

By: Representative Miles

To: Ways and Means

HOUSE BILL NO. 34

1 AN ACT TO AMEND SECTION 27-5-101, MISSISSIPPI CODE OF 1972,
2 TO DELETE THE REQUIREMENT FOR THE PAYMENT OF A PORTION OF THE
3 REVENUES DERIVED FROM MOTOR FUEL TAXES TO BE DEPOSITED INTO THE
4 GAMING COUNTIES BOND SINKING FUND FOR THE PURPOSE OF PAYING THE
5 DEBT SERVICE ON BONDS ISSUED IN SUPPORT OF THE GAMING COUNTIES
6 INFRASTRUCTURE PROGRAM; AND FOR RELATED PURPOSES.

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

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

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

12 27-5-101. Unless otherwise provided in this section, on or
13 before the fifteenth day of each month, all gasoline, diesel fuel
14 or kerosene taxes which are levied under the laws of this state
15 and collected during the previous month shall be paid and
16 apportioned by the State Tax Commission as follows:

17 (a) (i) Except as otherwise provided in Section
18 31-17-127, from the gross amount of gasoline, diesel fuel or
19 kerosene taxes produced by the state, there shall be deducted an
20 amount equal to one-sixth (1/6) of principal and interest
21 certified by the State Treasurer to the State Tax Commission to be
22 due on the next semiannual bond and interest payment date, as
23 required under the provisions of Chapter 130, Laws of 1938, and
24 subsequent acts authorizing the issuance of bonds payable from
25 gasoline, diesel fuel or kerosene tax revenue on a parity with the
26 bonds issued under authority of said Chapter 130. The State
27 Treasurer shall certify to the State Tax Commission on or before
28 the fifteenth day of each month the amount to be paid to the
29 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws

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

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

58 1. An amount as provided in Section
59 27-65-75(4) to the credit of a special fund designated as the
60 "Office of State Aid Road Construction."

61 2. An amount equal to the tax collections
62 derived from Two Cents (2¢) per gallon of the gasoline excise tax

63 for distribution to the State Highway Fund to be used exclusively
64 for the construction, reconstruction and maintenance of highways
65 of the State of Mississippi or the payment of interest and
66 principal on bonds when specifically authorized by the Legislature
67 for that purpose.

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

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

91 (i) Twenty percent (20%) of such amount which
92 shall be earmarked and set aside for the construction,
93 reconstruction and maintenance of the highways and roads of the
94 state, provided that if such twenty percent (20%) should reduce
95 any county to a lesser amount than that received in the fiscal

96 year ending June 30, 1966, then such twenty percent (20%) shall be
97 reduced to a percentage to provide that no county shall receive
98 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

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

121 1. In each fiscal year, each county shall be
122 paid each month the same percentage of the monthly total to be
123 distributed as was paid to that county during the same month in
124 the fiscal year which ended April 9, 1960, until the county
125 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
126 fiscal year, at which time funds shall be distributed under the
127 provisions of paragraph (b)(vi)4 of this section.

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

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

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

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

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

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

158 5. It is the declared purpose and intent of
159 the Legislature that no county shall be paid less than was paid
160 during the year ended April 9, 1960, unless the amount to be

161 distributed to all counties in any year is less than the amount
162 distributed to all counties during the year ended April 9, 1960.

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

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

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

186 In any county having such countywide road or bridge bonds or
187 district road or bridge bonds outstanding which exceed, in the
188 aggregate, five percent (5%) of the assessed valuation of the
189 taxable property of the county, but which do not exceed, in the
190 aggregate, eight percent (8%) of the assessed valuation of the
191 taxable property of the county, it shall be the duty of the board
192 of supervisors to set aside not less than twenty percent (20%) of
193 such county's share of the gasoline, diesel fuel or kerosene taxes

194 to be used in paying the principal and interest of such road and
195 bridge bonds as they mature.

