

By: Representative Miles

To: Transportation

HOUSE BILL NO. 469

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
2 TO DELETE THE REQUIREMENT THAT CERTAIN MONIES ALLOCATED TO A
3 COUNTY UNDER THE STATE AID ROAD PROGRAM FIRST MUST BE EXPENDED BY
4 THE COUNTY FOR REPLACEMENT OR REHABILITATION OF BRIDGES ON THE
5 STATE AID ROAD SYSTEM HAVING A SUFFICIENCY RATING OF 25 OR LESS;
6 AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 27-65-75, Mississippi Code of 1972, is
9 amended as follows:

10 27-65-75. On or before the fifteenth day of each month, the
11 revenue collected under the provisions of this chapter during the
12 preceding month shall be paid and distributed as follows:

13 (1) On or before August 15, 1992, and each succeeding month
14 thereafter through July 15, 1993, eighteen percent (18%) of the
15 total sales tax revenue collected during the preceding month under
16 the provisions of this chapter, except that collected under the
17 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
18 business activities within a municipal corporation shall be
19 allocated for distribution to the municipality and paid to the
20 municipal corporation. On or before August 15, 1993, and each
21 succeeding month thereafter, eighteen and one-half percent
22 (18-1/2%) of the total sales tax revenue collected during the
23 preceding month under the provisions of this chapter, except that
24 collected under the provisions of Sections 27-65-15, 27-65-19(3)
25 and 27-65-21, on business activities within a municipal
26 corporation shall be allocated for distribution to the
27 municipality and paid to the municipal corporation.

28 A municipal corporation, for the purpose of distributing the
29 tax under this subsection, shall mean and include all incorporated
30 cities, towns and villages.

31 Monies allocated for distribution and credited to a municipal
32 corporation under this subsection may be pledged as security for
33 any loan received by the municipal corporation for the purpose of
34 capital improvements as authorized under Section 57-1-303, or
35 loans as authorized under Section 57-44-7, or water systems
36 improvements as authorized under Section 41-3-16.

37 In any county having a county seat that is not an
38 incorporated municipality, the distribution provided under this
39 subsection shall be made as though the county seat was an
40 incorporated municipality; however, the distribution to the
41 municipality shall be paid to the county treasury in which the
42 municipality is located, and those funds shall be used for road,
43 bridge and street construction or maintenance in the county.

44 (2) On or before September 15, 1987, and each succeeding
45 month thereafter, from the revenue collected under this chapter
46 during the preceding month, One Million One Hundred Twenty-five
47 Thousand Dollars (\$1,125,000.00) shall be allocated for
48 distribution to municipal corporations as defined under subsection
49 (1) of this section in the proportion that the number of gallons
50 of gasoline and diesel fuel sold by distributors to consumers and
51 retailers in each such municipality during the preceding fiscal
52 year bears to the total gallons of gasoline and diesel fuel sold
53 by distributors to consumers and retailers in municipalities
54 statewide during the preceding fiscal year. The State Tax
55 Commission shall require all distributors of gasoline and diesel
56 fuel to report to the commission monthly the total number of
57 gallons of gasoline and diesel fuel sold by them to consumers and
58 retailers in each municipality during the preceding month. The
59 State Tax Commission shall have the authority to promulgate such
60 rules and regulations as is necessary to determine the number of

61 gallons of gasoline and diesel fuel sold by distributors to
62 consumers and retailers in each municipality. In determining the
63 percentage allocation of funds under this subsection for the
64 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
65 State Tax Commission may consider gallons of gasoline and diesel
66 fuel sold for a period of less than one (1) fiscal year. For the
67 purposes of this subsection, the term "fiscal year" means the
68 fiscal year beginning July 1 of a year.

69 (3) On or before September 15, 1987, and on or before the
70 fifteenth day of each succeeding month, until the date specified
71 in Section 65-39-35, the proceeds derived from contractors' taxes
72 levied under Section 27-65-21 on contracts for the construction or
73 reconstruction of highways designated under the highway program
74 created under Section 65-3-97 shall, except as otherwise provided
75 in Section 31-17-127, be deposited into the State Treasury to the
76 credit of the State Highway Fund to be used to fund that highway
77 program. The Mississippi Department of Transportation shall
78 provide to the State Tax Commission such information as is
79 necessary to determine the amount of proceeds to be distributed
80 under this subsection.

