

By: Senator(s) Hewes

To: Highways and  
Transportation

SENATE BILL NO. 2529

1 AN ACT TO AMEND SECTION 27-5-101, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE DATE UPON WHICH A PORTION OF THE REVENUES DERIVED  
3 FROM MOTOR FUEL TAXES IS REQUIRED TO BE DEPOSITED INTO THE GAMING  
4 COUNTIES BOND SINKING FUND FOR THE PURPOSES OF PAYING THE DEBT  
5 SERVICE ON BONDS ISSUED IN SUPPORT OF THE GAMING COUNTIES  
6 INFRASTRUCTURE PROGRAM; TO PROVIDE FOR THE TRANSFER OF A PORTION  
7 OF THE FUNDS DEPOSITED INTO THE GAMING COUNTIES BOND SINKING FUND  
8 INTO THE STATE HIGHWAY FUND; AND FOR RELATED PURPOSES.

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

10 SECTION 1. Section 27-5-101, Mississippi Code of 1972, is  
11 amended as follows:

12 [With regard to any county which is exempt from the  
13 provisions of Section 19-2-3, this section shall read as follows:]

14 27-5-101. Unless otherwise provided in this section, on or  
15 before the fifteenth day of each month, all gasoline, diesel fuel  
16 or kerosene taxes which are levied under the laws of this state  
17 and collected during the previous month shall be paid and  
18 apportioned by the State Tax Commission as follows:

19 (a) (i) Except as otherwise provided in Section  
20 31-17-127, from the gross amount of gasoline, diesel fuel or  
21 kerosene taxes produced by the state, there shall be deducted an  
22 amount equal to one-sixth (1/6) of principal and interest  
23 certified by the State Treasurer to the State Tax Commission to be  
24 due on the next semiannual bond and interest payment date, as  
25 required under the provisions of Chapter 130, Laws of 1938, and  
26 subsequent acts authorizing the issuance of bonds payable from  
27 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
28 bonds issued under authority of said Chapter 130. The State  
29 Treasurer shall certify to the State Tax Commission on or before  
30 the fifteenth day of each month the amount to be paid to the

31 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws  
32 of 1938, and subsequent acts authorizing the issuance of bonds  
33 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
34 parity with the bonds issued under authority of said Chapter 130;  
35 and the State Tax Commission shall, on or before the twenty-fifth  
36 day of each month, pay into the State Treasury for credit to the  
37 "Highway Bonds Sinking Fund" the amount so certified to him by the  
38 State Treasurer due to be paid into such fund each month. The  
39 payments to the "Highway Bonds Sinking Fund" shall be made out of  
40 gross gasoline, diesel fuel or kerosene tax collections before  
41 deductions of any nature are considered; however, such payments  
42 shall be deducted from the allocation to the Mississippi  
43 Department of Transportation under paragraph (c) of this section.

44 (ii) From collections derived from the portion of  
45 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
46 from the portion of the tax on aviation gas under Section 27-55-11  
47 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
48 portion of the special fuel tax levied under Sections 27-55-519  
49 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten  
50 Cents (10¢) per gallon, from the portion of the taxes levied under  
51 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per  
52 gallon that exceeds One Cent (1¢) per gallon on special fuel and  
53 Five and One-fourth Cents (5.25¢) per gallon on special fuel used  
54 as aircraft fuel, from the portion of the excise tax on compressed  
55 gas used as a motor fuel that exceeds the rate of tax in effect on  
56 June 30, 1987, and from the portion of the gasoline excise tax in  
57 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
58 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there  
59 shall be deducted:

60 1. An amount as provided in Section  
61 27-65-75(4) to the credit of a special fund designated as the  
62 "Office of State Aid Road Construction."

63                   2. An amount equal to the tax collections  
64 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
65 for distribution to the State Highway Fund to be used exclusively  
66 for the construction, reconstruction and maintenance of highways  
67 of the State of Mississippi or the payment of interest and  
68 principal on bonds when specifically authorized by the Legislature  
69 for that purpose.

70                   3. The balance shall be deposited in the  
71 State Treasury to the credit of the State Highway Fund.

