

By: Representative Smith (27th)

To: Gaming; Ways and Means

## HOUSE BILL NO. 447

1 AN ACT TO AMEND SECTIONS 75-76-177 AND 75-76-129, MISSISSIPPI  
2 CODE OF 1972, TO IMPOSE A TEMPORARY ADDITIONAL FEE ON THE GROSS  
3 REVENUES OF GAMING LICENSEES; TO PROVIDE THAT THE AVAILS OF THE  
4 ADDITIONAL LICENSE FEE SHALL BE DEPOSITED IN A SPECIAL FUND IN THE  
5 STATE TREASURY AND DISTRIBUTED TO NONGAMING COUNTIES FOR  
6 EXPENDITURE FOR CONSTRUCTION AND REPAIR OF COUNTY ROADS AND  
7 BRIDGES, FOR LAW ENFORCEMENT PURPOSES AND FOR ANY OTHER PURPOSES  
8 FOR WHICH COUNTY GENERAL FUNDS LAWFULLY MAY BE EXPENDED; AND FOR  
9 RELATED PURPOSES.

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

11 **SECTION 1.** Section 75-76-177, Mississippi Code of 1972, is  
12 amended as follows:

13 75-76-177. (1) From and after August 1, 1990, there is  
14 hereby imposed and levied on each gaming licensee a license fee  
15 based upon all the gross revenue of the licensee as follows:

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

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

23 (c) Eight percent (8%) of all the gross revenue of the  
24 licensee which exceeds One Hundred Thirty-four Thousand Dollars  
25 (\$134,000.00) per calendar month.

26 (2) A license fee, in addition to the fee imposed and levied  
27 under subsection (1) of this section, is imposed and levied  
28 monthly on all the gross revenue of each gaming licensee in the  
29 amount of one percent (1%) from and after July 1, 2005, through  
30 June 30, 2006; two percent (2%) from and after July 1, 2006,

31 through June 30, 2007; three percent (3%) from and after July 1,  
32 2007, through June 30, 2008; and four percent (4%) from and after  
33 July 1, 2008, through June 30, 2009. This subsection shall stand  
34 repealed from and after July 1, 2009.

35       (3) All revenue received from any game or gaming device  
36 which is leased for operation on the premises of the  
37 licensee-owner to a person other than the owner thereof or which  
38 is located in an area or space on such premises which is leased by  
39 the licensee-owner to any such person, must be attributed to the  
40 owner for the purposes of this section and be counted as part of  
41 the gross revenue of the owner. The lessee is liable to the owner  
42 for his proportionate share of such license fees.

43       (4) If the amount of license fees required to be reported  
44 and paid pursuant to this section is later determined to be  
45 greater or less than the amount actually reported and paid by the  
46 licensee, the Chairman of the State Tax Commission shall:

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

49               (b) Refund any overpayment, with interest thereon, to  
50 the licensee.

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

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

58       **SECTION 2.** Section 75-76-129, Mississippi Code of 1972, is  
59 amended as follows:

60       **[Through June 30, 2022, this section shall read as follows:]**

61       75-76-129. On or before the last day of each month all  
62 taxes, fees, interest, penalties, damages, fines or other monies  
63 collected by the State Tax Commission during that month under the

64 provisions of this chapter, with the exception of (a) the local  
65 government fees imposed under Section 75-76-195, \* \* \* (b) an  
66 amount equal to Three Million Dollars (\$3,000,000.00) of the  
67 revenue collected pursuant to the fee imposed under Section  
68 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)  
69 of the revenue collected pursuant to the fee imposed under Section  
70 75-76-177(1)(c), whichever is the greater amount, and (c) the  
71 avails of the fee imposed under Section 75-76-177(2), shall be  
72 paid by the State Tax Commission to the State Treasurer to be  
73 deposited in the State General Fund. The local government fees  
74 shall be distributed by the State Tax Commission pursuant to  
75 Section 75-76-197. Except for the period beginning on July 1,  
76 2004, and through June 30, 2005, an amount equal to Three Million  
77 Dollars (\$3,000,000.00) of the revenue collected during that month  
78 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be  
79 deposited by the State Tax Commission into the bond sinking fund  
80 created in Section 65-39-3. Except for the period beginning on  
81 July 1, 2004, and through June 30, 2005, the revenue collected  
82 during that month pursuant to the fee imposed under Section  
83 75-76-177(1)(c) that is in excess of Three Million Dollars  
84 (\$3,000,000.00), but is less than twenty-five percent (25%) of the  
85 amount of revenue collected during that month, shall be deposited  
86 into the State Highway Fund to be used exclusively for the  
87 reconstruction and maintenance of highways of the State of  
88 Mississippi. The avails of the fee imposed under Section  
89 75-76-177(2) shall be deposited by the State Tax Commission into  
90 the special fund created in Section 3 of House Bill No. 447, 2005  
91 Regular Session.

92 For the period beginning on July 1, 2004, and through June  
93 30, 2005, twenty-five percent (25%) of the amount of revenue  
94 collected during each month pursuant to the fee imposed under  
95 Section 75-76-177(1)(c) shall be deposited into the Budget  
96 Contingency Fund created in Section 27-103-301.

97           **[From and after July 1, 2022, this section shall read as**  
98 **follows:]**

99           75-76-129. On or before the last day of each month, all  
100 taxes, fees, interest, penalties, damages, fines or other monies  
101 collected by the State Tax Commission during that month under the  
102 provisions of this chapter, with the exception of the local  
103 government fees imposed under Section 75-76-195, shall be paid by  
104 the State Tax Commission to the State Treasurer to be deposited in  
105 the State General Fund. The local government fees shall be  
106 distributed by the State Tax Commission pursuant to Section  
107 75-76-197.

108           **SECTION 3.** There is created in the State Treasury a special  
109 fund. The fund shall consist of such monies as are required to be  
110 deposited into the fund under Section 75-76-129. Unexpended  
111 amounts remaining in the fund at the end of a fiscal year shall  
112 not lapse into the State General Fund, and any interest earned or  
113 investment earnings on amounts in the fund shall be deposited into  
114 such fund. Beginning on the last working day of October 2005 and  
115 on the last working day of each three (3) months thereafter, the  
116 monies on deposit and to the credit of the special fund shall be  
117 paid and distributed by the State Treasurer, upon warrants issued  
118 by the State Fiscal Officer, equally to and among the chancery  
119 clerks of the counties within the state in which gaming is not  
120 authorized by law. Upon receipt of such monies, the chancery  
121 clerk shall deposit such monies in the county general fund and the  
122 board of supervisors of such county may appropriate and authorize  
123 such monies to be expended for the construction, repair and  
124 maintenance of county roads and bridges, for law enforcement  
125 purposes or for any other purposes for which county general fund  
126 monies lawfully may be expended.

127           **SECTION 4.** This act shall take effect and be in force from  
128 and after July 1, 2005.