

By: Senator(s) Chaney

To: Finance

SENATE BILL NO. 2950

1 AN ACT TO CREATE THE "ECONOMIC REDEVELOPMENT ACT" TO ASSIST
2 CERTAIN COUNTIES AND MUNICIPALITIES IN ENCOURAGING ECONOMIC
3 REDEVELOPMENT OF CERTAIN CONTAMINATED SITES; TO AUTHORIZE THE
4 MISSISSIPPI DEVELOPMENT AUTHORITY TO DESIGNATE CERTAIN COUNTIES
5 AND MUNICIPALITIES AS REDEVELOPMENT COUNTIES AND MUNICIPALITIES;
6 TO PROVIDE THAT CERTAIN COUNTIES AND MUNICIPALITIES MAY APPLY TO
7 THE MISSISSIPPI DEVELOPMENT AUTHORITY FOR DESIGNATION AS
8 REDEVELOPMENT COUNTIES AND MUNICIPALITIES; TO PROVIDE AN INCENTIVE
9 FOR PERSONS, CORPORATIONS OR OTHER ENTITIES THAT INCUR
10 INDEBTEDNESS TO UNDERTAKE REDEVELOPMENT PROJECTS; TO CREATE THE
11 REDEVELOPMENT INCENTIVE FUND; TO AUTHORIZE INCENTIVE PAYMENTS FROM
12 SUCH FUND TO PERSONS, CORPORATIONS OR OTHER ENTITIES THAT INCUR
13 INDEBTEDNESS TO UNDERTAKE REDEVELOPMENT PROJECTS; TO AUTHORIZE THE
14 MISSISSIPPI DEVELOPMENT AUTHORITY TO DEVELOP A PROGRAM TO
15 ADMINISTER THE INCENTIVE PAYMENT AUTHORIZED BY THIS ACT; TO
16 PROVIDE THAT SALES AND USE TAXES IMPOSED ON SALES AND PURCHASES OF
17 AN APPROVED BUSINESS ENTERPRISE WITHIN A REDEVELOPMENT PROJECT
18 AREA, INCOME TAX IMPOSED ON INCOME EARNED BY AN APPROVED BUSINESS
19 ENTERPRISE WITHIN A REDEVELOPMENT PROJECT AREA, FRANCHISE TAX
20 IMPOSED ON THE VALUE OF CAPITAL USED, INVESTED OR EMPLOYED BY AN
21 APPROVED BUSINESS ENTERPRISE WITHIN A REDEVELOPMENT PROJECT AREA,
22 AND CERTAIN GAMING LICENSE FEES IMPOSED ON AN APPROVED BUSINESS
23 ENTERPRISE OPERATING WITHIN A REDEVELOPMENT PROJECT AREA, SHALL BE
24 DEPOSITED INTO THE REDEVELOPMENT PROJECT INCENTIVE FUND; TO AMEND
25 SECTIONS 27-7-45, 27-13-5, 27-13-7, 27-65-75, 27-67-31 AND
26 75-76-129, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND
27 FOR RELATED PURPOSES.

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

29 **SECTION 1.** Section 1 through 6 of this act shall be known
30 and may be cited as the "Economic Redevelopment Act."

31 **SECTION 2.** The Legislature finds and determines that there
32 exists in this state a continuing need for programs to assist
33 certain counties and municipalities in encouraging economic
34 development, the consequent job creation and retention, additional
35 private investment and increased local and state revenue which
36 together insures the further development of a balanced economy.
37 The Legislature further finds that this need is particularly great
38 in counties and municipalities where there are located certain
39 environmentally contaminated sites that are not currently

40 conducive to such economic development. To achieve the combined
41 purposes of encouraging economic development on and around
42 environmentally contaminated sites, it is necessary to assist and
43 encourage such economic development by providing temporary tax
44 incentives within certain counties and municipalities to certain
45 business enterprises.

46 Further, the Legislature finds and determines that the
47 authority granted under Sections 1 through 6 of this act and the
48 purposes to be accomplished hereby are proper governmental and
49 public purposes and that the resulting economic benefits to the
50 state are of paramount importance, mandating that the provisions
51 of Sections 1 through 6 of this act be liberally construed and
52 applied in order to advance the public purposes.

