

By: Representative Smith (27th)

To: Gaming; Ways and Means

## HOUSE BILL NO. 699

1 AN ACT TO AMEND SECTIONS 75-76-177 AND 75-76-129, MISSISSIPPI  
2 CODE OF 1972, TO PROVIDE FOR A FLAT RATE OF EIGHT PERCENT ON FEES  
3 CHARGED ON THE GROSS REVENUE OF GAMING LICENSEES; TO IMPOSE AN  
4 ADDITIONAL FEE OF THREE PERCENT ON THE GROSS REVENUES OF GAMING  
5 LICENSEES; TO PROVIDE THAT THE AVAILS OF THE ADDITIONAL LICENSE  
6 FEE SHALL BE DEPOSITED IN A SPECIAL FUND IN THE STATE TREASURY AND  
7 DISTRIBUTED TO NONGAMING COUNTIES FOR EXPENDITURE FOR CONSTRUCTION  
8 AND REPAIR OF COUNTY ROADS AND BRIDGES, FOR LAW ENFORCEMENT  
9 PURPOSES AND FOR ANY OTHER PURPOSES FOR WHICH COUNTY GENERAL FUNDS  
10 LAWFULLY MAY BE EXPENDED; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 75-76-177, Mississippi Code of 1972, is  
13 amended as follows:

14 75-76-177. (1) (a) From and after July 1, 2004, there is  
15 hereby imposed and levied monthly on each gaming licensee a  
16 license fee of eight percent (8%) of all the gross revenue of the  
17 licensee.

18 \* \* \*

19 (b) From and after July 1, 2004, there is imposed and  
20 levied monthly on each gaming licensee an additional license fee  
21 of three percent (3%) of all the gross revenue of the licensee.

22 \* \* \*

23 (2) All revenue received from any game or gaming device  
24 which is leased for operation on the premises of the  
25 licensee-owner to a person other than the owner thereof or which  
26 is located in an area or space on such premises which is leased by  
27 the licensee-owner to any such person, must be attributed to the  
28 owner for the purposes of this section and be counted as part of  
29 the gross revenue of the owner. The lessee is liable to the owner  
30 for his proportionate share of such license fees.

31 (3) If the amount of license fees required to be reported  
32 and paid pursuant to this section is later determined to be  
33 greater or less than the amount actually reported and paid by the  
34 licensee, the Chairman of the State Tax Commission shall:

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

37 (b) Refund any overpayment, with interest thereon, to  
38 the licensee.

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

43 (4) Failure to pay the fees provided for in this section  
44 when they are due for continuation of a license shall be deemed a  
45 surrender of the license.

46 **SECTION 2.** Section 75-76-129, Mississippi Code of 1972, is  
47 amended as follows:

48 **[Through June 30, 2022, this section shall read as follows:]**

49 75-76-129. On or before the last day of each month all  
50 taxes, fees, interest, penalties, damages, fines or other monies  
51 collected by the State Tax Commission during that month under the  
52 provisions of this chapter, with the exception of (a) the local  
53 government fees imposed under Section 75-76-195, \* \* \* (b) an  
54 amount equal to Three Million Dollars (\$3,000,000.00) of the  
55 revenue collected pursuant to the fee imposed under Section  
56 75-76-177(1)(a), or an amount equal to twenty-five percent (25%)  
57 of the revenue collected pursuant to the fee imposed under Section  
58 75-76-177(1)(a), whichever is the greater amount, and (c) the  
59 avails of the fee imposed under Section 75-76-177(1)(b), shall be  
60 paid by the State Tax Commission to the State Treasurer to be  
61 deposited in the State General Fund. The local government fees  
62 shall be distributed by the State Tax Commission pursuant to  
63 Section 75-76-197. An amount equal to Three Million Dollars

64 (\$3,000,000.00) of the revenue collected during that month  
65 pursuant to the fee imposed under Section 75-76-177(1)(a) shall be  
66 deposited by the State Tax Commission into the bond sinking fund  
67 created in Section 65-39-3. The revenue collected during that  
68 month pursuant to the fee imposed under Section 75-76-177(1)(a)  
69 that is in excess of Three Million Dollars (\$3,000,000.00), but is  
70 less than twenty-five percent (25%) of the amount of revenue  
71 collected during that month, shall be deposited into the State  
72 Highway Fund to be used exclusively for the reconstruction and  
73 maintenance of highways of the State of Mississippi. The avails  
74 of the fee imposed under Section 75-76-177(1)(b) shall be  
75 deposited by the State Tax Commission into the special fund  
76 created in Section 3 of House Bill No. , 2004 Regular Session.

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

79 75-76-129. On or before the last day of each month, all  
80 taxes, fees, interest, penalties, damages, fines or other monies  
81 collected by the State Tax Commission during that month under the  
82 provisions of this chapter, with the exception of (a) the local  
83 government fees imposed under Section 75-76-195, and (b) the  
84 avails of the fee imposed under Section 75-76-177(1)(b), shall be  
85 paid by the State Tax Commission to the State Treasurer to be  
86 deposited in the State General Fund. The local government fees  
87 shall be distributed by the State Tax Commission pursuant to  
88 Section 75-76-197. The avails of the fee imposed under Section  
89 75-76-177(1)(b) shall be deposited by the State Tax Commission  
90 into the special fund created in Section 3 of House Bill No. ,  
91 2004 Regular Session.

92 **SECTION 3.** There is created in the State Treasury a special  
93 fund. The fund shall consist of such monies as are required to be  
94 deposited into the fund under Section 75-76-129. Unexpended  
95 amounts remaining in the fund at the end of a fiscal year shall  
96 not lapse into the State General Fund, and any interest earned or

97 investment earnings on amounts in the fund shall be deposited into  
98 such fund. Beginning on the last working day of October 2004 and  
99 on the last working day of each three (3) months thereafter, the  
100 monies on deposit and to the credit of the special fund shall be  
101 paid and distributed by the State Treasurer, upon warrants issued  
102 by the State Fiscal Officer, equally to and among the chancery  
103 clerks of the counties within the state in which gaming is not  
104 authorized by law. Upon receipt of such monies, the chancery  
105 clerk shall deposit such monies in the county general fund and the  
106 board of supervisors of such county may appropriate and authorize  
107 such monies to be expended for the construction, repair and  
108 maintenance of county roads and bridges, for law enforcement  
109 purposes or for any other purposes for which county general fund  
110 monies lawfully may be expended.

111       **SECTION 4.** This act shall take effect and be in force from  
112 and after July 1, 2004.