72                   (b) Subject to the provisions that said basis of  
73 distribution shall in nowise affect adversely the amount  
74 specifically pledged in paragraph (a) of this section to be paid  
75 into the "Highway Bonds Sinking Fund," the following shall be  
76 deducted from the amount produced by the state tax on gasoline,  
77 diesel fuel or kerosene tax collections, excluding collections  
78 derived from the portion of the gasoline excise tax that exceeds  
79 Seven Cents (7¢) per gallon, from the portion of the tax on  
80 aviation gas under Section 27-55-11 that exceeds Six and  
81 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
82 special fuel tax levied under Sections 27-55-519 and 27-55-521, at  
83 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per  
84 gallon, from the portion of the taxes levied under Section  
85 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that  
86 exceeds One Cent (1¢) per gallon on special fuel and Five and  
87 One-fourth Cents (5.25¢) per gallon on special fuel used as  
88 aircraft fuel, from the portion of the excise tax on compressed  
89 gas used as a motor fuel that exceeds the rate of tax in effect on  
90 June 30, 1987, and from the portion of the gasoline excise tax in  
91 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
92 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

93                   (i) Twenty percent (20%) of such amount which  
94 shall be earmarked and set aside for the construction,  
95 reconstruction and maintenance of the highways and roads of the

96 state, provided that if such twenty percent (20%) should reduce  
97 any county to a lesser amount than that received in the fiscal  
98 year ending June 30, 1966, then such twenty percent (20%) shall be  
99 reduced to a percentage to provide that no county shall receive  
100 less than its portion for the fiscal year ending June 30, 1966;

101 (ii) The amount allowed as refund on gasoline or  
102 as tax credit on diesel fuel or kerosene used for agricultural,  
103 maritime, industrial, domestic, and nonhighway purposes;

104 (iii) Five percent (5%) of such amount shall be  
105 paid to the State Highway Fund;

106 (iv) The amount or portion thereof authorized by  
107 legislative appropriation to the Fisheries and Wildlife Fund  
108 created under Section 59-21-25;

109 (v) The amount for deposit into the special  
110 aviation fund under paragraph (d) of this section; and

111 (vi) The remainder shall be divided on a basis of  
112 nine-fourteenths ( $9/14$ ) and five-fourteenths ( $5/14$ ) (being the  
113 same basis as Four and One-half Cents ( $4-1/2\text{¢}$ ) and Two and  
114 One-half Cents ( $2-1/2\text{¢}$ ) is to Seven Cents ( $7\text{¢}$ ) on gasoline, and  
115 six and forty-three one-hundredths ( $6.43$ ) and three and  
116 fifty-seven one-hundredths ( $3.57$ ) is to Ten Cents ( $10\text{¢}$ ) on diesel  
117 fuel or kerosene). The amount produced by the nine-fourteenths  
118 ( $9/14$ ) division shall be allocated to the Transportation  
119 Department and paid into the State Treasury as provided in this  
120 section and in Section 27-5-103 and the five-fourteenths ( $5/14$ )  
121 division shall be returned to the counties of the state on the  
122 following basis:

123 1. In each fiscal year, each county shall be  
124 paid each month the same percentage of the monthly total to be  
125 distributed as was paid to that county during the same month in  
126 the fiscal year which ended April 9, 1960, until the county  
127 receives One Hundred Ninety Thousand Dollars ( $\$190,000.00$ ) in such

128 fiscal year, at which time funds shall be distributed under the  
129 provisions of paragraph (b)(vi)4 of this section.

130           2. If after payments in 1 above, any county  
131 has not received a total of One Hundred Ninety Thousand Dollars  
132 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
133 and each fiscal year thereafter, then any available funds not  
134 distributed under 1 above shall be used to bring such county or  
135 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
136 or such funds shall be divided equally among such counties not  
137 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
138 there is not sufficient money to bring all the counties to said  
139 One Hundred Ninety Thousand Dollars (\$190,000.00).

140           3. When a county has been paid an amount  
141 equal to the total which was paid to the same county during the  
142 fiscal year ended April 9, 1960, such county shall receive no  
143 further payments during the then current fiscal year until the  
144 last month of such current fiscal year, at which time distribution  
145 will be made under 2 above, except as set out in 4 below.

146           4. During the last month of the current  
147 fiscal year, should it be determined that there are funds  
148 available in excess of the amount distributed for the year under 1  
149 and 2 above, then such excess funds shall be distributed among the  
150 various counties as follows:

151                           One-third (1/3) of such excess to be  
152 divided equally among the counties;

153                           One-third (1/3) of such excess to be paid  
154 to the counties in the proportion which the population of each  
155 county bears to the total population of the state according to the  
156 last federal census;

157                           One-third (1/3) of such excess to be paid  
158 to the counties in the proportion which the number of square miles  
159 of each county bears to the total square miles in the state.