53 **SECTION 3.** As used in Section 1 through 6 of this act, the
54 following words and phrases shall have the meanings ascribed
55 herein unless the context clearly indicates otherwise:

56 (a) "Business enterprise" means any permanent business
57 enterprise locating or relocating within a redevelopment project
58 area including without limitation (i) industry for the
59 manufacturing, processing, assembling, storing, warehousing,
60 servicing, distributing or selling of any products or goods,
61 including products of agriculture; (ii) enterprises for research
62 and development, including, but not limited to, scientific
63 laboratories; (iii) industry for the retail sale of goods and
64 services; (iv) the industry for recreation and hospitality
65 including, but not limited to restaurants, hotels, sports
66 facilities and gaming businesses; and (v) such other businesses or
67 industry as will be in furtherance of the public purposes of
68 Sections 1 through 6 of this act as determined by the MDA.

69 (b) "Contaminated site" means real property that is
70 subject to a bankruptcy court order in which the property has been
71 abandoned from the bankruptcy estate, and the expansion,
72 redevelopment or reuse of which may be complicated by the presence

or potential presence of a hazardous substance, pollutant or
contaminant.

(c) "County" means any county of this state.

(d) "Developer" means any person who assumes certain
environmental liability at a contaminated site and enters into an
agreement with a remedial development county or municipality
whereby the developer agrees to under take a redevelopment
project. "Developer Agreement" means said agreement.

(e) "Governing body" means the board of supervisors of
any county or the governing board of a municipality.

(f) "Law" means any act or statute, general, special or
local, of this state.

(g) "MDA" means the Mississippi Development Authority.

(h) "MDEQ" means the Mississippi Department of
Environmental Quality.

(i) "Municipality" means any incorporated municipality
in the state.

(j) "Person" means a natural person, partnership,
association, corporation, business trust or other business entity.

(k) "Redevelopment counties and municipalities" means
those counties or municipalities which meet the requirements of
Sections 1 through 6 of this act and which have by resolution or
order designated a redevelopment project area and given its
consent to participate in the Redevelopment Counties and
Municipalities Program.

(l) "Redevelopment project" means a project that
combines remediation of a contaminated site with the planned
development of such site and surrounding land in a manner
conducive to use by the public or business enterprises including
the construction of recreational facilities.

(m) "Redevelopment project area" means the geographic
area defined by resolution of the county or municipality within
which the remediation and planned development will take place

106 containing the contaminated site and additional surrounding and
107 adjacent land and waterfront, not exceeding six hundred fifty
108 (650) acres, suitable for development.

109 (n) "Resolution" means an order, resolution, ordinance,
110 act, record of minutes or other appropriate enactment of a
111 governing body.

112 (o) "State taxes and fees" means any sales and use tax
113 imposed on the sales or purchases by a business enterprise
114 pursuant to law within a redevelopment project area, all income
115 tax imposed pursuant to law on income earned by the approved
116 business enterprise within a redevelopment project area, all
117 franchise tax imposed pursuant to law on the value of capital
118 used, invested or employed by the approved business enterprise in
119 a redevelopment project area and all gaming license fees imposed
120 under Section 75-76-177 on any gaming license operating within a
121 redevelopment project area.

122 **SECTION 4.** (1) From and after December 31, 2004, and until
123 December 31, 2009, any counties or municipalities meeting the
124 following conditions may apply to the MDA for the issuance of a
125 certificate of public convenience and necessity:

126 (a) There is located within such county or municipality
127 a contaminated site;

128 (b) There has been established by resolution of the
129 county or municipality a redevelopment project area;

130 (c) There is submitted to the MDA application for
131 designation as a redevelopment county or municipality which, at
132 minimum, contains (i) concurrence of the contaminated site and
133 concurrence and involvement in the remediation plan, (ii) a
134 resolution of the county or municipality setting forth the
135 boundaries of the redevelopment project area and consenting to the
136 designation of the county or municipality as a redevelopment
137 county or municipality and (iii) a developer agreement.

(2) If a proposed redevelopment project area falls wholly within the municipality, only the municipality must apply to the MDA for designation as a redevelopment municipality. If a proposed redevelopment project area falls wholly within the county, only the county may apply to the MDA for designation as a redevelopment county. If a proposed redevelopment project area falls partly within an partly without a municipality, then both the county and municipality must apply for designation as a redevelopment county and municipality; however, the county and municipality may submit a single application to the MDA, but the governing bodies of both the county and the municipality must pass resolutions meeting the requirements of paragraph (c)(ii) of subsection (1) of this section.

SECTION 5. (1) There is created in the State Treasury a special fund to be known as the "Redevelopment Project Incentive Fund," into which shall be deposited all state taxes and fees collected from business enterprises located within the redevelopment project area.

