

By: Representative Warren

To: Gaming; Ways and Means

HOUSE BILL NO. 1005

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, 2022, 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, and (b) an amount
24 equal to Three Million Dollars (\$3,000,000.00) of the revenue
25 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. _____, 2004
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. _____, 2004 Regular
56 Session.

57 **[From and after July 1, 2022, this section shall read as**
58 **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, and (b) the
64 revenue collected pursuant to the fee imposed under Section
65 75-76-177(2), shall be paid by the State Tax Commission to the
66 State treasurer to be deposited in the State General Fund. The

67 local government fees shall be distributed by the State Tax
68 Commission pursuant to Section 75-76-197.

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

71 75-76-177. (1) From and after August 1, 1990, there is
72 hereby imposed and levied on each gaming licensee a license fee
73 based upon all the gross revenue of the licensee as follows:

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

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

81 (c) Eight percent (8%) of all the gross revenue of the
82 licensee which exceeds One Hundred Thirty-four Thousand Dollars
83 (\$134,000.00) per calendar month.

84 (2) From and after July 1, 2004, there is imposed and levied
85 on each gaming licensee an additional license fee of four percent
86 (4%) of all the gross revenue of the licensee per calendar month.
87 Such license fee shall be in addition to the license fee imposed
88 and levied under subsection (1) of this section.

89 (3) All revenue received from any game or gaming device
90 which is leased for operation on the premises of the
91 licensee-owner to a person other than the owner thereof or which
92 is located in an area or space on such premises which is leased by
93 the licensee-owner to any such person, must be attributed to the
94 owner for the purposes of this section and be counted as part of
95 the gross revenue of the owner. The lessee is liable to the owner
96 for his proportionate share of such license fees.

97 (4) If the amount of license fees required to be reported
98 and paid pursuant to this section is later determined to be

99 greater or less than the amount actually reported and paid by the
100 licensee, the Chairman of the State Tax Commission shall:

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

103 (b) Refund any overpayment, with interest thereon, to
104 the licensee.

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

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

112 **SECTION 3.** There is created in the State Treasury a special
113 fund to be designated as the "State Supplemental Drug Enforcement
114 Fund." The fund shall consist of such monies deposited therein as
115 provided under Section 75-76-129. Monies in the fund shall be
116 subject to appropriation by the Legislature for the purpose of
117 providing additional funds to the Mississippi Bureau of Narcotics
118 for use in the enforcement of the Uniformed Controlled Substances
119 Law (Sections 41-29-101 through 41-29-187) with respect to illicit
120 drug traffic in the state. Monies in the fund used for the
121 purposes described in this section shall be in addition to other
122 funds available from any other source for such purposes.
123 Unexpended amounts remaining in the fund at the end of a fiscal
124 year shall not lapse into the State General Fund, and any interest
125 earned or investment earnings on amounts in the fund shall be
126 deposited to the credit of the fund.

127 **SECTION 4.** There is created in the State Treasury a special
128 fund to be designated as the "State Supplemental Education Fund."
129 The fund shall consist of such monies deposited therein as
130 provided under Section 75-76-129. Monies in the fund shall be
131 subject to appropriation by the Legislature to support public

132 education in kindergarten through Grade 12, the institutions of
133 higher learning, and the community and junior colleges,
134 proportionately based on the ratio that the amount of general
135 funds appropriated by the Legislature to each of these entities
136 for the preceding fiscal year bears to the total amount of general
137 funds appropriated for the preceding state fiscal year. Monies in
138 the fund used for the purposes described in this section shall be
139 in addition to other funds available from any other source for
140 such purposes. Unexpended amounts remaining in the fund at the
141 end of a fiscal year shall not lapse into the State General Fund,
142 and any interest earned or investment earnings on amounts in the
143 fund shall be deposited to the credit of the fund.

144 **SECTION 5.** This act shall take effect and be in force from
145 and after July 1, 2004.