160                   5. It is the declared purpose and intent of  
161 the Legislature that no county shall be paid less than was paid  
162 during the year ended April 9, 1960, unless the amount to be  
163 distributed to all counties in any year is less than the amount  
164 distributed to all counties during the year ended April 9, 1960.

165           The Municipal Aid Fund as established by Section 27-5-103  
166 shall not participate in any portion of any funds allocated to any  
167 county hereunder over and above One Hundred Ninety Thousand  
168 Dollars (\$190,000.00).

169           In any county having countywide road or bridge bonds, or  
170 supervisors district or district road or bridge bonds outstanding,  
171 which exceed, in the aggregate, twelve percent (12%) of the  
172 assessed valuation of the taxable property of the county or  
173 district, it shall be the duty of the board of supervisors to set  
174 aside not less than sixty percent (60%) of such county's share or  
175 district's share of the gasoline, diesel fuel or kerosene taxes to  
176 be used in paying the principal and interest on such road or  
177 bridge bonds as they mature.

178           In any county having such countywide road or bridge bonds or  
179 district road or bridge bonds outstanding which exceed, in the  
180 aggregate, eight percent (8%) of the assessed valuation of the  
181 taxable property of the county, but which do not exceed, in the  
182 aggregate, twelve percent (12%) of the assessed valuation of the  
183 taxable property of the county, it shall be the duty of the board  
184 of supervisors to set aside not less than thirty-five percent  
185 (35%) of such county's share of the gasoline, diesel fuel or  
186 kerosene taxes to be used in paying the principal and interest of  
187 such road or bridge bonds as they mature.

188           In any county having such countywide road or bridge bonds or  
189 district road or bridge bonds outstanding which exceed, in the  
190 aggregate, five percent (5%) of the assessed valuation of the  
191 taxable property of the county, but which do not exceed, in the  
192 aggregate, eight percent (8%) of the assessed valuation of the

193 taxable property of the county, it shall be the duty of the board  
194 of supervisors to set aside not less than twenty percent (20%) of  
195 such county's share of the gasoline, diesel fuel or kerosene taxes  
196 to be used in paying the principal and interest of such road and  
197 bridge bonds as they mature.

198 In any county having such countywide road or bridge bonds or  
199 district road or bridge bonds outstanding which do not exceed, in  
200 the aggregate, five percent (5%) of the assessed valuation of the  
201 taxable property of the county, it shall be the duty of the board  
202 of supervisors to set aside not less than ten percent (10%) of  
203 such county's share of the gasoline, diesel fuel or kerosene taxes  
204 to be used in paying the principal and interest on such road or  
205 bridge bonds as they mature.

206 The portion of any such county's share of the gasoline,  
207 diesel fuel or kerosene taxes thus set aside for the payment of  
208 the principal and interest of road or bridge bonds, as provided  
209 for in this section, shall be used first in paying the currently  
210 maturing installments of the principal and interest of such  
211 countywide road or bridge bonds, if there be any such countywide  
212 road or bridge bonds outstanding, and secondly, in paying the  
213 currently maturing installments of principal and interest of  
214 district road or bridge bonds outstanding. It shall be the duty  
215 of the board of supervisors to pay bonds and interest maturing in  
216 each supervisors district out of the supervisors district's share  
217 of the gasoline, diesel fuel or kerosene taxes of such district.

218 The remaining portion of such county's share of the gasoline,  
219 diesel fuel or kerosene taxes, after setting aside the portion  
220 above provided for the payment of the principal and interest of  
221 bonds, shall be used in the construction and maintenance of any  
222 public highways, bridges, or culverts of the county, including the  
223 roads in special or separate road districts, in the discretion of  
224 the board of supervisors, or in paying the interest and principal

225 of county road and bridge bonds or district road and bridge bonds,  
226 in the discretion of the board of supervisors.

227 In any county having no countywide road or bridge bonds or  
228 district road or bridge bonds outstanding, all such county's share  
229 of the gasoline, diesel fuel or kerosene taxes shall be used in  
230 the construction, reconstruction, and maintenance of the public  
231 highways, bridges, or culverts of the county as the board of  
232 supervisors may determine.