The monies in the fund shall be used for the purpose of making the incentive payments authorized in this section. The fund shall be administered by the MDA. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the General Fund, and any interest earned on or investment earnings on the amounts in the fund shall be deposited to the credit of the fund. The MDA may use not more than one percent (1%) of interest earned or investment earnings, or both, on amounts in the fund for administration and management of the incentive program. The MDEQ may use not more than one percent (1%) of interest earned or investment earnings, or both, on amounts in the fund for oversights costs of the remediation of the contaminated site.

(2) Incentive payments may be made by the MDA to a developer in connection with a redevelopment project. The payments to a

developer shall be for the amount of state taxes and fees collected from business enterprises located and operating within a redevelopment project area. In the case of sales taxes, the amounts deposited in the Redevelopment Project Incentive Fund shall be reduced by the diversions required in Section 27-65-75, except the diversion provided for in Section 27-65-75(1). The MDA shall make payments to an approved participant on a semiannual basis with payments being made in the months of January and July. The MDA shall make the calculations necessary to make the payments provided for in this section. The MDA shall cease making incentive payments to a developer ten (10) years from the date that is two (2) years after the date on which the remedial development project is approved by the MDA.

(3) At such time as payments are no longer required to be made to a developer, the MDA shall notify the State Tax Commission and the state taxes and fees collected from business enterprises located within the redevelopment project area shall no longer be deposited into the Redevelopment Project Incentive Fund.

SECTION 6. The MDA shall promulgate rules and regulations, in accordance with the Mississippi Administrative Procedures Law, for the implementation and administration of Sections 1 through 6 of this act.

SECTION 7. Section 27-7-45, Mississippi Code of 1972, is amended as follows:

27-7-45. (1) The tax levied by this article shall be paid when the return is due except as hereinafter provided.

(2) If any officer or employee of the State of Mississippi, or any political subdivision thereof, does not pay his state income tax on or before August 15 after such income tax becomes due and payable, or is in arrears in child support payments for thirty (30) days after such payments become due and payable, his wages, salary or other compensation shall be withheld and paid to the tax commission or the Department of Human Services, as the

case may be, in satisfaction of said income tax, interest, and penalty, if any, and any child support arrearage until paid in full. This provision shall apply to any installments of income tax or child support due, after the first installment, to require payment of the entire balance of child support tax due, plus interest and penalty, if any, before an officer or employee of the State of Mississippi, or any political subdivision thereof, is eligible to draw any salary or other emoluments of office. The Tax Commissioner is required to furnish the State Fiscal Officer, chancery clerk, city clerk or other appropriate fiscal officer of a political subdivision, as the case may be, with notice that income taxes have not been paid. The Department of Human Services is required to furnish the officer's or the employee's employer, or other appropriate officer of the State of Mississippi or its political subdivision, as the case may be, with notice that child support payments have not been made. This notice shall serve as a lien or attachment upon any salary or compensation due any employee or officer, disregard of this notice creating personal liability against such officer for the full amount of the income tax due, plus interest and penalty. The State Tax Commission may, in its discretion by order entered upon its minutes, waive the provisions of this subsection on behalf of any public officer or employee in the event of an extended personal illness, an extended illness in his immediate family or other emergency. Regardless of the amount designated in the Department of Human Service's notice for withholding and regardless of other fees imposed or amounts withheld pursuant to this section, the payor shall not deduct from the income of the officer or employee in excess of the amounts allowed under Section 303(b) of the Consumer Credit Protection Act, being 15 USCS 1673, as amended.

(3) The tax or child support payment may be paid with uncertified check during such time and under such regulations as the commissioner or the Department of Human Services shall

237 prescribe, but if the check so received is not paid by the bank on
238 which it is drawn, the officer or employee for whom such check is
239 tendered shall remain liable for the payment of the tax, child
240 support payment and for all penalties, the same as if such check
241 had not been tendered.

242 (4) If a corporation is subject to LIFO recapture pursuant
243 to Section 1363(d) of the Code, then

244 (a) Any increase in the tax imposed by Section 27-7-5
245 by reason of the inclusion of the LIFO recapture amount in its
246 income shall be payable in four (4) equal installments;

247 (b) The first installment shall be paid on or before
248 the due date (determined without regard to extensions) for filing
249 the return for the first taxable year for which the corporation
250 was subject to the LIFO recapture;

251 (c) The three (3) succeeding installments shall be paid
252 on or before the due date (determined without regard to
253 extensions) for filing the corporation's return for the three (3)
254 succeeding taxable years; and

255 (d) For purposes of computing interest on
256 underpayments, the last three (3) installments shall not be
257 considered underpayments until after the payment due date
258 specified above.

