

By: Representative Fillingane

To: Ways and Means

## HOUSE BILL NO. 1587

1 AN ACT TO AMEND SECTIONS 27-7-901 AND 27-7-903, MISSISSIPPI  
2 CODE OF 1972, TO INCREASE THE AMOUNT OF THE TAX LEVIED ON AMOUNTS  
3 THAT ARE PAID TO PATRONS BY GAMING ESTABLISHMENTS; TO REVISE THE  
4 MEANING OF "AMOUNTS THAT ARE PAID OR CREDITED" FOR PURPOSES OF THE  
5 TAX THAT IS LEVIED UPON AMOUNTS THAT ARE PAID TO PATRONS BY GAMING  
6 ESTABLISHMENTS; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 27-7-901, Mississippi Code of 1972, is  
9 amended as follows:

10 27-7-901. (1) There is hereby levied, assessed and shall be  
11 collected a tax of seven percent (7%) upon amounts that are paid  
12 or credited by gaming establishments licensed under the provisions  
13 of the Mississippi Gaming Control Act to their patrons. The tax  
14 shall be collected by licensed gaming establishments and remitted  
15 to the State Tax Commission in the manner provided for by  
16 regulations promulgated by the Chairman of the State Tax  
17 Commission.

18 (2) As used in this section, "amounts that are paid or  
19 credited" means amounts or credits that are subject to the  
20 withholding or reporting requirements of the Internal Revenue  
21 Code, except that the dollar thresholds for amounts that are paid  
22 or credited shall be One Dollar (\$1.00).

23 (3) No credit shall be allowed under the Income Tax Law of  
24 1952 for the tax collected by licensed gaming establishments  
25 pursuant to this section.

26 **SECTION 2.** Section 27-7-903, Mississippi Code of 1972, is  
27 amended as follows:

28 27-7-903. (1) There is hereby levied and assessed upon  
29 patrons of gaming establishments located in this state that are

30 not licensed under the provisions of the Mississippi Gaming  
31 Control Act, a tax of seven percent (7%) of the amounts that are  
32 paid or credited to such patrons by the gaming establishment,  
33 which tax is the same in kind and rate as has heretofore been  
34 imposed pursuant to Section 27-7-901 upon the patrons of gaming  
35 establishments which are licensed under the Mississippi Gaming  
36 Control Act. The legal incidence and duty to pay such taxes shall  
37 fall upon the patron. The assessment of such tax is subject to  
38 any exemptions as may exist under federal or state law. The State  
39 Tax Commission may enter into tax collection agreements regarding  
40 this tax.

41 (2) As used in this section, "amounts that are paid or  
42 credited" means amounts or credits that are subject to the  
43 withholding or reporting requirements of the Internal Revenue  
44 Code, except that the dollar thresholds for amounts that are paid  
45 or credited shall be One Dollar (\$1.00).

46 (3) No credit shall be allowed under the Income Tax Law of  
47 1952 for the tax collected by gaming establishments pursuant to  
48 this section.

49 **SECTION 3.** This act shall take effect and be in force from  
50 and after July 1, 2005.