233 In every county in which there are county road bonds or  
234 seawall or road protection bonds outstanding which were issued for  
235 the purpose of building bridges or constructing public roads or  
236 seawalls, such funds shall be used in the manner provided by law.

237 (c) From the amount produced by the nine-fourteenths  
238 (9/14) division allocated to the Transportation Department, there  
239 shall be deducted:

240 (i) The amount paid to the State Treasurer for the  
241 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

242 (ii) Any amounts due counties in accordance with  
243 Section 65-33-45 which have outstanding bonds issued for seawall  
244 or road protection purposes, issued under provisions of Chapter  
245 319, Laws of 1924, and amendments thereto;

246 (iii) Beginning on the fifteenth day of the month  
247 that a portion of the fees collected under Section 75-76-177(1)(c)  
248 is no longer required under Section 75-76-129 to be paid to the  
249 Gaming Counties Bond Sinking Fund created under Section 65-39-3,  
250 and on or before the fifteenth day of each month thereafter, an  
251 amount equal to one-sixth (1/6) of the principal and interest  
252 certified by the State Treasurer to the State Tax Commission to be  
253 due on the next semiannual bond and interest payment date for the  
254 bonds issued under Sections 65-39-5 through 65-39-33. On or  
255 before the twenty-fifth day of each month the State Tax Commission  
256 shall pay into the State Treasury for credit to the Gaming

257 Counties Bond Sinking Fund created in Section 65-39-3, the amount  
258 so certified by the State Treasurer.

259 The State Treasurer shall transfer from the Gaming Counties  
260 Bond Sinking Fund to the State Highway Fund a sum equal to the  
261 amount of monies which, before the effective date of Senate Bill  
262 No. 2529, 2004 Regular Session, were paid into and credited under  
263 the provisions of this section to the Gaming Counties Bond Sinking  
264 Fund;

265 (iv) Except as otherwise provided in Section  
266 31-17-127, the remainder shall be paid by the State Tax Commission  
267 to the State Treasurer on the fifteenth day of each month next  
268 succeeding the month in which the gasoline, diesel fuel or  
269 kerosene taxes were collected to the credit of the State Highway  
270 Fund.

271 The funds allocated for the construction, reconstruction, and  
272 improvement of state highways, bridges, and culverts, or so much  
273 thereof as may be necessary, shall first be used in conjunction  
274 with funds supplied by the federal government for such purposes  
275 and allocated to the State Transportation Department to be  
276 expended on the state highway system. It is specifically provided  
277 hereby that the necessary portion of such funds hereinabove  
278 allocated to the State Transportation Department may be used for  
279 the prompt payment of principal and interest on highway bonds  
280 heretofore issued, including such bonds issued or to be issued  
281 under the provisions of Chapter 312, Laws of 1956, and amendments  
282 thereto.

283 Nothing contained in this section shall be construed to  
284 reduce the amount of such gasoline, diesel fuel or kerosene excise  
285 taxes levied by the state, allotted under the provisions of Title  
286 65, Chapter 33, Mississippi Code of 1972, to counties in which  
287 there are outstanding bonds issued for seawall or road protection  
288 purposes issued under the provisions of Chapter 319, Laws of 1924,  
289 and amendments thereto; the amount of said gasoline, diesel fuel

290 or kerosene excise taxes designated in this section for the  
291 payment of bonds and interest authorized and issued or to be  
292 issued under the provisions of Chapter 130, Laws of 1938, and  
293 subsequent acts authorizing the issuance of bonds payable from  
294 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
295 counties, be considered as being paid "into the State Treasury to  
296 the credit of the State Highway Fund" within the meaning of  
297 Section 65-33-45 in computing the amount to be paid to such  
298 counties under the provisions of said section, and this section  
299 shall be administered in connection with Title 65, Chapter 33,  
300 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
301 65-33-49 dealing with seawalls, as if made a part of this section.

302 (d) The proceeds of the Five and One-fourth Cents  
303 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
304 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
305 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
306 gallon for each gallon of gasoline for which a refund has been  
307 made pursuant to Section 27-55-23 because such gasoline was used  
308 for aviation purposes, shall be paid to the State Treasury into a  
309 special fund to be used exclusively, pursuant to legislative  
310 appropriation, for the support and development of aeronautics as  
311 defined in Section 61-1-3.