259 (5) For purposes of this section, a political subdivision
260 includes, but is not limited to, a county or separate school
261 district, institution of higher learning, state college or
262 university, or state community college.

263 (6) The tax levied by this article and paid by a business
264 enterprise located in a redevelopment project area under
265 Sections 1 through 6 of Senate Bill No. 2950, 2005 Regular
266 Session, shall be deposited into the Redevelopment Project
267 Incentive Fund created in Section 5, Senate Bill No. 2950, 2005
268 Regular Session.

269 **SECTION 8.** Section 27-13-5, Mississippi Code of 1972, is
270 amended as follows:

271 27-13-5. (1) Franchise tax levy. Except as otherwise
272 provided in subsections (3), (4) and (5) of this section, there is
273 hereby imposed, to be paid and collected as hereinafter provided,
274 a franchise or excise tax upon every corporation, association or
275 joint-stock company or partnership treated as a corporation under
276 the income tax laws or regulations, organized or created for
277 pecuniary gain, having privileges not possessed by individuals,
278 and having authorized capital stock now existing in this state, or
279 hereafter organized, created or established, under and by virtue
280 of the laws of the State of Mississippi, equal to Two Dollars and
281 Fifty Cents (\$2.50) for each One Thousand Dollars (\$1,000.00), or
282 fraction thereof, of the value of the capital used, invested or
283 employed in the exercise of any power, privilege or right enjoyed
284 by such organization within this state, except as hereinafter
285 provided. In no case shall the franchise tax due for the
286 accounting period be less than Twenty-five Dollars (\$25.00). It
287 is the purpose of this section to require the payment to the State
288 of Mississippi of this tax for the right granted by the laws of
289 this state to exist as such organization, and to enjoy, under the
290 protection of the laws of this state, the powers, rights,
291 privileges and immunities derived from the state by the form of
292 such existence.

293 (2) Annual report of domestic corporations. Each domestic
294 corporation shall file, within the time prescribed by Section
295 79-3-251, an annual report as required by the provisions of
296 Section 79-3-249.

297 (3) A corporation that has negotiated a fee-in-lieu as
298 defined in Section 57-75-5 shall not be subject to the tax levied
299 by this section on such project; provided, however, that the
300 fee-in-lieu payment shall be otherwise treated in the same manner
301 as the payment of franchise taxes.

(4) An approved business enterprise as defined in the Growth and Prosperity Act shall not be subject to the tax levied by this section on the value of capital used, invested or employed by the approved business enterprise in a growth and prosperity county or supervisors district as provided in the Growth and Prosperity Act.

(5) A business enterprise operating a project as defined in Section 57-64-33, in a county that is a member of a regional economic development alliance created under the Regional Economic Development Act shall not be subject to the tax levied by this section on the value of capital used, invested or employed by the business enterprise in such a county as provided in Section 57-64-33.

(6) The tax levied by this chapter and paid by a business enterprise located in a redevelopment project area under Sections 1 through 6 of Senate Bill No. 2950, 2005 Regular Session, shall be deposited into the Redevelopment Project Incentive Fund created in Section 5, Senate Bill No. 2950, 2005 Regular Session.

SECTION 9. Section 27-13-7, Mississippi Code of 1972, is amended as follows:

27-13-7. (1) Franchise tax levy. Except as otherwise provided in subsections (3), (4) and (5) of this section, there is hereby imposed, levied and assessed upon every corporation, association or joint-stock company, or partnership treated as a corporation under the Income Tax Laws or regulations as hereinbefore defined, organized and existing under and by virtue of the laws of some other state, territory or country, or organized and existing without any specific statutory authority, now or hereafter doing business or exercising any power, privilege or right within this state, as hereinbefore defined, a franchise or excise tax equal to Two Dollars and Fifty Cents (\$2.50) of each One Thousand Dollars (\$1,000.00), or fraction thereof, of the value of capital used, invested or employed within this state, except as hereinafter provided. In no case shall the franchise

335 tax due for the accounting period be less than Twenty-five Dollars
336 (\$25.00). It is the purpose of this section to require the
337 payment of a tax by all organizations not organized under the laws
338 of this state, measured by the amount of capital or its
339 equivalent, for which such organization receives the benefit and
340 protection of the government and laws of the state.

341 (2) Annual report of foreign corporations. Each foreign
342 corporation authorized to transact business in this state shall
343 file, within the time prescribed by Section 79-3-251, an annual
344 report as required by the provisions of Section 79-3-249.