81 (4) On or before August 15, 1994, and on or before the
82 fifteenth day of each succeeding month through July 15, 1999, from
83 the proceeds of gasoline, diesel fuel or kerosene taxes as
84 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
85 (\$4,000,000.00) shall be deposited in the State Treasury to the
86 credit of a special fund designated as the "State Aid Road Fund,"
87 created by Section 65-9-17. On or before August 15, 1999, and on
88 or before the fifteenth day of each succeeding month, from the
89 total amount of the proceeds of gasoline, diesel fuel or kerosene
90 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
91 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
92 one-fourth percent (23.25%) of those funds, whichever is the
93 greater amount, shall be deposited in the State Treasury to the

94 credit of the "State Aid Road Fund," created by Section 65-9-17.
95 Those funds shall be pledged to pay the principal of and interest
96 on state aid road bonds heretofore issued under Sections 19-9-51
97 through 19-9-77, in lieu of and in substitution for the funds
98 previously allocated to counties under this section. Those funds
99 may not be pledged for the payment of any state aid road bonds
100 issued after April 1, 1981; however, this prohibition against the
101 pledging of any such funds for the payment of bonds shall not
102 apply to any bonds for which intent to issue those bonds has been
103 published, for the first time, as provided by law before March 29,
104 1981. From the amount of taxes paid into the special fund under
105 this subsection and subsection (9) of this section, there shall be
106 first deducted and paid the amount necessary to pay the expenses
107 of the Office of State Aid Road Construction, as authorized by the
108 Legislature for all other general and special fund agencies. The
109 remainder of the fund shall be allocated monthly to the several
110 counties in accordance with the following formula:

111 (a) One-third (1/3) shall be allocated to all counties
112 in equal shares;

113 (b) One-third (1/3) shall be allocated to counties
114 based on the proportion that the total number of rural road miles
115 in a county bears to the total number of rural road miles in all
116 counties of the state; and

117 (c) One-third (1/3) shall be allocated to counties
118 based on the proportion that the rural population of the county
119 bears to the total rural population in all counties of the state,
120 according to the latest federal decennial census.

121 For the purposes of this subsection, the term "gasoline,
122 diesel fuel or kerosene taxes" means such taxes as defined in
123 paragraph (f) of Section 27-5-101.

124 The amount of funds allocated to any county under this
125 subsection for any fiscal year after fiscal year 1994 shall not be

126 less than the amount allocated to the county for fiscal year
127 1994. * * *

128 Any reference in the general laws of this state or the
129 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
130 construed to refer and apply to subsection (4) of Section
131 27-65-75.

132 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
133 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
134 the special fund known as the "State Public School Building Fund"
135 created and existing under the provisions of Sections 37-47-1
136 through 37-47-67. Those payments into that fund are to be made on
137 the last day of each succeeding month hereafter.

138 (6) An amount each month beginning August 15, 1983, through
139 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
140 of 1983, shall be paid into the special fund known as the
141 Correctional Facilities Construction Fund created in Section 6 of
142 Chapter 542, Laws of 1983.

143 (7) On or before August 15, 1992, and each succeeding month
144 thereafter through July 15, 2000, two and two hundred sixty-six
145 one-thousandths percent (2.266%) of the total sales tax revenue
146 collected during the preceding month under the provisions of this
147 chapter, except that collected under the provisions of Section
148 27-65-17(2) shall be deposited by the commission into the School
149 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
150 or before August 15, 2000, and each succeeding month thereafter,
151 two and two hundred sixty-six one-thousandths percent (2.266%) of
152 the total sales tax revenue collected during the preceding month
153 under the provisions of this chapter, except that collected under
154 the provisions of Section 27-65-17(2), shall be deposited into the
155 School Ad Valorem Tax Reduction Fund created under Section
156 37-61-35 until such time that the total amount deposited into the
157 fund during a fiscal year equals Forty-two Million Dollars
158 (\$42,000,000.00). Thereafter, the amounts diverted under this

159 subsection (7) during the fiscal year in excess of Forty-two
160 Million Dollars (\$42,000,000.00) shall be deposited into the
161 Education Enhancement Fund created under Section 37-61-33 for
162 appropriation by the Legislature as other education needs and
163 shall not be subject to the percentage appropriation requirements
164 set forth in Section 37-61-33.

165 (8) On or before August 15, 1992, and each succeeding month
166 thereafter, nine and seventy-three one-thousandths percent
167 (9.073%) of the total sales tax revenue collected during the
168 preceding month under the provisions of this chapter, except that
169 collected under the provisions of Section 27-65-17(2), shall be
170 deposited into the Education Enhancement Fund created under
171 Section 37-61-33.

172 (9) On or before August 15, 1994, and each succeeding month
173 thereafter, from the revenue collected under this chapter during
174 the preceding month, Two Hundred Fifty Thousand Dollars
175 (\$250,000.00) shall be paid into the State Aid Road Fund.