312 (e) State highway funds in an amount equal to the  
313 difference between Forty-two Million Dollars (\$42,000,000.00) and  
314 the annual debt service payable on the state's highway revenue  
315 refunding bonds, Series 1985, shall be expended for the  
316 construction or reconstruction of highways designated under the  
317 highway program created under Section 65-3-97.

318 (f) "Gasoline, diesel fuel or kerosene taxes" as used  
319 in this section shall be deemed to mean and include state  
320 gasoline, diesel fuel or kerosene taxes levied and imposed on  
321 distributors of gasoline, diesel fuel or kerosene, and all state

322 excise taxes derived from any fuel used to propel vehicles upon  
323 the highways of this state, when levied by any statute.

324 **[With regard to any county which is required to operate on a**  
325 **countywide system of road administration as described in Section**  
326 **19-2-3, this section shall read as follows:]**

327 27-5-101. Unless otherwise provided in this section, on or  
328 before the fifteenth day of each month, all gasoline, diesel fuel  
329 or kerosene taxes which are levied under the laws of this state  
330 and collected during the previous month shall be paid and  
331 apportioned by the State Tax Commission as follows:

332 (a) (i) Except as otherwise provided in Section  
333 31-17-127, from the gross amount of gasoline, diesel fuel or  
334 kerosene taxes produced by the state, there shall be deducted an  
335 amount equal to one-sixth (1/6) of principal and interest  
336 certified by the State Treasurer to the State Tax Commission to be  
337 due on the next semiannual bond and interest payment date, as  
338 required under the provisions of Chapter 130, Laws of 1938, and  
339 subsequent acts authorizing the issuance of bonds payable from  
340 gasoline, diesel fuel or kerosene tax revenue on a parity with the  
341 bonds issued under authority of said Chapter 130. The State  
342 Treasurer shall certify to the State Tax Commission on or before  
343 the fifteenth day of each month the amount to be paid to the  
344 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws  
345 of 1938, and subsequent acts authorizing the issuance of bonds  
346 payable from gasoline, diesel fuel or kerosene tax revenue, on a  
347 parity with the bonds issued under authority of said Chapter 130;  
348 and the State Tax Commission shall, on or before the twenty-fifth  
349 day of each month, pay into the State Treasury for credit to the  
350 "Highway Bonds Sinking Fund" the amount so certified to him by the  
351 State Treasurer due to be paid into such fund each month. The  
352 payments to the "Highway Bonds Sinking Fund" shall be made out of  
353 gross gasoline, diesel fuel or kerosene tax collections before  
354 deductions of any nature are considered; however, such payments

355 shall be deducted from the allocation to the Transportation  
356 Department under paragraph (c) of this section.

357 (ii) From collections derived from the portion of  
358 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
359 from the portion of the tax on aviation gas under Section 27-55-11  
360 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
361 portion of the special fuel tax levied under Sections 27-55-519  
362 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten  
363 Cents (10¢) per gallon, from the portion of the taxes levied under  
364 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per  
365 gallon that exceeds One Cent (1¢) per gallon on special fuel and  
366 Five and One-fourth Cents (5.25¢) per gallon on special fuel used  
367 as aircraft fuel, from the portion of the excise tax on compressed  
368 gas used as a motor fuel that exceeds the rate of tax in effect on  
369 June 30, 1987, and from the portion of the gasoline excise tax in  
370 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
371 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there  
372 shall be deducted:

373 1. An amount as provided in Section  
374 27-65-75(4) to the credit of a special fund designated as the  
375 "Office of State Aid Road Construction."

376 2. An amount equal to the tax collections  
377 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
378 for distribution to the State Highway Fund to be used exclusively  
379 for the construction, reconstruction and maintenance of highways  
380 of the State of Mississippi or the payment of interest and  
381 principal on bonds when specifically authorized by the Legislature  
382 for that purpose.

383 3. The balance shall be deposited in the  
384 State Treasury to the credit of the State Highway Fund.