345 (3) A corporation that has negotiated a fee-in-lieu as
346 defined in Section 57-75-5 shall not be subject to the tax levied
347 by this section on such project; provided, however, that the
348 fee-in-lieu payment shall be otherwise treated in the same manner
349 as the payment of franchise taxes.

350 (4) An approved business enterprise as defined in the Growth
351 and Prosperity Act shall not be subject to the tax levied by this
352 section on the value of capital used, invested or employed by the
353 approved business enterprise in a growth and prosperity county or
354 supervisors district as provided in the Growth and Prosperity Act.

355 (5) A business enterprise operating a project as defined in
356 Section 57-64-33, in a county that is a member of a regional
357 economic development alliance created under the Regional Economic
358 Development Act shall not be subject to the tax levied by this
359 section on the value of capital used, invested or employed by the
360 business enterprise in such a county as provided in Section
361 57-64-33.

362 (6) The tax levied by this chapter and paid by a business
363 enterprise located in a redevelopment project area under Sections
364 1 through 6 of Senate Bill No. 2950, 2005 Regular Session, shall
365 be deposited into the Redevelopment Project Incentive Fund created
366 in Section 5, Senate Bill No. 2950, 2005 Regular Session.

367 **SECTION 10.** Section 27-65-75, Mississippi Code of 1972, is
368 amended as follows:

369 27-65-75. On or before the fifteenth day of each month, the
370 revenue collected under the provisions of this chapter during the
371 preceding month shall be paid and distributed as follows:

372 (1) On or before August 15, 1992, and each succeeding month
373 thereafter through July 15, 1993, eighteen percent (18%) of the
374 total sales tax revenue collected during the preceding month under
375 the provisions of this chapter, except that collected under the
376 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
377 business activities within a municipal corporation shall be
378 allocated for distribution to the municipality and paid to the
379 municipal corporation. On or before August 15, 1993, and each
380 succeeding month thereafter, eighteen and one-half percent
381 (18-1/2%) of the total sales tax revenue collected during the
382 preceding month under the provisions of this chapter, except that
383 collected under the provisions of Sections 27-65-15, 27-65-19(3)
384 and 27-65-21, on business activities within a municipal
385 corporation shall be allocated for distribution to the
386 municipality and paid to the municipal corporation.

387 A municipal corporation, for the purpose of distributing the
388 tax under this subsection, shall mean and include all incorporated
389 cities, towns and villages.

390 Monies allocated for distribution and credited to a municipal
391 corporation under this subsection may be pledged as security for
392 any loan received by the municipal corporation for the purpose of
393 capital improvements as authorized under Section 57-1-303, or
394 loans as authorized under Section 57-44-7, or water systems
395 improvements as authorized under Section 41-3-16.

396 In any county having a county seat that is not an
397 incorporated municipality, the distribution provided under this
398 subsection shall be made as though the county seat was an
399 incorporated municipality; however, the distribution to the

municipality shall be paid to the county treasury in which the municipality is located, and those funds shall be used for road, bridge and street construction or maintenance in the county.

(2) On or before September 15, 1987, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month One Million One Hundred Twenty-five Thousand Dollars (\$1,125,000.00) shall be allocated for distribution to municipal corporations as defined under subsection (1) of this section in the proportion that the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each such municipality during the preceding fiscal year bears to the total gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in municipalities statewide during the preceding fiscal year. The State Tax Commission shall require all distributors of gasoline and diesel fuel to report to the commission monthly the total number of gallons of gasoline and diesel fuel sold by them to consumers and retailers in each municipality during the preceding month. The State Tax Commission shall have the authority to promulgate such rules and regulations as is necessary to determine the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each municipality. In determining the percentage allocation of funds under this subsection for the fiscal year beginning July 1, 1987, and ending June 30, 1988, the State Tax Commission may consider gallons of gasoline and diesel fuel sold for a period of less than one (1) fiscal year. For the purposes of this subsection, the term "fiscal year" means the fiscal year beginning July 1 of a year.

(3) On or before September 15, 1987, and on or before the fifteenth day of each succeeding month, until the date specified in Section 65-39-35, the proceeds derived from contractors' taxes levied under Section 27-65-21 on contracts for the construction or reconstruction of highways designated under the highway program

433 created under Section 65-3-97 shall, except as otherwise provided
434 in Section 31-17-127, be deposited into the State Treasury to the
435 credit of the State Highway Fund to be used to fund that highway
436 program. The Mississippi Department of Transportation shall
437 provide to the State Tax Commission such information as is
438 necessary to determine the amount of proceeds to be distributed
439 under this subsection.

