

## Senate Amendments to House Bill No. 1720

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

### AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

158           **SECTION 1.** (1) As used in this section:

159                   (a) "Existing industry" means a manufacturing  
160 enterprise that has been operating in this state for not less than  
161 two (2) consecutive years that meets minimum criteria established  
162 by the Mississippi Development Authority.

163                   (b) "Long-term fixed assets" means assets that:

164                           (i) Through new technology will improve an  
165 enterprise's productivity and competitiveness; and

166                           (ii) Meet criteria established by the Mississippi  
167 Development Authority.

168                   (c) "MDA" means the Mississippi Development Authority.

169           (2) (a) There is established the Mississippi Existing  
170 Industry Productivity Loan Program to be administered by the MDA  
171 for the purpose of providing loans to existing industries to  
172 deploy long-term fixed assets that through new technology will  
173 improve productivity and competitiveness. An existing industry  
174 that accepts a loan under this program shall not reduce employment  
175 by more than twenty percent (20%) through the use of the long-term  
176 fixed assets for which the loan is granted.

177                   (b) An enterprise desiring a loan under this section  
178 must submit an application to the MDA. The application shall  
179 include:

180                           (i) A description of the purpose for which the  
181 loan is requested;

182                           (ii) The amount of the loan requested;

183                           (iii) The estimated total cost of the project;

184 (iv) A two-year business plan for the project;

185 (v) Financial statements or tax returns for the  
186 two (2) years immediately prior to the application;

187 (vi) Credit reports on all persons with a twenty  
188 percent (20%) or greater interest in the enterprise; and

189 (vii) Any other information required by the MDA.

190 (c) The MDA shall require that binding commitments be  
191 entered into requiring that:

192 (i) The minimum requirements of this section and  
193 such other requirements as the MDA considers proper shall be met;  
194 and

195 (ii) If such requirements are not met, all or a  
196 portion of the funds provided by this section as determined by the  
197 MDA shall be repaid.

198 (d) The amount of a loan under this section shall not  
199 exceed fifty percent (50%) of the total cost of the project.

200 (e) The rate of interest on loans under this section  
201 shall be at the true interest cost on the most recent issue of  
202 twenty-year state general obligation bonds occurring prior to the  
203 date the loan is made.

204 (f) The MDA shall have all powers necessary to  
205 implement and administer the program established under this  
206 section, and the MDA shall promulgate rules and regulations, in  
207 accordance with the Mississippi Administrative Procedures Law,  
208 necessary for the implementation of this section.

209 (2) (a) There is created in the State Treasury a special  
210 fund to be designated as the "Mississippi Existing Industry  
211 Productivity Loan Fund," which shall consist of funds appropriated  
212 or otherwise made available by the Legislature in any manner and  
213 funds from any other source designated for deposit into such fund.  
214 Unexpended amounts remaining in the fund at the end of a fiscal  
215 year shall not lapse into the State General Fund, and any  
216 investment earnings or interest earned on amounts in the fund  
217 shall be deposited to the credit of the fund. Monies in the fund

218 shall be used by the MDA for the purposes described in this  
219 section.

220 (b) Monies in the fund which are derived from the  
221 proceeds of general obligation bonds may be used to reimburse  
222 reasonable actual and necessary costs incurred by the MDA in  
223 providing loans under this section through the use of general  
224 obligation bonds. An accounting of actual costs incurred for  
225 which reimbursement is sought shall be maintained for each loan by  
226 the MDA. Reimbursement of reasonable actual and necessary costs  
227 shall not exceed three percent (3%) of the proceeds of bonds  
228 issued under Sections 2 through 17 of this act. Monies authorized  
229 for a particular loan may not be used to reimburse administrative  
230 costs for unrelated loans. Reimbursements made under this  
231 subsection shall satisfy any applicable federal tax law  
232 requirements.

233 **SECTION 2.** As used in Sections 2 through 17 of this act, the  
234 following words shall have the meanings ascribed herein unless the  
235 context clearly requires otherwise:

236 (a) "Accreted value" of any bonds means, as of any date  
237 of computation, an amount equal to the sum of (i) the stated  
238 initial value of such bond, plus (ii) the interest accrued thereon  
239 from the issue date to the date of computation at the rate,  
240 compounded semiannually, that is necessary to produce the  
241 approximate yield to maturity shown for bonds of the same  
242 maturity.

243 (b) "Act" means Sections 2 through 17 of this act.

244 (c) "State" means the State of Mississippi.

245 (d) "Commission" means the State Bond Commission.

246 **SECTION 3.** (1) The Mississippi Development Authority, at  
247 one time, or from time to time, may declare by resolution the  
248 necessity for issuance of general obligation bonds of the State of  
249 Mississippi to provide funds for the program authorized in Section  
250 1 of House Bill No. 1720, 2005 Regular Session. Upon the adoption  
251 of a resolution by the Mississippi Development Authority,  
252 declaring the necessity for the issuance of any part or all of the

253 general obligation bonds authorized by this section, the  
254 Mississippi Development Authority shall deliver a certified copy  
255 of its resolution or resolutions to the commission. Upon receipt  
256 of such resolution, the commission, in its discretion, may act as  
257 the issuing agent, prescribe the form of the bonds, advertise for  
258 and accept bids, issue and sell the bonds so authorized to be sold  
259 and do any and all other things necessary and advisable in  
260 connection with the issuance and sale of such bonds. The total  
261 amount of bonds issued under this act shall not exceed Six Million  
262 Dollars (\$6,000,000.00). No bonds shall be issued under this act  
263 after July 1, 2008.

264 (2) The proceeds of bonds issued pursuant to this act shall  
265 be deposited into the Mississippi Existing Industry Productivity  
266 Loan Fund created pursuant to Section 1 of House Bill No. 1720,  
267 2005 Regular Session. Any investment earnings on bonds issued  
268 pursuant to this act shall be used to pay debt service on bonds  
269 issued under this act, in accordance with the proceedings  
270 authorizing issuance of such bonds.

271 **SECTION 4.** The principal of and interest on the bonds  
272 authorized under this act shall be payable in the manner provided  
273 in this section. Such bonds shall bear such date or dates, be in  
274 such denomination or denominations, bear interest at such rate or  
275 rates (not to exceed the limits set forth in Section 75-17-101,  
276 Mississippi Code of 1972), be payable at such place or places  
277 within or without the State of Mississippi, shall mature  
278 absolutely at such time or times not to exceed twenty-five (25)  
279 years from date of issue, be redeemable before maturity at such  
280 time or times and upon such terms, with or without premium, shall  
281 bear such registration privileges, and shall be substantially in  
282 such form, all as shall be determined by resolution of the  
283 commission.

