1, Four Million Dollars ($4,000,000.00) or an amount equal to twenty-three and one-fourth percent (23.25%) of such funds, whichever is the greater amount, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund," created by Section 65-9-17. Such funds shall be pledged to pay the principal of and interest on state aid road bonds heretofore issued under Sections 19-9-51 through 19-9-77, in lieu of and in substitution for the funds heretofore allocated to counties under this section. Such funds may not be pledged for the payment of any state aid road bonds issued after April 1, 1981; however, this prohibition against the pledging of any such funds for the payment of bonds shall not
apply to any bonds for which intent to issue such bonds has been
published, for the first time, as provided by law prior to March
29, 1981. From the amount of taxes paid into the special fund
pursuant to this subsection and subsection (9) of this section,
there shall be first deducted and paid the amount necessary to pay
the expenses of the Office of State Aid Road Construction, as
authorized by the Legislature for all other general and special
fund agencies. The remainder of the fund shall be allocated
monthly to the several counties in accordance with the following
formula:

(a) One-third (1/3) shall be allocated to all counties
in equal shares;

(b) One-third (1/3) shall be allocated to counties
based on the proportion that the total number of rural road miles
in a county bears to the total number of rural road miles in all
counties of the state; and

(c) One-third (1/3) shall be allocated to counties
based on the proportion that the rural population of the county
bears to the total rural population in all counties of the state,
according to the latest federal decennial census.

For the purposes of this subsection, the term "gasoline, diesel fuel or kerosene taxes" means such taxes as defined in
paragraph (f) of Section 27-5-101.

The amount of funds allocated to any county under this
subsection for any fiscal year after fiscal year 1994 shall not be
less than the amount allocated to such county for fiscal year
1994. Monies allocated to a county from the State Aid Road Fund
for fiscal year 1995 or any fiscal year thereafter that exceed the
amount of funds allocated to that county from the State Aid Road
Fund for fiscal year 1994, first must be expended by the county
for replacement or rehabilitation of bridges on the state aid road
system that have a sufficiency rating of less than twenty-five
(25), according to National Bridge Inspection standards before
such monies may be approved for expenditure by the State Aid Road
Engineer on other projects that qualify for the use of state aid
road funds.

Any reference in the general laws of this state or the
Mississippi Code of 1972 to Section 27-5-105 shall mean and be
construed to refer and apply to subsection (4) of Section
27-65-75.

(5) One Million Six Hundred Sixty-six Thousand Six Hundred
Sixty-six Dollars ($1,666,666.00) each month shall be paid into
the special fund known as the "State Public School Building Fund"
created and existing under the provisions of Sections 37-47-1
through 37-47-67. Such payments into said fund are to be made on
the last day of each succeeding month hereafter.

(6) An amount each month beginning August 15, 1983, through
November 15, 1986, as specified in Section 6 of Chapter 542, Laws
of 1983, shall be paid into the special fund known as the
Correctional Facilities Construction Fund created in Section 6 of
Chapter 542, Laws of 1983.

(7) On or before August 15, 1992, and each succeeding month
thereafter through July 15, 2000, two and two hundred sixty-six
one-thousandths percent (2.266%) of the total sales tax revenue
collected during the preceding month under the provisions of this
chapter, except that collected under the provisions of Section
27-65-17(2) shall be deposited by the commission into the School
Ad Valorem Tax Reduction Fund created pursuant to Section
37-61-35. On or before August 15, 2000, and each succeeding month
thereafter, two and two hundred sixty-six one-thousandths percent
(2.266%) of the total sales tax revenue collected during the
preceding month under the provisions of this chapter, except that
collected under the provisions of Section 27-65-17(2), shall be
deposited into the School Ad Valorem Tax Reduction Fund created
under Section 37-61-35 until such time that the total amount
deposited into the fund during a fiscal year equals Forty-two
Million Dollars ($42,000,000.00). Thereafter, the amounts diverted under this subsection (7) during the fiscal year in excess of Forty-two Million Dollars ($42,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

(8) On or before August 15, 1992, and each succeeding month thereafter, nine and seventy-three one-thousandths percent (9.073%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2) shall be deposited into the Education Enhancement Fund created pursuant to Section 37-61-33.

(9) On or before August 15, 1994, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month, Two Hundred Fifty Thousand Dollars ($250,000.00) shall be paid into the State Aid Road Fund.