440 (4) On or before August 15, 1994, and on or before the
441 fifteenth day of each succeeding month through July 15, 1999, from
442 the proceeds of gasoline, diesel fuel or kerosene taxes as
443 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
444 (\$4,000,000.00) shall be deposited in the State Treasury to the
445 credit of a special fund designated as the "State Aid Road Fund,"
446 created by Section 65-9-17. On or before August 15, 1999, and on
447 or before the fifteenth day of each succeeding month, from the
448 total amount of the proceeds of gasoline, diesel fuel or kerosene
449 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
450 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
451 one-fourth percent (23.25%) of those funds, whichever is the
452 greater amount, shall be deposited in the State Treasury to the
453 credit of the "State Aid Road Fund," created by Section 65-9-17.
454 Those funds shall be pledged to pay the principal of and interest
455 on state aid road bonds heretofore issued under Sections 19-9-51
456 through 19-9-77, in lieu of and in substitution for the funds
457 previously allocated to counties under this section. Those funds
458 may not be pledged for the payment of any state aid road bonds
459 issued after April 1, 1981; however, this prohibition against the
460 pledging of any such funds for the payment of bonds shall not
461 apply to any bonds for which intent to issue those bonds has been
462 published, for the first time, as provided by law before March 29,
463 1981. From the amount of taxes paid into the special fund under
464 this subsection and subsection (9) of this section, there shall be
465 first deducted and paid the amount necessary to pay the expenses

466 of the Office of State Aid Road Construction, as authorized by the
467 Legislature for all other general and special fund agencies. The
468 remainder of the fund shall be allocated monthly to the several
469 counties in accordance with the following formula:

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

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

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

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

483 The amount of funds allocated to any county under this
484 subsection for any fiscal year after fiscal year 1994 shall not be
485 less than the amount allocated to the county for fiscal year 1994.
486 Monies allocated to a county from the State Aid Road Fund for
487 fiscal year 1995 or any fiscal year thereafter that exceed the
488 amount of funds allocated to that county from the State Aid Road
489 Fund for fiscal year 1994, first must be expended by the county
490 for replacement or rehabilitation of bridges on the state aid road
491 system that have a sufficiency rating of less than twenty-five
492 (25), according to National Bridge Inspection standards before
493 the monies may be approved for expenditure by the State Aid Road
494 Engineer on other projects that qualify for the use of state aid
495 road funds.

496 Any reference in the general laws of this state or the
497 Mississippi Code of 1972 to Section 27-5-105 shall mean and be

498 construed to refer and apply to subsection (4) of Section
499 27-65-75.

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

506 (6) An amount each month beginning August 15, 1983, through
507 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
508 of 1983, shall be paid into the special fund known as the
509 Correctional Facilities Construction Fund created in Section 6 of
510 Chapter 542, Laws of 1983.

511 (7) On or before August 15, 1992, and each succeeding month
512 thereafter through July 15, 2000, two and two hundred sixty-six
513 one-thousandths percent (2.266%) of the total sales tax revenue
514 collected during the preceding month under the provisions of this
515 chapter, except that collected under the provisions of Section
516 27-65-17(2) shall be deposited by the commission into the School
517 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
518 or before August 15, 2000, and each succeeding month thereafter,
519 two and two hundred sixty-six one-thousandths percent (2.266%) of
520 the total sales tax revenue collected during the preceding month
521 under the provisions of this chapter, except that collected under
522 the provisions of Section 27-65-17(2), shall be deposited into the
523 School Ad Valorem Tax Reduction Fund created under Section
524 37-61-35 until such time that the total amount deposited into the
525 fund during a fiscal year equals Forty-two Million Dollars
526 (\$42,000,000.00). Thereafter, the amounts diverted under this
527 subsection (7) during the fiscal year in excess of Forty-two
528 Million Dollars (\$42,000,000.00) shall be deposited into the
529 Education Enhancement Fund created under Section 37-61-33 for
530 appropriation by the Legislature as other education needs and

shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

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

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

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

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

(12) Notwithstanding any other provision of this section to the contrary, on or before August 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-17(1) on retail sales of private carriers of passengers and light carriers of property, as defined in Section 27-51-101 and the corresponding

levy in Section 27-65-23 on the rental or lease of these vehicles, shall be deposited, after diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

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

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

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

(16) On or before August 15, 2000, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of this chapter on the gross proceeds of sales of a project as defined in Section 57-30-1 shall be deposited, after all diversions except the diversion provided for in subsection (1) of this section, into the Sales Tax Incentive Fund created in Section 57-30-3.