284 **SECTION 5.** The bonds authorized by this act shall be signed  
285 by the chairman of the commission, or by his facsimile signature,  
286 and the official seal of the commission shall be affixed thereto,  
287 attested by the secretary of the commission. The interest

288 coupons, if any, to be attached to such bonds may be executed by  
289 the facsimile signatures of such officers. Whenever any such  
290 bonds shall have been signed by the officials designated to sign  
291 the bonds who were in office at the time of such signing but who  
292 may have ceased to be such officers before the sale and delivery  
293 of such bonds, or who may not have been in office on the date such  
294 bonds may bear, the signatures of such officers upon such bonds  
295 and coupons shall nevertheless be valid and sufficient for all  
296 purposes and have the same effect as if the person so officially  
297 signing such bonds had remained in office until their delivery to  
298 the purchaser, or had been in office on the date such bonds may  
299 bear. However, notwithstanding anything herein to the contrary,  
300 such bonds may be issued as provided in the Registered Bond Act of  
301 the State of Mississippi.

302       **SECTION 6.** All bonds and interest coupons issued under the  
303 provisions of this act have all the qualities and incidents of  
304 negotiable instruments under the provisions of the Uniform  
305 Commercial Code, and in exercising the powers granted by this act,  
306 the commission shall not be required to and need not comply with  
307 the provisions of the Uniform Commercial Code.

308       **SECTION 7.** The commission shall act as the issuing agent for  
309 the bonds authorized under this act, prescribe the form of the  
310 bonds, advertise for and accept bids, issue and sell the bonds so  
311 authorized to be sold, pay all fees and costs incurred in such  
312 issuance and sale, and do any and all other things necessary and  
313 advisable in connection with the issuance and sale of such bonds.  
314 The commission is authorized and empowered to pay the costs that  
315 are incident to the sale, issuance and delivery of the bonds  
316 authorized under this act from the proceeds derived from the sale  
317 of such bonds. The commission shall sell such bonds on sealed  
318 bids at public sale, and for such price as it may determine to be  
319 for the best interest of the State of Mississippi, but no such  
320 sale shall be made at a price less than par plus accrued interest  
321 to the date of delivery of the bonds to the purchaser. All  
322 interest accruing on such bonds so issued shall be payable

323 semiannually or annually; however, the first interest payment may  
324 be for any period of not more than one (1) year.

325 Notice of the sale of any such bonds shall be published at  
326 least one time, not less than ten (10) days before the date of  
327 sale, and shall be so published in one or more newspapers  
328 published or having a general circulation in the City of Jackson,  
329 Mississippi, and in one or more other newspapers or financial  
330 journals with a national circulation, to be selected by the  
331 commission.

332 The commission, when issuing any bonds under the authority of  
333 this act, may provide that bonds, at the option of the State of  
334 Mississippi, may be called in for payment and redemption at the  
335 call price named therein and accrued interest on such date or  
336 dates named therein.

337 **SECTION 8.** The bonds issued under the provisions of this act  
338 are general obligations of the State of Mississippi, and for the  
339 payment thereof the full faith and credit of the State of  
340 Mississippi is irrevocably pledged. If the funds appropriated by  
341 the Legislature are insufficient to pay the principal of and the  
342 interest on such bonds as they become due, then the deficiency  
343 shall be paid by the State Treasurer from any funds in the State  
344 Treasury not otherwise appropriated. All such bonds shall contain  
345 recitals on their faces substantially covering the provisions of  
346 this section.

347 **SECTION 9.** Upon the issuance and sale of bonds under the  
348 provisions of this act, the commission shall transfer the proceeds  
349 of any such sale or sales to the Mississippi Existing Industry  
350 Productivity Loan Fund created in Section 1 of House Bill No.  
351 1720, 2005 Regular Session. The proceeds of such bonds shall be  
352 disbursed solely upon the order of the Mississippi Development  
353 Authority under such restrictions, if any, as may be contained in  
354 the resolution providing for the issuance of the bonds.

355 **SECTION 10.** The bonds authorized under this act may be  
356 issued without any other proceedings or the happening of any other  
357 conditions or things other than those proceedings, conditions and

358 things which are specified or required by this act. Any  
359 resolution providing for the issuance of bonds under the  
360 provisions of this act shall become effective immediately upon its  
361 adoption by the commission, and any such resolution may be adopted  
362 at any regular or special meeting of the commission by a majority  
363 of its members.

364       **SECTION 11.** The bonds authorized under the authority of this  
365 act may be validated in the Chancery Court of the First Judicial  
366 District of Hinds County, Mississippi, in the manner and with the  
367 force and effect provided by Chapter 13, Title 31, Mississippi  
368 Code of 1972, for the validation of county, municipal, school  
369 district and other bonds. The notice to taxpayers required by  
370 such statutes shall be published in a newspaper published or  
371 having a general circulation in the City of Jackson, Mississippi.

372       **SECTION 12.** Any holder of bonds issued under the provisions  
373 of this act or of any of the interest coupons pertaining thereto  
374 may, either at law or in equity, by suit, action, mandamus or  
375 other proceeding, protect and enforce any and all rights granted  
376 under this act, or under such resolution, and may enforce and  
377 compel performance of all duties required by this act to be  
378 performed, in order to provide for the payment of bonds and  
379 interest thereon.

380       **SECTION 13.** All bonds issued under the provisions of this  
381 act shall be legal investments for trustees and other fiduciaries,  
382 and for savings banks, trust companies and insurance companies  
383 organized under the laws of the State of Mississippi, and such  
384 bonds shall be legal securities which may be deposited with and  
385 shall be received by all public officers and bodies of this state  
386 and all municipalities and political subdivisions for the purpose  
387 of securing the deposit of public funds.

388       **SECTION 14.** Bonds issued under the provisions of this act  
389 and income therefrom shall be exempt from all taxation in the  
390 State of Mississippi.

391           **SECTION 15.** The proceeds of the bonds issued under this act  
392 shall be used solely for the purposes therein provided, including  
393 the costs incident to the issuance and sale of such bonds.

394           **SECTION 16.** The State Treasurer is authorized, without  
395 further process of law, to certify to the Department of Finance  
396 and Administration the necessity for warrants, and the Department  
397 of Finance and Administration is authorized and directed to issue  
398 such warrants, in such amounts as may be necessary to pay when due  
399 the principal of, premium, if any, and interest on, or the  
400 accreted value of, all bonds issued under this act; and the State  
401 Treasurer shall forward the necessary amount to the designated  
402 place or places of payment of such bonds in ample time to  
403 discharge such bonds, or the interest thereon, on the due dates  
404 thereof.

405           **SECTION 17.** This act shall be deemed to be full and complete  
406 authority for the exercise of the powers therein granted, but this  
407 act shall not be deemed to repeal or to be in derogation of any  
408 existing law of this state.

409           **SECTION 18.** As used in Sections 18 through 33 of this act,  
410 the following words shall have the meanings ascribed herein unless  
411 the context clearly requires otherwise:

412           (a) "Accreted value" of any bonds means, as of any date  
413 of computation, an amount equal to the sum of (i) the stated  
414 initial value of such bond, plus (ii) the interest accrued thereon  
415 from the issue date to the date of computation at the rate,  
416 compounded semiannually, that is necessary to produce the  
417 approximate yield to maturity shown for bonds of the same  
418 maturity.