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

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

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

225 In any county having no countywide road or bridge bonds or
226 district road or bridge bonds outstanding, all such county's share

227 of the gasoline, diesel fuel or kerosene taxes shall be used in
228 the construction, reconstruction, and maintenance of the public
229 highways, bridges, or culverts of the county as the board of
230 supervisors may determine.

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

235 (c) From the amount produced by the nine-fourteenths
236 (9/14) division allocated to the Transportation Department, there
237 shall be deducted:

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

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

244 * * *

245 (iii) Except as otherwise provided in Section
246 31-17-127, the remainder shall be paid by the State Tax Commission
247 to the State Treasurer on the fifteenth day of each month next
248 succeeding the month in which the gasoline, diesel fuel or
249 kerosene taxes were collected to the credit of the State Highway
250 Fund.

251 The funds allocated for the construction, reconstruction, and
252 improvement of state highways, bridges, and culverts, or so much
253 thereof as may be necessary, shall first be used in conjunction
254 with funds supplied by the federal government for such purposes
255 and allocated to the State Transportation Department to be
256 expended on the state highway system. It is specifically provided
257 hereby that the necessary portion of such funds hereinabove
258 allocated to the State Transportation Department may be used for
259 the prompt payment of principal and interest on highway bonds

260 heretofore issued, including such bonds issued or to be issued
261 under the provisions of Chapter 312, Laws of 1956, and amendments
262 thereto.

263 Nothing contained in this section shall be construed to
264 reduce the amount of such gasoline, diesel fuel or kerosene excise
265 taxes levied by the state, allotted under the provisions of Title
266 65, Chapter 33, Mississippi Code of 1972, to counties in which
267 there are outstanding bonds issued for seawall or road protection
268 purposes issued under the provisions of Chapter 319, Laws of 1924,
269 and amendments thereto; the amount of said gasoline, diesel fuel
270 or kerosene excise taxes designated in this section for the
271 payment of bonds and interest authorized and issued or to be
272 issued under the provisions of Chapter 130, Laws of 1938, and
273 subsequent acts authorizing the issuance of bonds payable from
274 gasoline, diesel fuel or kerosene tax revenue, shall, in such
275 counties, be considered as being paid "into the State Treasury to
276 the credit of the State Highway Fund" within the meaning of
277 Section 65-33-45 in computing the amount to be paid to such
278 counties under the provisions of said section, and this section
279 shall be administered in connection with Title 65, Chapter 33,
280 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
281 65-33-49 dealing with seawalls, as if made a part of this section.

282 (d) The proceeds of the Five and One-fourth Cents
283 (5.25¢) of the tax per gallon on oils used as a propellant for jet
284 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
285 per gallon on aviation gasoline and the tax of One Cent (1¢) per
286 gallon for each gallon of gasoline for which a refund has been
287 made pursuant to Section 27-55-23 because such gasoline was used
288 for aviation purposes, shall be paid to the State Treasury into a
289 special fund to be used exclusively, pursuant to legislative
290 appropriation, for the support and development of aeronautics as
291 defined in Section 61-1-3.

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

298 (f) "Gasoline, diesel fuel or kerosene taxes" as used
299 in this section shall be deemed to mean and include state
300 gasoline, diesel fuel or kerosene taxes levied and imposed on
301 distributors of gasoline, diesel fuel or kerosene, and all state
302 excise taxes derived from any fuel used to propel vehicles upon
303 the highways of this state, when levied by any statute.