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

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

609 (19) On or before August 15, 2005, and each succeeding month
610 thereafter, the sales tax revenue collected during the preceding
611 month under the provisions of this chapter on the gross proceeds
612 of sales of a business enterprise within a redevelopment project
613 area under the provisions of Sections 1 through 6 of Senate Bill
614 No. 2950, 2005 Regular Session, and the revenue collected on the
615 gross proceeds of sales from sales made to a business enterprise
616 in a redevelopment project area under the provisions of Sections 1
617 through 6 of Senate Bill No. 2950, 2005 Regular Session, shall be
618 deposited, after all diversions except the diversion provided for
619 in subsection (1) of this section, into the Redevelopment Project
620 Incentive Fund as created in Section 5 of Senate Bill No. 2950,
621 2005 Regular Session.

622 (20) The remainder of the amounts collected under the
623 provisions of this chapter shall be paid into the State Treasury
624 to the credit of the General Fund.

625 (21) It shall be the duty of the municipal officials of any
626 municipality that expands its limits, or of any community that
627 incorporates as a municipality, to notify the commissioner of
628 that action thirty (30) days before the effective date. Failure

629 to so notify the commissioner shall cause the municipality to
630 forfeit the revenue that it would have been entitled to receive
631 during this period of time when the commissioner had no knowledge
632 of the action. If any funds have been erroneously disbursed to
633 any municipality or any overpayment of tax is recovered by the
634 taxpayer, the commissioner may make correction and adjust the
635 error or overpayment with the municipality by withholding the
636 necessary funds from any later payment to be made to the
637 municipality.

638 **SECTION 11.** Section 27-67-31, Mississippi Code of 1972, is
639 amended as follows:

640 27-67-31. All administrative provisions of the sales tax
641 law, and amendments thereto, including those which fix damages,
642 penalties and interest for failure to comply with the provisions
643 of said sales tax law, and all other requirements and duties
644 imposed upon taxpayer, shall apply to all persons liable for use
645 taxes under the provisions of this article. The commissioner
646 shall exercise all power and authority and perform all duties with
647 respect to taxpayers under this article as are provided in said
648 sales tax law, except where there is conflict, then the provisions
649 of this article shall control.

650 The commissioner may require transportation companies to
651 permit the examination of waybills, freight bills, or other
652 documents covering shipments of tangible personal property into
653 this state.

654 On or before the fifteenth day of each month, the amount
655 received from taxes, damages and interest under the provisions of
656 this article during the preceding month shall be paid and
657 distributed as follows:

658 (a) On or before July 15, 1994, through July 15, 2000,
659 and each succeeding month thereafter, two and two hundred
660 sixty-six one-thousandths percent (2.266%) of the total use tax
661 revenue collected during the preceding month under the provisions

of this article shall be deposited in the School Ad Valorem Tax Reduction Fund created pursuant to Section 37-61-35. On or before August 15, 2000, and each succeeding month thereafter, two and two hundred sixty-six one-thousandths percent (2.266%) of the total use tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35 until such time that the total amount deposited into the fund during a fiscal year equals Four Million Dollars (\$4,000,000.00).

Thereafter, the amounts diverted under this paragraph (a) during the fiscal year in excess of Four Million Dollars (\$4,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

(b) On or before July 15, 1994, and each succeeding month thereafter, nine and seventy-three one-thousandths percent (9.073%) of the total use tax revenue collected during the preceding month under the provisions of this article shall be deposited into the Education Enhancement Fund created pursuant to Section 37-61-33.

(c) On or before July 15, 1997, and on or before the fifteenth day of each succeeding month thereafter, the revenue collected under the provisions of this article imposed and levied as a result of Section 27-65-17(2) and the corresponding levy in Section 27-65-23 on the rental or lease of private carriers of passengers and light carriers of property as defined in Section 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section 27-51-105.

(d) On or before July 15, 1997, and on or before the fifteenth day of each succeeding month thereafter and after the deposits required by paragraphs (a) and (b) of this section are made, the remaining revenue collected under the provisions of this

695 article imposed and levied as a result of Section 27-65-17(1) and
696 the corresponding levy in Section 27-65-23 on the rental or lease
697 of private carriers of passengers and light carriers of property
698 as defined in Section 27-51-101 shall be deposited into the Motor
699 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section
700 27-51-105.