419           (b) "Act" means Sections 18 through 33 of this act.

420           (c) "State" means the State of Mississippi.

421           (d) "Commission" means the State Bond Commission.

422           **SECTION 19.** (1) The Mississippi Development Authority, at  
423 one time, or from time to time, may declare by resolution the  
424 necessity for issuance of general obligation bonds of the State of  
425 Mississippi to provide funds for the program authorized in Section



426 57-1-16. Upon the adoption of a resolution by the Mississippi  
427 Development Authority, declaring the necessity for the issuance of  
428 any part or all of the general obligation bonds authorized by this  
429 section, the Mississippi Development Authority shall deliver a  
430 certified copy of its resolution or resolutions to the commission.  
431 Upon receipt of such resolution, the commission, in its  
432 discretion, may act as the issuing agent, prescribe the form of  
433 the bonds, advertise for and accept bids, issue and sell the bonds  
434 so authorized to be sold and do any and all other things necessary  
435 and advisable in connection with the issuance and sale of such  
436 bonds. The total amount of bonds issued under this act shall not  
437 exceed Eight Million Dollars (\$8,000,000.00). No bonds authorized  
438 under this act shall be issued after July 1, 2009.

439 (2) The proceeds of bonds issued pursuant to this act shall  
440 be deposited into the ACE Fund created pursuant to Section  
441 57-1-16. Any investment earnings on bonds issued pursuant to this  
442 act shall be used to pay debt service on bonds issued under this  
443 act, in accordance with the proceedings authorizing issuance of  
444 such bonds.

445 **SECTION 20.** The principal of and interest on the bonds  
446 authorized under this act shall be payable in the manner provided  
447 in this section. Such bonds shall bear such date or dates, be in  
448 such denomination or denominations, bear interest at such rate or  
449 rates (not to exceed the limits set forth in Section 75-17-101,  
450 Mississippi Code of 1972), be payable at such place or places  
451 within or without the State of Mississippi, shall mature  
452 absolutely at such time or times not to exceed twenty-five (25)  
453 years from date of issue, be redeemable before maturity at such  
454 time or times and upon such terms, with or without premium, shall  
455 bear such registration privileges, and shall be substantially in  
456 such form, all as shall be determined by resolution of the  
457 commission.

458 **SECTION 21.** The bonds authorized by this act shall be signed  
459 by the chairman of the commission, or by his facsimile signature,  
460 and the official seal of the commission shall be affixed thereto,

461 attested by the secretary of the commission. The interest  
462 coupons, if any, to be attached to such bonds may be executed by  
463 the facsimile signatures of such officers. Whenever any such  
464 bonds shall have been signed by the officials designated to sign  
465 the bonds who were in office at the time of such signing but who  
466 may have ceased to be such officers before the sale and delivery  
467 of such bonds, or who may not have been in office on the date such  
468 bonds may bear, the signatures of such officers upon such bonds  
469 and coupons shall nevertheless be valid and sufficient for all  
470 purposes and have the same effect as if the person so officially  
471 signing such bonds had remained in office until their delivery to  
472 the purchaser, or had been in office on the date such bonds may  
473 bear. However, notwithstanding anything herein to the contrary,  
474 such bonds may be issued as provided in the Registered Bond Act of  
475 the State of Mississippi.

476       **SECTION 22.** All bonds and interest coupons issued under the  
477 provisions of this act have all the qualities and incidents of  
478 negotiable instruments under the provisions of the Uniform  
479 Commercial Code, and in exercising the powers granted by this act,  
480 the commission shall not be required to and need not comply with  
481 the provisions of the Uniform Commercial Code.

482       **SECTION 23.** The commission shall act as the issuing agent  
483 for the bonds authorized under this act, prescribe the form of the  
484 bonds, advertise for and accept bids, issue and sell the bonds so  
485 authorized to be sold, pay all fees and costs incurred in such  
486 issuance and sale, and do any and all other things necessary and  
487 advisable in connection with the issuance and sale of such bonds.  
488 The commission is authorized and empowered to pay the costs that  
489 are incident to the sale, issuance and delivery of the bonds  
490 authorized under this act from the proceeds derived from the sale  
491 of such bonds. The commission shall sell such bonds on sealed  
492 bids at public sale, and for such price as it may determine to be  
493 for the best interest of the State of Mississippi, but no such  
494 sale shall be made at a price less than par plus accrued interest  
495 to the date of delivery of the bonds to the purchaser. All

496 interest accruing on such bonds so issued shall be payable  
497 semiannually or annually; however, the first interest payment may  
498 be for any period of not more than one (1) year.

499 Notice of the sale of any such bonds shall be published at  
500 least one time, not less than ten (10) days before the date of  
501 sale, and shall be so published in one or more newspapers  
502 published or having a general circulation in the City of Jackson,  
503 Mississippi, and in one or more other newspapers or financial  
504 journals with a national circulation, to be selected by the  
505 commission.

506 The commission, when issuing any bonds under the authority of  
507 this act, may provide that bonds, at the option of the State of  
508 Mississippi, may be called in for payment and redemption at the  
509 call price named therein and accrued interest on such date or  
510 dates named therein.

511 **SECTION 24.** The bonds issued under the provisions of this  
512 act are general obligations of the State of Mississippi, and for  
513 the payment thereof the full faith and credit of the State of  
514 Mississippi is irrevocably pledged. If the funds appropriated by  
515 the Legislature are insufficient to pay the principal of and the  
516 interest on such bonds as they become due, then the deficiency  
517 shall be paid by the State Treasurer from any funds in the State  
518 Treasury not otherwise appropriated. All such bonds shall contain  
519 recitals on their faces substantially covering the provisions of  
520 this section.

521 **SECTION 25.** Upon the issuance and sale of bonds under the  
522 provisions of this act, the commission shall transfer the proceeds  
523 of any such sale or sales to the ACE Fund created in Section  
524 57-1-16. The proceeds of such bonds shall be disbursed solely  
525 upon the order of the Mississippi Development Authority under such  
526 restrictions, if any, as may be contained in the resolution  
527 providing for the issuance of the bonds.

528 **SECTION 26.** The bonds authorized under this act may be  
529 issued without any other proceedings or the happening of any other  
530 conditions or things other than those proceedings, conditions and

531 things which are specified or required by this act. Any  
532 resolution providing for the issuance of bonds under the  
533 provisions of this act shall become effective immediately upon its  
534 adoption by the commission, and any such resolution may be adopted  
535 at any regular or special meeting of the commission by a majority  
536 of its members.