304 **[With regard to any county which is required to operate on a**
305 **countywide system of road administration as described in Section**
306 **19-2-3, this section shall read as follows:]**

307 27-5-101. Unless otherwise provided in this section, on or
308 before the fifteenth day of each month, all gasoline, diesel fuel
309 or kerosene taxes which are levied under the laws of this state
310 and collected during the previous month shall be paid and
311 apportioned by the State Tax Commission as follows:

312 (a) (i) Except as otherwise provided in Section
313 31-17-127, from the gross amount of gasoline, diesel fuel or
314 kerosene taxes produced by the state, there shall be deducted an
315 amount equal to one-sixth (1/6) of principal and interest
316 certified by the State Treasurer to the State Tax Commission to be
317 due on the next semiannual bond and interest payment date, as
318 required under the provisions of Chapter 130, Laws of 1938, and
319 subsequent acts authorizing the issuance of bonds payable from
320 gasoline, diesel fuel or kerosene tax revenue on a parity with the
321 bonds issued under authority of said Chapter 130. The State
322 Treasurer shall certify to the State Tax Commission on or before
323 the fifteenth day of each month the amount to be paid to the
324 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws

325 of 1938, and subsequent acts authorizing the issuance of bonds
326 payable from gasoline, diesel fuel or kerosene tax revenue, on a
327 parity with the bonds issued under authority of said Chapter 130;
328 and the State Tax Commission shall, on or before the twenty-fifth
329 day of each month, pay into the State Treasury for credit to the
330 "Highway Bonds Sinking Fund" the amount so certified to him by the
331 State Treasurer due to be paid into such fund each month. The
332 payments to the "Highway Bonds Sinking Fund" shall be made out of
333 gross gasoline, diesel fuel or kerosene tax collections before
334 deductions of any nature are considered; however, such payments
335 shall be deducted from the allocation to the Transportation
336 Department under paragraph (c) of this section.

337 (ii) From collections derived from the portion of
338 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
339 from the portion of the tax on aviation gas under Section 27-55-11
340 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
341 portion of the special fuel tax levied under Sections 27-55-519
342 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
343 Cents (10¢) per gallon, from the portion of the taxes levied under
344 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
345 gallon that exceeds One Cent (1¢) per gallon on special fuel and
346 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
347 as aircraft fuel, from the portion of the excise tax on compressed
348 gas used as a motor fuel that exceeds the rate of tax in effect on
349 June 30, 1987, and from the portion of the gasoline excise tax in
350 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
351 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
352 shall be deducted:

353 1. An amount as provided in Section
354 27-65-75(4) to the credit of a special fund designated as the
355 "Office of State Aid Road Construction."

356 2. An amount equal to the tax collections
357 derived from Two Cents (2¢) per gallon of the gasoline excise tax

358 for distribution to the State Highway Fund to be used exclusively
359 for the construction, reconstruction and maintenance of highways
360 of the State of Mississippi or the payment of interest and
361 principal on bonds when specifically authorized by the Legislature
362 for that purpose.

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

365 (b) Subject to the provisions that said basis of
366 distribution shall in nowise affect adversely the amount
367 specifically pledged in paragraph (a) of this section to be paid
368 into the "Highway Bonds Sinking Fund," the following shall be
369 deducted from the amount produced by the state tax on gasoline,
370 diesel fuel or kerosene tax collections, excluding collections
371 derived from the portion of the gasoline excise tax that exceeds
372 Seven Cents (7¢) per gallon, from the portion of the tax on
373 aviation gas under Section 27-55-11 that exceeds Six and
374 Four-tenths Cents (6.4¢) per gallon, from the portion of the
375 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
376 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
377 gallon, from the portion of the taxes levied under Section
378 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
379 One Cent (1¢) per gallon on special fuel and Five and One-fourth
380 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
381 from the portion of the excise tax on compressed gas used as a
382 motor fuel that exceeds the rate of tax in effect on June 30,
383 1987, and from the portion of the gasoline excise tax in excess of
384 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
385 Ten Cents (10¢) per gallon under Section 27-61-5:

386 (i) Twenty percent (20%) of such amount which
387 shall be earmarked and set aside for the construction,
388 reconstruction and maintenance of the highways and roads of the
389 state, provided that if such twenty percent (20%) should reduce
390 any county to a lesser amount than that received in the fiscal

