

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 441

BY: Committee

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

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

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

54 57-30-3. (1) The MDA shall develop, implement and
55 administer the incentive program authorized in this section and
56 shall promulgate rules and regulations necessary for the
57 development, implementation and administration of such program.

58 (2) A person, corporation or other entity desiring to
59 participate in the incentive payment program authorized in this
60 section must submit an application to the MDA. Such application
61 must contain (a) plans for the proposed project; (b) a detailed
62 description of the proposed project; (c) the method of financing
63 the proposed project and the terms of such financing; and (d) any
64 other information required by the MDA. The Executive Director of

65 the MDA shall review the application and determine whether it
66 qualifies as a project. If the executive director determines the
67 proposed project qualifies as a project, he shall issue a
68 certificate to the person, corporation or other entity designating
69 such person, corporation or other entity as an approved
70 participant and authorizing the approved participant to
71 participate in the incentive payment program provided for in this
72 section; however, no certificates shall be issued after July 1,
73 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
109 original indebtedness that is funded from private sources or
110 project capital cost that is funded from private sources, or both,
111 incurred by such participant for the project. The MDA shall make
112 the calculations necessary to make the payments provided for in
113 this section. The MDA shall cease making incentive payments to an
114 approved participant on the occurrence of the earlier of (i) the
115 date thirty-five percent (35%) of the portion of the original
116 indebtedness that is funded from private sources, or any
117 refinancing of the portion of the original indebtedness that is
118 funded from private sources, incurred for the project or the
119 portion of the original project capital cost that is funded from
120 private sources incurred for the project, or both, is satisfied,
121 (ii) ten (10) years from the date the original indebtedness for
122 the project was incurred, without regard to any refinancing or
123 additional financing for any addition to or expansion of the
124 project, or (iii) the project ceases operations.

125 (4) At such time as payments are no longer required to be
126 made to an approved participant, the MDA shall notify the State
127 Tax Commission and the sales tax revenue collected from such
128 project shall no longer be deposited into the Sales Tax Incentive

129 Fund, and any amounts remaining in the fund that were collected
130 from such participant shall be transferred to the State General
131 Fund; provided, however, if the project is located in a
132 municipality, a portion of such amount shall be paid to such
133 municipality in the same manner and amounts as provided for in
134 Section 27-65-75(1).

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

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

139 **SECTION 4.** This act shall take effect and be in force from
140 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.