385 (b) Subject to the provisions that said basis of  
386 distribution shall in nowise affect adversely the amount  
387 specifically pledged in paragraph (a) of this section to be paid

388 into the "Highway Bonds Sinking Fund," the following shall be  
389 deducted from the amount produced by the state tax on gasoline,  
390 diesel fuel or kerosene tax collections, excluding collections  
391 derived from the portion of the gasoline excise tax that exceeds  
392 Seven Cents (7¢) per gallon, from the portion of the tax on  
393 aviation gas under Section 27-55-11 that exceeds Six and  
394 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
395 special fuel tax levied under Sections 27-55-519 and 27-55-521, at  
396 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per  
397 gallon, from the portion of the taxes levied under Section  
398 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds  
399 One Cent (1¢) per gallon on special fuel and Five and One-fourth  
400 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,  
401 from the portion of the excise tax on compressed gas used as a  
402 motor fuel that exceeds the rate of tax in effect on June 30,  
403 1987, and from the portion of the gasoline excise tax in excess of  
404 Seven Cents (7¢) per gallon and the diesel excise tax in excess of  
405 Ten Cents (10¢) per gallon under Section 27-61-5:

406           (i) Twenty percent (20%) of such amount which  
407 shall be earmarked and set aside for the construction,  
408 reconstruction and maintenance of the highways and roads of the  
409 state, provided that if such twenty percent (20%) should reduce  
410 any county to a lesser amount than that received in the fiscal  
411 year ending June 30, 1966, then such twenty percent (20%) shall be  
412 reduced to a percentage to provide that no county shall receive  
413 less than its portion for the fiscal year ending June 30, 1966;

414           (ii) The amount allowed as refund on gasoline or  
415 as tax credit on diesel fuel or kerosene used for agricultural,  
416 maritime, industrial, domestic and nonhighway purposes;

417           (iii) Five percent (5%) of such amount shall be  
418 paid to the State Highway Fund;

419 (iv) The amount or portion thereof authorized by  
420 legislative appropriation to the Fisheries and Wildlife Fund  
421 created under Section 59-21-25;

422 (v) The amount for deposit into the special  
423 aviation fund under paragraph (d) of this section; and

424 (vi) The remainder shall be divided on a basis of  
425 nine-fourteenths ( $9/14$ ) and five-fourteenths ( $5/14$ ) (being the  
426 same basis as Four and One-half Cents ( $4-1/2\text{¢}$ ) and Two and  
427 One-half Cents ( $2-1/2\text{¢}$ ) is to Seven Cents ( $7\text{¢}$ ) on gasoline, and  
428 six and forty-three one-hundredths ( $6.43$ ) and three and  
429 fifty-seven one-hundredths ( $3.57$ ) is to Ten Cents ( $10\text{¢}$ ) on diesel  
430 fuel or kerosene). The amount produced by the nine-fourteenths  
431 ( $9/14$ ) division shall be allocated to the Transportation  
432 Department and paid into the State Treasury as provided in this  
433 section and in Section 27-5-103 and the five-fourteenths ( $5/14$ )  
434 division shall be returned to the counties of the state on the  
435 following basis:

436 1. In each fiscal year, each county shall be  
437 paid each month the same percentage of the monthly total to be  
438 distributed as was paid to that county during the same month in  
439 the fiscal year which ended April 9, 1960, until the county  
440 receives One Hundred Ninety Thousand Dollars ( $\$190,000.00$ ) in such  
441 fiscal year, at which time funds shall be distributed under the  
442 provisions of paragraph (b)(vi)4 of this section.

443 2. If after payments in 1 above, any county  
444 has not received a total of One Hundred Ninety Thousand Dollars  
445 ( $\$190,000.00$ ) at the end of the fiscal year ending June 30, 1961,  
446 and each fiscal year thereafter, then any available funds not  
447 distributed under 1 above shall be used to bring such county or  
448 counties up to One Hundred Ninety Thousand Dollars ( $\$190,000.00$ )  
449 or such funds shall be divided equally among such counties not  
450 reaching One Hundred Ninety Thousand Dollars ( $\$190,000.00$ ) if

451 there is not sufficient money to bring all the counties to said  
452 One Hundred Ninety Thousand Dollars (\$190,000.00).

453                   3. When a county has been paid an amount  
454 equal to the total which was paid to the same county during the  
455 fiscal year ended April 9, 1960, such county shall receive no  
456 further payments during the then current fiscal year until the  
457 last month of such current fiscal year, at which time distribution  
458 will be made under 2 above, except as set out in 4 below.

459                   4. During the last month of the current  
460 fiscal year, should it be determined that there are funds  
461 available in excess of the amount distributed for the year under 1  
462 and 2 above, then such excess funds shall be distributed among the  
463 various counties as follows:

464                                   One-third (1/3) of such excess to be  
465 divided equally among the counties;

466                                   One-third (1/3) of such excess to be paid  
467 to the counties in the proportion which the population of each  
468 county bears to the total population of the state according to the  
469 last federal census;

470                                   One-third (1/3) of such excess to be paid  
471 to the counties in the proportion which the number of square miles  
472 of each county bears to the total square miles in the state.