176 (10) On or before August 15, 1994, and each succeeding month
177 thereafter through August 15, 1995, from the revenue collected
178 under this chapter during the preceding month, Two Million Dollars
179 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
180 Valorem Tax Reduction Fund established in Section 27-51-105.

181 (11) Notwithstanding any other provision of this section to
182 the contrary, on or before February 15, 1995, and each succeeding
183 month thereafter, the sales tax revenue collected during the
184 preceding month under the provisions of Section 27-65-17(2) and
185 the corresponding levy in Section 27-65-23 on the rental or lease
186 of private carriers of passengers and light carriers of property
187 as defined in Section 27-51-101 shall be deposited, without
188 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
189 established in Section 27-51-105.

190 (12) Notwithstanding any other provision of this section to
191 the contrary, on or before August 15, 1995, and each succeeding

192 month thereafter, the sales tax revenue collected during the
193 preceding month under the provisions of Section 27-65-17(1) on
194 retail sales of private carriers of passengers and light carriers
195 of property, as defined in Section 27-51-101 and the corresponding
196 levy in Section 27-65-23 on the rental or lease of these vehicles,
197 shall be deposited, after diversion, into the Motor Vehicle Ad
198 Valorem Tax Reduction Fund established in Section 27-51-105.

199 (13) On or before July 15, 1994, and on or before the
200 fifteenth day of each succeeding month thereafter, that portion of
201 the avails of the tax imposed in Section 27-65-22 that is derived
202 from activities held on the Mississippi state fairgrounds complex,
203 shall be paid into a special fund that is created in the State
204 Treasury and shall be expended upon legislative appropriation
205 solely to defray the costs of repairs and renovation at the Trade
206 Mart and Coliseum.

207 (14) On or before August 15, 1998, and each succeeding month
208 thereafter through July 15, 2005, that portion of the avails of
209 the tax imposed in Section 27-65-23 that is derived from sales by
210 cotton compresses or cotton warehouses and that would otherwise be
211 paid into the General Fund, shall be deposited in an amount not to
212 exceed Two Million Dollars (\$2,000,000.00) into the special fund
213 created under Section 69-37-39.

214 (15) Notwithstanding any other provision of this section to
215 the contrary, on or before September 15, 2000, and each succeeding
216 month thereafter, the sales tax revenue collected during the
217 preceding month under the provisions of Section 27-65-19(1)(f) and
218 (g)(i)2, shall be deposited, without diversion, into the
219 Telecommunications Ad Valorem Tax Reduction Fund established in
220 Section 27-38-7.

221 (16) On or before August 15, 2000, and each succeeding month
222 thereafter, the sales tax revenue collected during the preceding
223 month under the provisions of this chapter on the gross proceeds
224 of sales of a project as defined in Section 57-30-1 shall be

225 deposited, after all diversions except the diversion provided for
226 in subsection (1) of this section, into the Sales Tax Incentive
227 Fund created in Section 57-30-3.

228 (17) Notwithstanding any other provision of this section to
229 the contrary, on or before April 15, 2002, and each succeeding
230 month thereafter, the sales tax revenue collected during the
231 preceding month under Section 27-65-23 on sales of parking
232 services of parking garages and lots at airports shall be
233 deposited, without diversion, into the special fund created under
234 Section 27-5-101(d).

235 (18) On or before August 15, 2005, and each succeeding month
236 thereafter through July 15, 2006, from the sales tax revenue
237 collected during the preceding month under the provisions of this
238 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)
239 shall be deposited into the Special Funds Transfer Fund created in
240 Section 4 of Chapter 556, Laws of 2003.

241 (19) The remainder of the amounts collected under the
242 provisions of this chapter shall be paid into the State Treasury
243 to the credit of the General Fund.

244 (20) It shall be the duty of the municipal officials of any
245 municipality that expands its limits, or of any community that
246 incorporates as a municipality, to notify the commissioner of
247 that action thirty (30) days before the effective date. Failure
248 to so notify the commissioner shall cause the municipality to
249 forfeit the revenue that it would have been entitled to receive
250 during this period of time when the commissioner had no knowledge
251 of the action. If any funds have been erroneously disbursed to
252 any municipality or any overpayment of tax is recovered by the
253 taxpayer, the commissioner may make correction and adjust the
254 error or overpayment with the municipality by withholding the
255 necessary funds from any later payment to be made to the
256 municipality.

257 **SECTION 2.** This act shall take effect and be in force from
258 and after July 1, 2005.