(10) On or before August 15, 1994, and each succeeding month thereafter through August 15, 1995, from the revenue collected under this chapter during the preceding month, Two Million Dollars ($2,000,000.00) shall be deposited into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(11) Notwithstanding any other provision of this section to the contrary, on or before February 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-17(2) and the corresponding levy in Section 27-65-23 on the rental or lease of private carriers of passengers and light carriers of property as defined in Section 27-51-101 shall be deposited, without diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.
(12) Notwithstanding any other provision of this section to the contrary, on or before August 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-17(1) on retail sales of private carriers of passengers and light carriers of property, as defined in Section 27-51-101 and the corresponding levy in Section 27-65-23 on the rental or lease of these vehicles, shall be deposited, after diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(13) On or before July 15, 1994, and on or before the fifteenth day of each succeeding month thereafter, that portion of the avails of the tax imposed in Section 27-65-22, which is derived from activities held on the Mississippi state fairgrounds complex, shall be paid into a special fund hereby created in the State Treasury and shall be expended pursuant to legislative appropriations solely to defray the costs of repairs and renovation at such Trade Mart and Coliseum.

(14) On or before August 15, 1998, and each succeeding month thereafter through July 15, 2005, that portion of the avails of the tax imposed in Section 27-65-23 which is derived from sales by cotton compresses or cotton warehouses and which would otherwise be paid into the General Fund, shall be deposited in an amount not to exceed Two Million Dollars ($2,000,000.00) into the special fund created pursuant to Section 69-37-39.

(15) Notwithstanding any other provision of this section to the contrary, on or before September 15, 2000, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-19(1)(f) and (g)(i)2, shall be deposited, without diversion, into the Telecommunications Ad Valorem Tax Reduction Fund established in Section 27-38-7.

(16) On or before August 15, 2000, and each succeeding month thereafter, the sales tax revenue collected during the preceding
month under the provisions of this chapter on the gross proceeds
of sales of a project as defined in Section 57-30-1 shall be
deposited, after all diversions except the diversion provided for
in subsection (1) of this section, into the Sales Tax Incentive
Fund created in Section 57-30-3.

(17) Notwithstanding any other provision of this section to
the contrary, on or before April 15, 2002, and each succeeding
month thereafter, the sales tax revenue collected during the
preceding month under Section 27-65-23 on sales of parking
services of parking garages and lots at airports shall be
deposited, without diversion, into the special fund created
pursuant to Section 27-5-101(d).

(18) Notwithstanding any other provision of this section to
the contrary, the revenue collected from the special sales tax
authorized under Section 1 of House Bill No. , 2003 Regular
Session, shall be allocated for distribution and distributed as
provided in Section 1 of House Bill No. , 2003 Regular Session.

(19) Notwithstanding any other provision of this section to
the contrary, the revenue collected from the special sales tax
authorized under Section 2 of House Bill No. , 2003 Regular
Session, shall be allocated for distribution and distributed as
provided in Section 2 of House Bill No. , 2003 Regular Session.

(20) Notwithstanding any other provision of this section to
the contrary, the revenue collected from the special sales tax
authorized under Section 3 of House Bill No. , 2003 Regular
Session, shall be allocated for distribution and distributed as
provided in Section 3 of House Bill No. , 2003 Regular Session.

(21) Notwithstanding any other provision of this section to
the contrary, the revenue collected from the special sales tax
authorized under Section 4 of House Bill No. , 2003 Regular
Session, shall be allocated for distribution and distributed as
provided in Section 4 of House Bill No. , 2003 Regular Session.
The remainder of the amounts collected under the provisions of this chapter shall be paid into the State Treasury to the credit of the General Fund.

It shall be the duty of the municipal officials of any municipality which expands its limits, or of any community which incorporates as a municipality, to notify the commissioner of such action thirty (30) days before the effective date. Failure to so notify the commissioner shall cause such municipality to forfeit the revenue which it would have been entitled to receive during this period of time when the commissioner had no knowledge of the action. If any funds have been erroneously disbursed to any municipality or any overpayment of tax is recovered by the taxpayer, the commissioner may make correction and adjust the error or overpayment with such municipality by withholding the necessary funds from any subsequent payment to be made to the municipality.

SECTION 8. It is the intent of the Legislature that the amount of State General Funds appropriated to the State Tax Commission shall not be reduced because of funds collected by the commission under Section 1(3)(a), Section 2(3)(a), Section 3(3)(a) and/or Section 4(3)(a) of this act.

SECTION 9. The Attorney General of the State of Mississippi shall submit this act, immediately upon approval by the Governor, or upon approval by the Legislature subsequent to a veto, to the Attorney General of the United States or to the United States District Court for the District of Columbia in accordance with the provisions of the Voting Rights Act of 1965, as amended and extended.

SECTION 10. This act shall take effect and be in force from and after the date it is effectuated under Section 5 of the Voting Rights Act of 1965, as amended and extended.