701 (e) Notwithstanding any other provision of this section
702 to the contrary, on or before August 15, 2005, and each succeeding
703 month thereafter, the sales tax revenue collected during the
704 preceding month under the provisions of this article chapter on
705 the gross proceeds of sales of a business enterprise within a
706 redevelopment project area under the provisions of Sections 1
707 through 6 of Senate Bill No. 2950, 2005 Regular Session, and the
708 revenue collected on the gross proceeds of sales from sales made
709 to a business enterprise in a redevelopment project area under the
710 provisions of Sections 1 through 6 of Senate Bill No. 2950, 2005
711 Regular Session, shall be deposited into the Redevelopment Project
712 Incentive Fund as created in Section 5 of Senate Bill No. 2950,
713 2005 Regular Session.

714 (f) The remainder of the amount received from taxes,
715 damages and interest under the provisions of this article shall be
716 paid into the General Fund of the State Treasury by the
717 commissioner.

718 **SECTION 12.** Section 75-76-129, Mississippi Code of 1972, is
719 amended as follows:

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

721 75-76-129. On or before the last day of each month all
722 taxes, fees, interest, penalties, damages, fines or other monies
723 collected by the State Tax Commission during that month under the
724 provisions of this chapter, with the exception of (a) the local
725 government fees imposed under Section 75-76-195, * * * (b) an
726 amount equal to Three Million Dollars (\$3,000,000.00) of the
727 revenue collected pursuant to the fee imposed under Section

75-76-177(1)(c), or an amount equal to twenty-five percent (25%) of the revenue collected pursuant to the fee imposed under Section 75-76-177(1)(c), whichever is the greater amount, and (c) the revenue collected pursuant to the fee imposed under Section 75-76-177(1)(c) on a business enterprise within a redevelopment project area under Sections 1 through 6 of Senate Bill No. 2950, 2005 Regular Session, shall be paid by the State Tax Commission to the State Treasurer to be deposited in the State General Fund. The local government fees shall be distributed by the State Tax Commission pursuant to Section 75-76-197. Except for the period beginning on July 1, 2004, and through June 30, 2005, an amount equal to Three Million Dollars (\$3,000,000.00) of the revenue collected during that month pursuant to the fee imposed under Section 75-76-177(1)(c) shall be deposited by the State Tax Commission into the bond sinking fund created in Section 65-39-3. Except for the period beginning on July 1, 2004, and through June 30, 2005, the revenue collected during that month pursuant to the fee imposed under Section 75-76-177(1)(c) that is in excess of Three Million Dollars (\$3,000,000.00), but is less than twenty-five percent (25%) of the amount of revenue collected during that month, shall be deposited into the State Highway Fund to be used exclusively for the reconstruction and maintenance of highways of the State of Mississippi. Revenue collected during that month pursuant to the fee imposed under Section 75-76-177(1)(c) on a business enterprise within a redevelopment project area under the provisions of Sections 1 through 6 of Senate Bill No. 2950, 2005 Regular Session, shall be deposited into the Redevelopment Project Incentive Fund created in Section 5 of Senate Bill No. 2950, 2005 Regular Session.

For the period beginning on July 1, 2004, and through June 30, 2005, twenty-five percent (25%) of the amount of revenue collected during each month pursuant to the fee imposed under

760 Section 75-76-177(1)(c) shall be deposited into the Budget
761 Contingency Fund created in Section 27-103-301.

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

764 75-76-129. On or before the last day of each month, all
765 taxes, fees, interest, penalties, damages, fines or other monies
766 collected by the State Tax Commission during that month under the
767 provisions of this chapter, with the exception of the local
768 government fees imposed under Section 75-76-195, and the revenue
769 collected pursuant to the fee imposed under Section
770 75-76-177(c)(1) on a business enterprise within a redevelopment
771 project area under Sections 1 through 6 of Senate Bill No. 2950,
772 2005 Regular Session, shall be paid by the State Tax Commission to
773 the State Treasurer to be deposited in the State General Fund.
774 The local government fees shall be distributed by the State Tax
775 Commission pursuant to Section 75-76-197. Revenue collected
776 during that month pursuant to the fee imposed under Section
777 75-76-177(1)(c) on a business enterprise within a redevelopment
778 project area under the provisions of Sections 1 through 6 of
779 Senate Bill No. 2950, 2005 Regular Session, shall be deposited
780 into the Redevelopment Project Incentive Fund created in Section 5
781 of Senate Bill No. 2950, 2005 Regular Session.

782 **SECTION 13.** This act shall take effect and be in force from
783 and after January 1, 2005.