473                   5. It is the declared purpose and intent of  
474 the Legislature that no county shall be paid less than was paid  
475 during the year ended April 9, 1960, unless the amount to be  
476 distributed to all counties in any year is less than the amount  
477 distributed to all counties during the year ended April 9, 1960.

478                   The Municipal Aid Fund as established by Section 27-5-103  
479 shall not participate in any portion of any funds allocated to any  
480 county hereunder over and above One Hundred Ninety Thousand  
481 Dollars (\$190,000.00).

482                   In any county having road or bridge bonds outstanding which  
483 exceed, in the aggregate, twelve percent (12%) of the assessed

484 valuation of the taxable property of the county, it shall be the  
485 duty of the board of supervisors to set aside not less than sixty  
486 percent (60%) of such county's share of the gasoline, diesel fuel  
487 or kerosene taxes to be used in paying the principal and interest  
488 on such road or bridge bonds as they mature.

489 In any county having such road or bridge bonds outstanding  
490 which exceed, in the aggregate, eight percent (8%) of the assessed  
491 valuation of the taxable property of the county, but which do not  
492 exceed, in the aggregate, twelve percent (12%) of the assessed  
493 valuation of the taxable property of the county, it shall be the  
494 duty of the board of supervisors to set aside not less than  
495 thirty-five percent (35%) of such county's share of the gasoline,  
496 diesel fuel or kerosene taxes to be used in paying the principal  
497 and interest of such road or bridge bonds as they mature.

498 In any county having such road or bridge bonds outstanding  
499 which exceed, in the aggregate, five percent (5%) of the assessed  
500 valuation of the taxable property of the county, but which do not  
501 exceed, in the aggregate, eight percent (8%) of the assessed  
502 valuation of the taxable property of the county, it shall be the  
503 duty of the board of supervisors to set aside not less than twenty  
504 percent (20%) of such county's share of the gasoline, diesel fuel  
505 or kerosene taxes to be used in paying the principal and interest  
506 of such road and bridge bonds as they mature.

507 In any county having such road or bridge bonds outstanding  
508 which do not exceed, in the aggregate, five percent (5%) of the  
509 assessed valuation of the taxable property of the county, it shall  
510 be the duty of the board of supervisors to set aside not less than  
511 ten percent (10%) of such county's share of the gasoline, diesel  
512 fuel or kerosene taxes to be used in paying the principal and  
513 interest on such road or bridge bonds as they mature.

514 The portion of any such county's share of the gasoline,  
515 diesel fuel or kerosene taxes thus set aside for the payment of  
516 the principal and interest of road or bridge bonds, as provided

517 for in this section, shall be used in paying the currently  
518 maturing installments of the principal and interest of such road  
519 or bridge bonds, if there be any such road or bridge bonds  
520 outstanding.

521 The remaining portion of such county's share of the gasoline,  
522 diesel fuel or kerosene taxes, after setting aside the portion  
523 above provided for the payment of the principal and interest of  
524 bonds, shall be used in the construction and maintenance of any  
525 public highways, bridges or culverts of the county, in the  
526 discretion of the board of supervisors.

527 In any county having no road or bridge bonds outstanding, all  
528 such county's share of the gasoline, diesel fuel or kerosene taxes  
529 shall be used in the construction, reconstruction and maintenance  
530 of the public highways, bridges or culverts of the county, as the  
531 board of supervisors may determine.

532 In every county in which there are county road bonds or  
533 seawall or road protection bonds outstanding which were issued for  
534 the purpose of building bridges or constructing public roads or  
535 seawalls, such funds shall be used in the manner provided by law.