537       **SECTION 27.** The bonds authorized under the authority of this  
538 act may be validated in the Chancery Court of the First Judicial  
539 District of Hinds County, Mississippi, in the manner and with the  
540 force and effect provided by Chapter 13, Title 31, Mississippi  
541 Code of 1972, for the validation of county, municipal, school  
542 district and other bonds. The notice to taxpayers required by  
543 such statutes shall be published in a newspaper published or  
544 having a general circulation in the City of Jackson, Mississippi.

545       **SECTION 28.** Any holder of bonds issued under the provisions  
546 of this act or of any of the interest coupons pertaining thereto  
547 may, either at law or in equity, by suit, action, mandamus or  
548 other proceeding, protect and enforce any and all rights granted  
549 under this act, or under such resolution, and may enforce and  
550 compel performance of all duties required by this act to be  
551 performed, in order to provide for the payment of bonds and  
552 interest thereon.

553       **SECTION 29.** All bonds issued under the provisions of this  
554 act shall be legal investments for trustees and other fiduciaries,  
555 and for savings banks, trust companies and insurance companies  
556 organized under the laws of the State of Mississippi, and such  
557 bonds shall be legal securities which may be deposited with and  
558 shall be received by all public officers and bodies of this state  
559 and all municipalities and political subdivisions for the purpose  
560 of securing the deposit of public funds.

561       **SECTION 30.** Bonds issued under the provisions of this act  
562 and income therefrom shall be exempt from all taxation in the  
563 State of Mississippi.

564           **SECTION 31.** The proceeds of the bonds issued under this act  
565 shall be used solely for the purposes therein provided, including  
566 the costs incident to the issuance and sale of such bonds.

567           **SECTION 32.** The State Treasurer is authorized, without  
568 further process of law, to certify to the Department of Finance  
569 and Administration the necessity for warrants, and the Department  
570 of Finance and Administration is authorized and directed to issue  
571 such warrants, in such amounts as may be necessary to pay when due  
572 the principal of, premium, if any, and interest on, or the  
573 accreted value of, all bonds issued under this act; and the State  
574 Treasurer shall forward the necessary amount to the designated  
575 place or places of payment of such bonds in ample time to  
576 discharge such bonds, or the interest thereon, on the due dates  
577 thereof.

578           **SECTION 33.** This act shall be deemed to be full and complete  
579 authority for the exercise of the powers therein granted, but this  
580 act shall not be deemed to repeal or to be in derogation of any  
581 existing law of this state.

582           **SECTION 34.** Section 57-1-16, Mississippi Code of 1972, is  
583 amended as follows:

584           57-1-16. (1) As used in this section:

585                   (a) "Extraordinary economic development opportunity"  
586 means a new or expanded business or industry which maintains a  
587 strong financial condition and minimal credit risk and creates  
588 substantial employment, particularly in areas of high  
589 unemployment.

590                   (b) "Local economic development entities" means public  
591 or private nonprofit local economic development entities,  
592 including, but not limited to, chambers of commerce, local  
593 authorities, commissions or other entities created by local and  
594 private legislation or districts created pursuant to Section  
595 19-5-99.

596                   (c) "MDA" means the Mississippi Development Authority.

597           (2) (a) There is hereby created in the State Treasury a  
598 special fund to be designated as the ACE Fund, which shall consist

599 of money from any public or private source designated for deposit  
600 into such fund. Unexpended amounts remaining in the fund at the  
601 end of a fiscal year shall not lapse into the State General Fund,  
602 and any interest earned on amounts in the fund shall be deposited  
603 to the credit of the fund. The purpose of the fund shall be to  
604 assist in maximizing extraordinary economic development  
605 opportunities related to any new or expanded business or industry.  
606 Such funds may be used to make grants to local economic  
607 development entities to assist any new or expanding business or  
608 industry that meets the criteria provided in this section when  
609 such assistance aids the consummation of a project within the  
610 State of Mississippi.

611 (b) Monies in the fund which are derived from the  
612 proceeds of general obligation bonds may be used to reimburse  
613 reasonable actual and necessary costs incurred by the MDA in  
614 providing assistance under this section through the use of general  
615 obligation bonds. An accounting of actual costs incurred for  
616 which reimbursement is sought shall be maintained for each grant  
617 by the MDA. Reimbursement of reasonable actual and necessary  
618 costs for a grant shall not exceed three percent (3%) of the  
619 proceeds of bonds issued for such grant. Monies authorized for a  
620 particular grant may not be used to reimburse administrative costs  
621 for unrelated grants. Reimbursements made under this subsection  
622 shall satisfy any applicable federal tax law requirements.

623 (3) The MDA shall establish a grant program to make grants  
624 from the ACE Fund created under this section. Local economic  
625 development entities may apply to the MDA for a grant under this  
626 section in the manner provided for in subsection (4) of this  
627 section.

628 (4) (a) Any business or industry desiring assistance from a  
629 local economic development entity under this section shall submit  
630 an application to the local economic development entity which  
631 shall include, at a minimum:

632                   (i) Evidence that the business or industry meets  
633 the definition of an extraordinary economic development  
634 opportunity;

635                   (ii) A demonstration that the business or industry  
636 is at an economic disadvantage by locating the new or expanded  
637 project in the county; \* \* \*

638                   (iii) A description, including the cost, of the  
639 requested assistance;

640                   (iv) A description of the purpose for which the  
641 assistance is requested;

642                   (v) A two-year business plan;

643                   (vi) Financial statements or tax returns for the  
644 three (3) years immediately prior to the application;

645                   (vi) Credit reports on all persons with a twenty  
646 percent (20%) or greater interest in the business or industry; and

647                   (vii) Any other information required by the MDA.

648                   (b) The MDA shall require that binding commitments be  
649 entered into requiring that:

650                   (i) The minimum requirements of this section and  
651 such other requirements as the MDA considers proper shall be met;  
652 and

653                   (ii) If such requirements are not met, all or a  
654 portion of the funds provided by this section as determined by the  
655 MDA shall be repaid.

656                   (c) Upon receipt of the application from a business or  
657 industry, the local economic development entity may apply to the  
658 MDA for assistance under this section. Such application must  
659 contain evidence that the business or industry meets the  
660 definition of an extraordinary economic development opportunity, a  
661 demonstration that the business or industry is at an economic  
662 disadvantage by locating the new or expanded project in the  
663 county, a description, including the cost, of the requested  
664 assistance, and a statement of what efforts have been made or are  
665 being made by the business or industry for securing or qualifying  
666 for other local, state, federal or private funds for the project.

667           (d) The MDA shall have sole discretion in the awarding  
668 of ACE funds, provided that the business or industry and the local  
669 economic development entity have met the statutory requirements of  
670 this section.

671           (5) The MDA shall promulgate rules and regulations, in  
672 accordance with the Mississippi Administrative Procedures Law, for  
673 the implementation of this section. However, before the  
674 implementation of any such rules and regulations, they shall be  
675 submitted to a committee consisting of five (5) members of the  
676 Senate Finance Committee and five (5) members of the House of  
677 Representatives Ways and Means Committee, appointed by the  
678 respective committee chairmen.