391 year ending June 30, 1966, then such twenty percent (20%) shall be
392 reduced to a percentage to provide that no county shall receive
393 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

404 (vi) The remainder shall be divided on a basis of
405 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
406 same basis as Four and One-half Cents (4-1/2¢) and Two and
407 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
408 six and forty-three one-hundredths (6.43) and three and
409 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
410 fuel or kerosene). The amount produced by the nine-fourteenths
411 (9/14) division shall be allocated to the Transportation
412 Department and paid into the State Treasury as provided in this
413 section and in Section 27-5-103 and the five-fourteenths (5/14)
414 division shall be returned to the counties of the state on the
415 following basis:

416 1. In each fiscal year, each county shall be
417 paid each month the same percentage of the monthly total to be
418 distributed as was paid to that county during the same month in
419 the fiscal year which ended April 9, 1960, until the county
420 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
421 fiscal year, at which time funds shall be distributed under the
422 provisions of paragraph (b)(vi)4 of this section.

423 2. If after payments in 1 above, any county
424 has not received a total of One Hundred Ninety Thousand Dollars
425 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
426 and each fiscal year thereafter, then any available funds not
427 distributed under 1 above shall be used to bring such county or
428 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
429 or such funds shall be divided equally among such counties not
430 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
431 there is not sufficient money to bring all the counties to said
432 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

439 4. During the last month of the current
440 fiscal year, should it be determined that there are funds
441 available in excess of the amount distributed for the year under 1
442 and 2 above, then such excess funds shall be distributed among the
443 various counties as follows:

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

446 One-third (1/3) of such excess to be paid
447 to the counties in the proportion which the population of each
448 county bears to the total population of the state according to the
449 last federal census;

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

453 5. It is the declared purpose and intent of
454 the Legislature that no county shall be paid less than was paid
455 during the year ended April 9, 1960, unless the amount to be

456 distributed to all counties in any year is less than the amount
457 distributed to all counties during the year ended April 9, 1960.

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

462 In any county having road or bridge bonds outstanding which
463 exceed, in the aggregate, twelve percent (12%) of the assessed
464 valuation of the taxable property of the county, it shall be the
465 duty of the board of supervisors to set aside not less than sixty
466 percent (60%) of such county's share of the gasoline, diesel fuel
467 or kerosene taxes to be used in paying the principal and interest
468 on such road or bridge bonds as they mature.

469 In any county having such road or bridge bonds outstanding
470 which exceed, in the aggregate, eight percent (8%) of the assessed
471 valuation of the taxable property of the county, but which do not
472 exceed, in the aggregate, twelve percent (12%) of the assessed
473 valuation of the taxable property of the county, it shall be the
474 duty of the board of supervisors to set aside not less than
475 thirty-five percent (35%) of such county's share of the gasoline,
476 diesel fuel or kerosene taxes to be used in paying the principal
477 and interest of such road or bridge bonds as they mature.

478 In any county having such road or bridge bonds outstanding
479 which exceed, in the aggregate, five percent (5%) of the assessed
480 valuation of the taxable property of the county, but which do not
481 exceed, in the aggregate, eight percent (8%) of the assessed
482 valuation of the taxable property of the county, it shall be the
483 duty of the board of supervisors to set aside not less than twenty
484 percent (20%) of such county's share of the gasoline, diesel fuel
485 or kerosene taxes to be used in paying the principal and interest
486 of such road and bridge bonds as they mature.

487 In any county having such road or bridge bonds outstanding
488 which do not exceed, in the aggregate, five percent (5%) of the

489 assessed valuation of the taxable property of the county, it shall
490 be the duty of the board of supervisors to set aside not less than
491 ten percent (10%) of such county's share of the gasoline, diesel
492 fuel or kerosene taxes to be used in paying the principal and
493 interest on such road or bridge bonds as they mature.