536 (c) From the amount produced by the nine-fourteenths  
537 (9/14) division allocated to the Transportation Department, there  
538 shall be deducted:

539 (i) The amount paid to the State Treasurer for the  
540 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

541 (ii) Any amounts due counties in accordance with  
542 Section 65-33-45 which have outstanding bonds issued for seawall  
543 or road protection purposes, issued under provisions of Chapter  
544 319, Laws of 1924, and amendments thereto; and

545 (iii) Beginning on the fifteenth day of the month  
546 that a portion of the fees collected under Section 75-76-177(1)(c)  
547 is no longer required under Section 75-76-129 to be paid to the  
548 Gaming Counties Bond Sinking Fund created under Section 65-39-3,  
549 and on or before the fifteenth day of each month thereafter, an

550 amount equal to one-sixth (1/6) of the principal and interest  
551 certified by the State Treasurer to the State Tax Commission to be  
552 due on the next semiannual bond and interest payment date for the  
553 bonds issued under Sections 65-39-5 through 65-39-33. On or  
554 before the twenty-fifth day of each month the State Tax Commission  
555 shall pay into the State Treasury for credit to the Gaming  
556 Counties Bond Sinking Fund created in Section 65-39-3, the amount  
557 certified by the State Treasurer.

558 The State Treasurer shall transfer from the Gaming Counties  
559 Bond Sinking Fund to the State Highway Fund a sum equal to the  
560 amount of monies which, before the effective date of Senate Bill  
561 No. 2529, 2004 Regular Session, were paid into and credited under  
562 the provisions of this section to the Gaming Counties Bond Sinking  
563 Fund;

564 (iv) Except as otherwise provided in Section  
565 31-17-127, the remainder shall be paid by the State Tax Commission  
566 to the State Treasurer on the fifteenth day of each month next  
567 succeeding the month in which the gasoline, diesel fuel or  
568 kerosene taxes were collected to the credit of the State Highway  
569 Fund.

570 The funds allocated for the construction, reconstruction and  
571 improvement of state highways, bridges and culverts, or so much  
572 thereof as may be necessary, shall first be used in conjunction  
573 with funds supplied by the federal government for such purposes  
574 and allocated to the Transportation Department to be expended on  
575 the state highway system. It is specifically provided hereby that  
576 the necessary portion of such funds hereinabove allocated to the  
577 Transportation Department may be used for the prompt payment of  
578 principal and interest on highway bonds heretofore issued,  
579 including such bonds issued or to be issued under the provisions  
580 of Chapter 312, Laws of 1956, and amendments thereto.

581 Nothing contained in this section shall be construed to  
582 reduce the amount of such gasoline, diesel fuel or kerosene excise

583 taxes levied by the state, allotted under the provisions of Title  
584 65, Chapter 33, Mississippi Code of 1972, to counties in which  
585 there are outstanding bonds issued for seawall or road protection  
586 purposes issued under the provisions of Chapter 319, Laws of 1924,  
587 and amendments thereto; the amount of said gasoline, diesel fuel  
588 or kerosene excise taxes designated in this section for the  
589 payment of bonds and interest authorized and issued or to be  
590 issued under the provisions of Chapter 130, Laws of 1938, and  
591 subsequent acts authorizing the issuance of bonds payable from  
592 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
593 counties, be considered as being paid "into the State Treasury to  
594 the credit of the State Highway Fund" within the meaning of  
595 Section 65-33-45 in computing the amount to be paid to such  
596 counties under the provisions of said section, and this section  
597 shall be administered in connection with Title 65, Chapter 33,  
598 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
599 65-33-49 dealing with seawalls, as if made a part of this section.

600           (d) The proceeds of the Five and One-fourth Cents  
601 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
602 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
603 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
604 gallon for each gallon of gasoline for which a refund has been  
605 made pursuant to Section 27-55-23 because such gasoline was used  
606 for aviation purposes, shall be paid to the State Treasury into a  
607 special fund to be used exclusively, pursuant to legislative  
608 appropriation, for the support and development of aeronautics as  
609 defined in Section 61-1-3.

610           (e) State highway funds in an amount equal to the  
611 difference between Forty-two Million Dollars (\$42,000,000.00) and  
612 the annual debt service payable on the state's highway revenue  
613 refunding bonds, Series 1985, shall be expended for the  
614 construction or reconstruction of highways designated under the  
615 highway program created under Section 65-3-97.

616 (f) "Gasoline, diesel fuel or kerosene taxes" as used  
617 in this section shall be deemed to mean and include state  
618 gasoline, diesel fuel or kerosene taxes levied and imposed on  
619 distributors of gasoline, diesel fuel or kerosene, and all state  
620 excise taxes derived from any fuel used to propel vehicles upon  
621 the highways of this state, when levied by any statute.

622 **SECTION 2.** This act shall take effect and be in force from  
623 and after its passage.