

## **Senate Amendments to House Bill No. 441**

**TO THE CLERK OF THE HOUSE:**

**THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:**

### **AMENDMENT NO. 1**

**Amend by striking all after the enacting clause and inserting in lieu thereof the following:**

14       **SECTION 1.** Section 57-30-1, Mississippi Code of 1972, is  
15 reenacted as follows:

16       57-30-1. As used in this chapter, the following terms and  
17 phrases shall have the meanings ascribed in this section unless  
18 the context clearly indicates otherwise:

19           (a) "Approved participant" means a person, corporation  
20 or other entity issued a certificate by the Mississippi  
21 Development Authority under Section 57-30-3.

22           (b) "MDA" means the Mississippi Development Authority.

23           (c) "Project" means any family-oriented entertainment  
24 enterprise such as campgrounds and theme parks, as designated by  
25 the Mississippi Development Authority, with an initial capital  
26 investment of not less than Five Million Dollars (\$5,000,000.00)  
27 in federal, local and/or private funds if located in a county in a  
28 Tier One area, as designated under Section 57-73-21, or with an  
29 initial capital investment of not less than Three Million Dollars  
30 (\$3,000,000.00) in federal, local and/or private funds if located  
31 in a county in a Tier Two area or Tier Three area as designated in  
32 Section 57-73-21. Whether a county is in a Tier One area, Tier  
33 Two area or Tier Three area shall be determined by the  
34 classification of the area at the time the initial investment is  
35 made. The term "project" also means any of the following  
36 ancillary businesses if located on the project site or within one  
37 (1) mile of the project and owned by the owner of the  
38 family-oriented entertainment enterprise or owned by an entity  
39 legally affiliated with the owner of the family-oriented

entertainment enterprise: (i) auditoriums, (ii) dining facilities, (iii) gift shops, and (iv) lodging facilities. However, the capital investment in any such dining facility or lodging facility shall not be included for purposes of meeting the minimum capital investment requirement for a project. The term "project" does not mean any business, corporation or entity having a gaming license issued under Section 75-76-1 et seq., Mississippi Code of 1972, but may include a family-oriented entertainment enterprise owned by such a business, corporation or entity that is in excess of development that the State Gaming Commission requires for the issuance or renewal of a gaming license.

(d) "State" means the State of Mississippi.

**SECTION 2.** Section 57-30-3, Mississippi Code of 1972, is reenacted and amended as follows:

57-30-3. (1) The MDA shall develop, implement and administer the incentive program authorized in this section and shall promulgate rules and regulations necessary for the development, implementation and administration of such program.

(2) A person, corporation or other entity desiring to participate in the incentive payment program authorized in this section must submit an application to the MDA. Such application must contain (a) plans for the proposed project; (b) a detailed description of the proposed project; (c) the method of financing the proposed project and the terms of such financing; and (d) any other information required by the MDA. The Executive Director of the MDA shall review the application and determine whether it qualifies as a project. If the executive director determines the proposed project qualifies as a project, he shall issue a certificate to the person, corporation or other entity designating such person, corporation or other entity as an approved participant and authorizing the approved participant to participate in the incentive payment program provided for in this section; however, no certificates shall be issued after July 1, 2004.

74           (3) (a) There is created in the State Treasury a special  
75 fund to be known as the "Sales Tax Incentive Fund," into which  
76 shall be deposited such money as provided in Section 27-65-75(16).  
77 The monies in the fund shall be used for the purpose of making the  
78 incentive payments authorized in this section. The fund shall be  
79 administered by the MDA. Unexpended amounts remaining in the fund  
80 at the end of a fiscal year shall not lapse into the General Fund,  
81 and any interest earned on or investment earnings on the amounts  
82 in the fund shall be deposited to the credit of the fund. The MDA  
83 may use not more than one percent (1%) of interest earned or  
84 investment earnings, or both, on amounts in the fund for  
85 administration and management of the incentive program.