679           **SECTION 35.** Section 57-1-307, Mississippi Code of 1972, is  
680 amended as follows:

681           57-1-307. (1) The State Bond Commission, at one time, or  
682 from time to time, may declare by resolution the necessity for  
683 issuance of general obligation bonds of the State of Mississippi  
684 to provide funds for all costs incurred or to be incurred for the  
685 purposes described in Section 57-1-303. Upon the adoption of a  
686 resolution by the Mississippi Development Authority, declaring the  
687 necessity for the issuance of any part or all of the general  
688 obligation bonds authorized by this section, the Mississippi  
689 Development Authority shall deliver a certified copy of its  
690 resolution or resolutions to the State Bond Commission. Upon  
691 receipt of such resolution, the State Bond Commission, in its  
692 discretion, may act as the issuing agent, prescribe the form of  
693 the bonds, advertise for and accept bids, issue and sell the bonds  
694 so authorized to be sold and do any and all other things necessary  
695 and advisable in connection with the issuance and sale of such  
696 bonds. The total amount of bonds issued under Sections 57-1-307  
697 through 57-1-335 shall not exceed Ninety-seven Million Dollars  
698 (\$97,000,000.00); provided, however, that an additional amount of  
699 bonds may be issued under Sections 57-1-307 and 57-1-335 in an  
700 amount not to exceed Thirteen Million Dollars (\$13,000,000.00),  
701 and the proceeds of any such additional amount of bonds so issued



702 shall be utilized solely to provide loans for capital improvements  
703 that would qualify for the issuance of bonds whose interest is  
704 exempt from income taxation under the provisions of the Internal  
705 Revenue Code.

706 (2) Proceeds from the sale of bonds shall be deposited in  
707 the special fund created in Section 57-1-303. Any investment  
708 earnings on amounts deposited into the special fund created in  
709 Section 57-1-303 shall be used to pay debt service on bonds issued  
710 under Sections 57-1-307 through 57-1-335, in accordance with the  
711 proceedings authorizing issuance of such bonds.

712 **SECTION 36.** Section 57-61-25, Mississippi Code of 1972, is  
713 amended as follows:

714 57-61-25. (1) The seller is authorized to borrow, on the  
715 credit of the state upon receipt of a resolution from the  
716 Mississippi Development Authority requesting the same, money not  
717 exceeding the aggregate sum of Three Hundred Eight Million Dollars  
718 (\$308,000,000.00), not including money borrowed to refund  
719 outstanding bonds, notes or replacement notes, as may be necessary  
720 to carry out the purposes of this chapter. The rate of interest  
721 on any such bonds or notes which are not subject to taxation shall  
722 not exceed the rates set forth in Section 75-17-101, Mississippi  
723 Code of 1972, for general obligation bonds.

724 (2) As evidence of indebtedness authorized in this chapter,  
725 general or limited obligation bonds of the state shall be issued  
726 from time to time, to provide monies necessary to carry out the  
727 purposes of this chapter for such total amounts, in such form, in  
728 such denominations payable in such currencies (either domestic or  
729 foreign or both) and subject to such terms and conditions of  
730 issue, redemption and maturity, rate of interest and time of  
731 payment of interest as the seller directs, except that such bonds  
732 shall mature or otherwise be retired in annual installments  
733 beginning not more than five (5) years from date thereof and  
734 extending not more than thirty (30) years from date thereof.

735 (3) All bonds and notes issued under authority of this  
736 chapter shall be signed by the chairman of the seller, or by his

737 facsimile signature, and the official seal of the seller shall be  
738 affixed thereto, attested by the secretary of the seller.

739 (4) All bonds and notes issued under authority of this  
740 chapter may be general or limited obligations of the state, and  
741 the full faith and credit of the State of Mississippi as to  
742 general obligation bonds, or the revenues derived from projects  
743 assisted as to limited obligation bonds, are hereby pledged for  
744 the payment of the principal of and interest on such bonds and  
745 notes.

746 (5) Such bonds and notes and the income therefrom shall be  
747 exempt from all taxation in the State of Mississippi.

748 (6) The bonds may be issued as coupon bonds or registered as  
749 to both principal and interest, as the seller may determine. If  
750 interest coupons are attached, they shall contain the facsimile  
751 signature of the chairman and secretary of the seller.

752 (7) The seller is authorized to provide, by resolution, for  
753 the issuance of refunding bonds for the purpose of refunding any  
754 debt issued under the provision of this chapter and then  
755 outstanding, either by voluntary exchange with the holders of the  
756 outstanding debt or to provide funds to redeem and the costs of  
757 issuance and retirement of the debt, at maturity or at any call  
758 date. The issuance of the refunding bonds, the maturities and  
759 other details thereof, the rights of the holders thereof and the  
760 duties of the issuing officials in respect to the same shall be  
761 governed by the provisions of this section, insofar as they may be  
762 applicable.

763 (8) As to bonds issued hereunder and designated as taxable  
764 bonds by the seller, any immunity of the state to taxation by the  
765 United States government of interest on bonds or notes issued by  
766 the state is hereby waived.

767 (9) The proceeds of bonds issued under this chapter after  
768 April 9, 2002, may be used to reimburse reasonable actual and  
769 necessary costs incurred by the Mississippi Development Authority  
770 in administering a program or providing assistance related to a  
771 project, or both, for which funding is provided from the use of

772 proceeds of such bonds. An accounting of actual costs incurred  
773 for which reimbursement is sought shall be maintained for each  
774 project by the Mississippi Development Authority. Reimbursement  
775 of reasonable actual and necessary costs for a program or project  
776 shall not exceed three percent (3%) of the proceeds of bonds  
777 issued for such program or project. Monies authorized for a  
778 particular program or project may not be used to reimburse  
779 administrative costs for unrelated programs or projects.  
780 Reimbursements under this subsection shall satisfy any applicable  
781 federal tax law requirements.

782       **SECTION 37.** Section 57-61-34, Mississippi Code of 1972, is  
783 amended as follows:

784       57-61-34. Notwithstanding any provision of this chapter to  
785 the contrary, the Mississippi Development Authority shall utilize  
786 not more than Nineteen Million Dollars (\$19,000,000.00) out of the  
787 proceeds of bonds authorized to be issued in this chapter to be  
788 made available as interest-bearing loans to municipalities or  
789 private companies to aid in the establishment of business  
790 incubation centers and the creation of new and expanding research  
791 and development and technology-based business and industry.

792       In exercising the power given it under this section, the  
793 Mississippi Development Authority shall work in conjunction with  
794 the University Research Center and may contract with the center to  
795 provide space and assistance to business incubation centers as the  
796 center is authorized to do pursuant to Section 57-13-13.

797       The requirements of Section 57-61-9 shall not apply to any  
798 loan made under this section. The Mississippi Development  
799 Authority shall establish criteria and guidelines to govern loans  
800 made pursuant to this section.