494 The portion of any such county's share of the gasoline,
495 diesel fuel or kerosene taxes thus set aside for the payment of
496 the principal and interest of road or bridge bonds, as provided
497 for in this section, shall be used in paying the currently
498 maturing installments of the principal and interest of such road
499 or bridge bonds, if there be any such road or bridge bonds
500 outstanding.

501 The remaining portion of such county's share of the gasoline,
502 diesel fuel or kerosene taxes, after setting aside the portion
503 above provided for the payment of the principal and interest of
504 bonds, shall be used in the construction and maintenance of any
505 public highways, bridges or culverts of the county, in the
506 discretion of the board of supervisors.

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

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

516 (c) From the amount produced by the nine-fourteenths
517 (9/14) division allocated to the Transportation Department, there
518 shall be deducted:

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

521 (ii) Any amounts due counties in accordance with
522 Section 65-33-45 which have outstanding bonds issued for seawall
523 or road protection purposes, issued under provisions of Chapter
524 319, Laws of 1924, and amendments thereto; and

525 * * *

526 (iii) Except as otherwise provided in Section
527 31-17-127, the remainder shall be paid by the State Tax Commission
528 to the State Treasurer on the fifteenth day of each month next
529 succeeding the month in which the gasoline, diesel fuel or
530 kerosene taxes were collected to the credit of the State Highway
531 Fund.

532 The funds allocated for the construction, reconstruction and
533 improvement of state highways, bridges and culverts, or so much
534 thereof as may be necessary, shall first be used in conjunction
535 with funds supplied by the federal government for such purposes
536 and allocated to the Transportation Department to be expended on
537 the state highway system. It is specifically provided hereby that
538 the necessary portion of such funds hereinabove allocated to the
539 Transportation Department may be used for the prompt payment of
540 principal and interest on highway bonds heretofore issued,
541 including such bonds issued or to be issued under the provisions
542 of Chapter 312, Laws of 1956, and amendments thereto.

543 Nothing contained in this section shall be construed to
544 reduce the amount of such gasoline, diesel fuel or kerosene excise
545 taxes levied by the state, allotted under the provisions of Title
546 65, Chapter 33, Mississippi Code of 1972, to counties in which
547 there are outstanding bonds issued for seawall or road protection
548 purposes issued under the provisions of Chapter 319, Laws of 1924,
549 and amendments thereto; the amount of said gasoline, diesel fuel
550 or kerosene excise taxes designated in this section for the
551 payment of bonds and interest authorized and issued or to be
552 issued under the provisions of Chapter 130, Laws of 1938, and
553 subsequent acts authorizing the issuance of bonds payable from

554 gasoline, diesel fuel or kerosene tax revenue, shall, in such
555 counties, be considered as being paid "into the State Treasury to
556 the credit of the State Highway Fund" within the meaning of
557 Section 65-33-45 in computing the amount to be paid to such
558 counties under the provisions of said section, and this section
559 shall be administered in connection with Title 65, Chapter 33,
560 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
561 65-33-49 dealing with seawalls, as if made a part of this section.

562 (d) The proceeds of the Five and One-fourth Cents
563 (5.25¢) of the tax per gallon on oils used as a propellant for jet
564 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
565 per gallon on aviation gasoline and the tax of One Cent (1¢) per
566 gallon for each gallon of gasoline for which a refund has been
567 made pursuant to Section 27-55-23 because such gasoline was used
568 for aviation purposes, shall be paid to the State Treasury into a
569 special fund to be used exclusively, pursuant to legislative
570 appropriation, for the support and development of aeronautics as
571 defined in Section 61-1-3.

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

578 (f) "Gasoline, diesel fuel or kerosene taxes" as used
579 in this section shall be deemed to mean and include state
580 gasoline, diesel fuel or kerosene taxes levied and imposed on
581 distributors of gasoline, diesel fuel or kerosene, and all state
582 excise taxes derived from any fuel used to propel vehicles upon
583 the highways of this state, when levied by any statute.

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