86           (b) Subject to the provisions of this section,  
87 incentive payments may be made by the MDA to an approved  
88 participant that incurs indebtedness or incurs capital costs, or  
89 both, to locate a project in the state. The payments to an  
90 approved participant shall be for the amount of sales tax revenue  
91 collected on the gross proceeds of sales of a project, after  
92 making the diversions required in Section 27-65-75, except the  
93 diversion provided for in Section 27-65-75(1). The MDA shall  
94 ensure that payments made pursuant to this section are utilized to  
95 pay the debt service incurred by the approved participant for the  
96 project as approved by the MDA or any project capital cost  
97 incurred by the approved participant for the project as approved  
98 by the MDA, or both. The MDA shall make payments to an approved  
99 participant on a semiannual basis with payments being made in the  
100 months of January and July. For the purposes of determining the  
101 amount of indebtedness or project capital costs, or both, incurred  
102 for any ancillary business, as described in Section 57-30-1(c),  
103 which is eligible for incentive payments under this section, the  
104 amount of such indebtedness or project capital costs, or both,  
105 shall be limited to an amount not greater than the indebtedness or  
106 project capital costs, or both, incurred for the primary project.  
107 The aggregate amount that an approved participant may receive  
108 shall not exceed thirty-five percent (35%) of the portion of the

original indebtedness that is funded from private sources or project capital cost that is funded from private sources, or both, incurred by such participant for the project. The MDA shall make the calculations necessary to make the payments provided for in this section. The MDA shall cease making incentive payments to an approved participant on the occurrence of the earlier of (i) the date thirty-five percent (35%) of the portion of the original indebtedness that is funded from private sources, or any refinancing of the portion of the original indebtedness that is funded from private sources, incurred for the project or the portion of the original project capital cost that is funded from private sources incurred for the project, or both, is satisfied, (ii) ten (10) years from the date the original indebtedness for the project was incurred, without regard to any refinancing or additional financing for any addition to or expansion of the project, or (iii) the project ceases operations.

(4) At such time as payments are no longer required to be made to an approved participant, the MDA shall notify the State Tax Commission and the sales tax revenue collected from such project shall no longer be deposited into the Sales Tax Incentive Fund, and any amounts remaining in the fund that were collected from such participant shall be transferred to the State General Fund; provided, however, if the project is located in a municipality, a portion of such amount shall be paid to such municipality in the same manner and amounts as provided for in Section 27-65-75(1).

**SECTION 3.** Section 3, Chapter 549, Laws of 2002, is amended as follows:

Section 3. Sections 57-30-1 and 57-30-3 shall stand repealed from and after July 1, 2006.

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

**Further, amend by striking the title in its entirety and inserting in lieu thereof the following:**

1           AN ACT TO REENACT SECTIONS 57-30-1 AND 57-30-3, MISSISSIPPI  
2 CODE OF 1972, WHICH CREATE THE SALES TAX INCENTIVE FUND AND  
3 AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO MAKE INCENTIVE  
4 PAYMENTS FROM SUCH FUND TO PERSONS, CORPORATIONS OR OTHER ENTITIES  
5 THAT LOCATE CERTAIN FAMILY-ORIENTED ENTERTAINMENT ENTERPRISES IN  
6 THIS STATE; TO AMEND SECTION 57-30-3, MISSISSIPPI CODE OF 1972, TO  
7 PROVIDE THAT NO CERTIFICATES AUTHORIZING PARTICIPATION IN THE  
8 INCENTIVE PROGRAM SHALL BE ISSUED AFTER JULY 1, 2004; TO AMEND  
9 SECTION 3, CHAPTER 549, LAWS OF 2002, TO EXTEND THE REPEAL DATE ON  
10 THE SECTIONS OF LAW THAT PROVIDE FOR THE SALES TAX INCENTIVE FUND  
11 AND THE MAKING OF INCENTIVE PAYMENTS FROM THE FUND; AND FOR  
12 RELATED PURPOSES.

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John O. Gilbert  
Secretary of the Senate