801       **SECTION 38.** Section 57-61-36, Mississippi Code of 1972, is  
802 amended as follows:

803       57-61-36. (1) Notwithstanding any provision of this chapter  
804 to the contrary, the Mississippi Development Authority shall  
805 utilize not more than Twelve Million Five Hundred Thousand Dollars  
806 (\$12,500,000.00) out of the proceeds of bonds authorized to be

807 issued in this chapter for the purpose of making grants to  
808 municipalities through a development infrastructure grant fund to  
809 complete infrastructure related to new or expanded industry.

810 (2) Notwithstanding any provision of this chapter to the  
811 contrary, the Mississippi Development Authority may utilize not  
812 more than Seven Million Dollars (\$7,000,000.00) out of the  
813 proceeds of bonds authorized to be issued in this chapter for the  
814 purpose of making interest-bearing loans to any agency,  
815 department, institution, instrumentality or political subdivision  
816 of the state; or any agency, department, institution or  
817 instrumentality of any political subdivision of the state; or any  
818 business, organization, corporation, association or other legal  
819 entity meeting criteria established by the department, through a  
820 housing development revolving loan fund, to construct or repair  
821 housing for low or moderate income earners; provided, however,  
822 that the department may not utilize any bond proceeds authorized  
823 under this chapter for the purpose of making any loans to the  
824 Mississippi Home Corporation for any purpose whatsoever. No more  
825 than forty percent (40%) of the additional bonds authorized by  
826 Chapter 559, Laws of 1998, may be used for multiple family housing  
827 activities. Funds authorized under this subsection may be  
828 deposited in the Mississippi Affordable Housing Development Fund  
829 authorized in Section 43-33-759 and used for purposes authorized  
830 by that section. This subsection (2) shall be repealed from and  
831 after July 1, 2006.

832 (3) Notwithstanding any provision of this chapter to the  
833 contrary, the Mississippi Development Authority shall utilize not  
834 more than Sixteen Million Five Hundred Thousand Dollars  
835 (\$16,500,000.00) out of the proceeds of bonds authorized to be  
836 issued in this chapter for the purpose of making grants or loans  
837 to municipalities through an equipment and public facilities grant  
838 and loan fund to aid in infrastructure-related improvements as  
839 determined by the Mississippi Development Authority, the purchase  
840 of equipment and in the purchase, construction or repair and  
841 renovation of public facilities. Any bonds previously issued for

842 the Development Infrastructure Revolving Loan Program which have  
843 not been loaned or applied for are eligible to be administered as  
844 grants or loans.

845 The requirements of Section 57-61-9 shall not apply to any  
846 grant made under this subsection. The Mississippi Development  
847 Authority may establish criteria and guidelines to govern grants  
848 made pursuant to this subsection.

849 (4) Notwithstanding any provision of this chapter to the  
850 contrary, the Mississippi Development Authority may utilize not  
851 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out  
852 of the proceeds of bonds authorized to be issued in this chapter  
853 in order to match federal funds available from the United States  
854 Department of Agriculture for the purpose of establishing an  
855 intermediary relending program to be administered by the  
856 Mississippi Development Authority. The Mississippi Development  
857 Authority may establish criteria and guidelines to govern loans  
858 made under such program. This subsection (4) shall be repealed  
859 from and after April 9, 2002.

860 (5) The Mississippi Development Authority may establish a  
861 capital access program and may contract with any financial  
862 institution to participate in the program upon such terms and  
863 conditions as the authority shall consider necessary and proper.  
864 The Mississippi Development Authority may establish loss reserve  
865 accounts at financial institutions that participate in the program  
866 and require payments by the financial institution and the borrower  
867 to such loss reserve accounts. All money in such loss reserve  
868 accounts is the property of the Mississippi Development Authority.

869 Under the capital access program a participating financial  
870 institution may make a loan to any borrower the Mississippi  
871 Development Authority determines to be qualified under rules and  
872 regulations adopted by the authority and be protected against  
873 losses from such loans as provided in the program. Under such  
874 rules and regulations as may be adopted by the Mississippi  
875 Development Authority, a participating financial institution may

876 submit claims for the reimbursement for losses incurred as a  
877 result of default on loans by qualified borrowers.

878 Notwithstanding any provision of this chapter to the  
879 contrary, the Mississippi Development Authority may utilize not  
880 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out  
881 of the proceeds of bonds authorized to be issued in this chapter  
882 for the purpose of making payments to loan loss reserve accounts  
883 established at financial institutions that participate in the  
884 capital access program established by the Mississippi Development  
885 Authority.

886 (6) Notwithstanding any provision of this chapter to the  
887 contrary, the Mississippi Development Authority shall utilize not  
888 more than Two Hundred Thousand Dollars (\$200,000.00) out of the  
889 proceeds of bonds authorized to be issued in this chapter for the  
890 purpose of assisting Warren County, Mississippi, in the  
891 continuation and completion of the study for the proposed Kings  
892 Point levee.

893 (7) Notwithstanding any provision of this chapter to the  
894 contrary, the Mississippi Development Authority shall utilize not  
895 more than One Hundred Thousand Dollars (\$100,000.00) out of the  
896 proceeds of bonds authorized to be issued in this chapter for the  
897 purpose of developing a long-range plan for coordinating the  
898 resources of the state institutions of higher learning, the  
899 community and junior colleges, the Mississippi Development  
900 Authority and other state agencies in order to promote economic  
901 development in the state.

902 (8) Notwithstanding any other provision of this chapter to  
903 the contrary, the Mississippi Development Authority shall use not  
904 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of  
905 the proceeds of bonds authorized to be issued in this chapter for  
906 the purpose of providing assistance to municipalities that have  
907 received community development block grant funds for repair,  
908 renovation and other improvements to buildings for use as  
909 community centers. Assistance provided to a municipality under  
910 this subsection shall be used by the municipality to match such

911 community development block grant funds. The maximum amount of  
912 assistance that may be provided to a municipality under this  
913 subsection shall not exceed Seventy-five Thousand Dollars  
914 (\$75,000.00) in the aggregate.

915 **SECTION 39.** (1) As used in this section:

916 (a) "Manufacturing enterprise" means an enterprise  
917 that:

918 (i) Falls within the definition of the term  
919 "manufacturer" in Section 27-65-11; and

920 (ii) Has operated in this state for not less than  
921 two (2) years prior to application for the credit authorized by  
922 this section; and

923 (b) "Eligible investment" means an investment of at  
924 least One Million Dollars (\$1,000,000.00) in buildings or  
925 equipment for the manufacturing enterprise.

926 (2) A manufacturing enterprise is allowed a manufacturing  
927 investment tax credit for taxes imposed by Section 27-7-5 equal to  
928 five percent (5%) of the eligible investments made by the  
929 manufacturing enterprise.

930 (3) Any tax credit claimed under this section but not used  
931 in any taxable year may be carried forward for five (5) years from  
932 the close of the tax year in which the eligible investment was  
933 made, but the credit established by this section taken in any one  
934 tax year shall not exceed fifty percent (50%) of the taxpayer's  
935 state income tax liability which is attributable to income derived  
936 from operations in the state for that year reduced by the sum of  
937 all other income tax credits allowable to the taxpayer, except  
938 credit for tax payments made by or on behalf of the taxpayer.

939 (4) The maximum credit that may be claimed by a taxpayer on  
940 any project shall be limited to One Million Dollars  
941 (\$1,000,000.00).

942 (5) The credit received under this section is subject to  
943 recapture if the property for which the tax credit was received is  
944 disposed of, or converted to, other than business use. The amount  
945 of the credit subject to recapture is one hundred percent (100%)

946 of the credit in the first year and fifty percent (50%) of the  
947 credit in the second year. This subsection shall not apply in  
948 cases in which an entire facility is sold.

949 (6) The sale, merger, acquisition, reorganization,  
950 bankruptcy or relocation from one county to another county within  
951 the state of any manufacturing enterprise may not create new  
952 eligibility in any succeeding business entity, but any unused  
953 manufacturing investment tax credit may be transferred and  
954 continued by any transferee of the enterprise. The State Tax  
955 Commission shall determine whether or not qualifying net increases  
956 or decreases have occurred or proper transfers of credit have been  
957 made and may require reports, promulgate regulations, and hold  
958 hearings as needed for substantiation and qualification.

959 (7) No manufacturing enterprise for the transportation,  
960 handling, storage, processing or disposal of hazardous waste is  
961 eligible to receive the tax credits provided in this section.

962 (8) The credits allowed under this section shall not be used  
963 by any business enterprise or corporation other than the  
964 manufacturing enterprise actually qualifying for the credits.

965 **SECTION 40.** Section 27-31-101, Mississippi Code of 1972, is  
966 amended as follows:

967 27-31-101. (1) County boards of supervisors and municipal  
968 authorities are hereby authorized and empowered, in their  
969 discretion, to grant exemptions from ad valorem taxation, except  
970 state ad valorem taxation. \* \* \* However, the governing  
971 authorities shall not exempt ad valorem taxes for school district  
972 purposes on tangible property used in, or necessary to, the  
973 operation of the manufacturers and other new enterprises \* \* \*  
974 enumerated by classes in this section, except to the extent  
975 authorized in Sections 27-31-104 and 27-31-105(2), nor shall they  
976 exempt from ad valorem taxes the products of the manufacturers or  
977 other new enterprises or automobiles and trucks belonging to  
978 the \* \* \* manufacturers or other new enterprises operating on and  
979 over the highways of the State of Mississippi. The time of such  
980 exemption shall be for a period not to exceed a total of ten (10)



981 years which shall begin on the date of completion of the new  
982 enterprise for which the exemption is granted; however, boards of  
983 supervisors and municipal authorities, in lieu of granting the  
984 exemption for one (1) period of ten (10) years, may grant the  
985 exemption in a period of less than ten (10) years. When the  
986 initial exemption period granted is less than ten (10) years, the  
987 boards of supervisors and municipal authorities may grant a  
988 subsequent consecutive period or periods to follow the initial  
989 period of exemption, provided that the total of all periods of  
990 exemption shall not exceed ten (10) years. The date of completion  
991 of the new enterprise, from which the initial period of exemption  
992 shall begin, shall be the date on which operations of the new  
993 enterprise begin. Any request for an exemption must be made in  
994 writing by June 1 of the year immediately following the year in  
995 which the date of completion of a new enterprise occurs.

996 \* \* \*

997 (2) Any board of supervisors or municipal authority which  
998 has granted an exemption for a period of less than ten (10) years  
999 may grant subsequent periods of exemption to run consecutively  
1000 with the initial exemption period, or a subsequently granted  
1001 exemption period, but in no case shall the total of the exemption  
1002 periods granted for a new enterprise exceed ten (10) years. Any  
1003 consecutive period of exemption shall be granted by entry of an  
1004 order by the board or the authority granting the consecutive  
1005 exemption on its minutes, reflecting the granting of the  
1006 consecutive exemption period and the dates upon which such  
1007 consecutive exemption period begins and expires. The entry of  
1008 this order granting the consecutive period of exemption shall be  
1009 made before the expiration of the exemption period immediately  
1010 preceding the consecutive exemption period being granted.

1011 (3) The new enterprises which may be exempt are enumerated  
1012 as and limited to the following, as determined by the State Tax  
1013 Commission:

1014 (a) Warehouse and/or distribution centers;

1015 (b) Manufacturing, processors and refineries;

1016           (c) Research facilities;

1017           (d) Corporate regional and national headquarters

1018 meeting minimum criteria established by the Mississippi

1019 Development Authority;

1020           (e) Movie industry studios meeting minimum criteria

1021 established by the Mississippi Development Authority;

1022           (f) Air transportation and maintenance facilities

1023 meeting minimum criteria established by the Mississippi

1024 Development Authority;

1025           (g) Recreational facilities that impact tourism meeting

1026 minimum criteria established by the Mississippi Development

1027 Authority; \* \* \*

1028           (h) Data/information processing enterprises or

1029 facilities meeting minimum criteria established by the Mississippi

1030 Development Authority;

1031           (i) Technology intensive enterprises or facilities

1032 meeting criteria established by the Mississippi Development

1033 Authority; and

1034           (j) Telecommunications enterprises meeting minimum

1035 criteria established by the Mississippi Development Authority.

1036 The term "telecommunications enterprises" means entities engaged

1037 in the creation, display, management, storage, processing,

1038 transmission or distribution for compensation of images, text,

1039 voice, video or data by wire or by wireless means, or entities

1040 engaged in the construction, design, development, manufacture,

1041 maintenance or distribution for compensation of devices, products,

1042 software or structures used in the above activities. Companies

1043 organized to do business as commercial broadcast radio stations,

1044 television stations or news organizations primarily serving

1045 in-state markets shall not be included within the definition of

1046 the term "telecommunications enterprises."

1047           **SECTION 41.** Section 27-65-17, Mississippi Code of 1972, is

1048 amended as follows:

1049           27-65-17. (1) (a) Except as otherwise provided in this

1050 section, upon every person engaging or continuing within this

1051 state in the business of selling any tangible personal property  
1052 whatsoever there is hereby levied, assessed and shall be collected  
1053 a tax equal to seven percent (7%) of the gross proceeds of the  
1054 retail sales of the business \* \* \*.

1055         (b) Retail sales of farm tractors shall be taxed at the  
1056 rate of one percent (1%) when made to farmers for agricultural  
1057 purposes.

1058         (c) Retail sales of farm implements sold to farmers and  
1059 used directly in the production of poultry, ratite, domesticated  
1060 fish as defined in Section 69-7-501, livestock, livestock  
1061 products, agricultural crops or ornamental plant crops or used for  
1062 other agricultural purposes shall be taxed at the rate of three  
1063 percent (3%) when used on the farm. The three percent (3%) rate  
1064 shall also apply to all equipment used in logging, pulpwood  
1065 operations or tree farming which is either:

1066                 (i) Self-propelled, or \* \* \*

1067                 (ii) Mounted so that it is \* \* \* permanently  
1068 attached to other equipment which is self-propelled or \* \* \*  
1069 permanently attached to other equipment drawn by a vehicle which  
1070 is self-propelled.

1071         (d) Except as otherwise provided in subsection (3) of  
1072 this section, retail sales of aircraft, automobiles, trucks,  
1073 truck-tractors, semitrailers and mobile homes shall be taxed at  
1074 the rate of three percent (3%).

1075         (e) Sales of manufacturing machinery or manufacturing  
1076 machine parts when made to a manufacturer or custom processor for  
1077 plant use only when the machinery and machine parts will be used  
1078 exclusively and directly within this state in manufacturing a  
1079 commodity for sale, rental or in processing for a fee shall be  
1080 taxed at the rate of one and one-half percent (1-1/2%).

1081         (f) Sales of machinery and machine parts when made to a  
1082 technology intensive enterprise for plant use only when the  
1083 machinery and machine parts will be used exclusively and directly  
1084 within this state for industrial purposes, including, but not  
1085 limited to, manufacturing or research and development activities,

1086 shall be taxed at the rate of one and one-half percent (1-1/2%).  
1087 In order to be considered a technology intensive enterprise for  
1088 purposes of this paragraph:

1089 (i) The enterprise shall meet minimum criteria  
1090 established by the Mississippi Development Authority;

1091 (ii) The enterprise shall employ at least ten (10)  
1092 persons in full-time jobs;

1093 (iii) At least ten percent (10%) of the workforce  
1094 in the facility operated by the enterprise shall be scientists,  
1095 engineers or computer specialists;

1096 (iv) The enterprise shall manufacture plastics,  
1097 chemicals, automobiles, aircraft, computers or electronics; or  
1098 shall be a research and development facility, a computer design or  
1099 related facility, or a software publishing facility or other  
1100 technology intensive facility or enterprise as determined by the  
1101 Mississippi Development Authority;

1102 (v) The average wage of all workers employed by  
1103 the enterprise at the facility shall be at least one hundred fifty  
1104 percent (150%) of the state average annual wage; and

1105 (vi) The enterprise must provide a basic health  
1106 care plan to all employees at the facility.

1107 (g) Sales of materials for use in track and track  
1108 structures to a railroad whose rates are fixed by the Interstate  
1109 Commerce Commission or the Mississippi Public Service Commission  
1110 shall be taxed at the rate of three percent (3%).

1111 (h) Sales of tangible personal property to electric  
1112 power associations for use in the ordinary and necessary operation  
1113 of their generating or distribution systems shall be taxed at the  
1114 rate of one percent (1%).

1115 (i) Wholesale sales of beer shall be taxed at the rate  
1116 of seven percent (7%), and the retailer shall file a return and  
1117 compute the retail tax on retail sales but may take credit for the  
1118 amount of the tax paid to the wholesaler on the return covering  
1119 the subsequent sales of same property, provided adequate invoices  
1120 and records are maintained to substantiate the credit.

1121           (j) Wholesale sales of food and drink for human  
1122 consumption to full service vending machine operators to be sold  
1123 through vending machines located apart from and not connected with  
1124 other taxable businesses shall be taxed at the rate of eight  
1125 percent (8%).

1126       \* \* \*

1127           (2) From and after January 1, 1995, retail sales of private  
1128 carriers of passengers and light carriers of property, as defined  
1129 in Section 27-51-101, shall be taxed an additional two percent  
1130 (2%).

1131           (3) In lieu of the tax levied in subsection (1) of this  
1132 section, there is levied on retail sales of truck-tractors and  
1133 semitrailers used in interstate commerce and registered under the  
1134 International Registration Plan (IRP) or any similar reciprocity  
1135 agreement or compact relating to the proportional registration of  
1136 commercial vehicles entered into as provided for in Section  
1137 27-19-143, a tax at the rate of three percent (3%) of the portion  
1138 of the sale that is attributable to the usage of such  
1139 truck-tractor or semitrailer in Mississippi. The portion of the  
1140 retail sale that is attributable to the usage of such  
1141 truck-tractor or semitrailer in Mississippi is the retail sales  
1142 price of the truck-tractor or semitrailer multiplied by the  
1143 percentage of the total miles traveled by the vehicle that are  
1144 traveled in Mississippi. The tax levied pursuant to this  
1145 subsection (3) shall be collected by the State Tax Commission from  
1146 the purchaser of such truck-tractor or semitrailer at the time of  
1147 registration of such truck-tractor or semitrailer.

1148           (4) A manufacturer selling at retail in this state shall be  
1149 required to make returns of the gross proceeds of such sales and  
1150 pay the tax imposed in this section.

1151           (5) Any person exercising any privilege taxable under  
1152 Section 27-65-15 and selling his natural resource products at  
1153 wholesale or to exempt persons shall pay the tax levied by such  
1154 section in lieu of the tax levied by this section.

1155           **SECTION 42.** Section 27-65-19, Mississippi Code of 1972, is  
1156 amended as follows:

1157           27-65-19. (1) (a) Except as otherwise provided in this  
1158 subsection, upon every person selling to consumers, electricity,  
1159 current, power, potable water, steam, coal, natural gas, liquefied  
1160 petroleum gas or other fuel, there is hereby levied, assessed and  
1161 shall be collected a tax equal to seven percent (7%) of the gross  
1162 income of the business. Provided, gross income from sales to  
1163 consumers of electricity, current, power, natural gas, liquefied  
1164 petroleum gas or other fuel for residential heating, lighting or  
1165 other residential noncommercial or nonagricultural use, and sales  
1166 of potable water for residential, noncommercial or nonagricultural  
1167 use shall be excluded from taxable gross income of the business.  
1168 Provided further, upon every such seller using electricity,  
1169 current, power, potable water, steam, coal, natural gas, liquefied  
1170 petroleum gas or other fuel for nonindustrial purposes, there is  
1171 hereby levied, assessed and shall be collected a tax equal to  
1172 seven percent (7%) of the cost or value of the product or service  
1173 used.

1174           (b) There is hereby levied, assessed and shall be  
1175 collected a tax equal to one and one-half percent (1-1/2%) of the  
1176 gross income of the business when the electricity, current, power,  
1177 steam, coal, natural gas, liquefied petroleum gas or other fuel is  
1178 sold to or used by a manufacturer, custom processor, technology  
1179 intensive enterprise meeting the criteria provided for in Section  
1180 27-65-17(1)(f), or public service company for industrial purposes,  
1181 which shall include that used to generate electricity, to operate  
1182 an electrical distribution or transmission system, to operate  
1183 pipeline compressor or pumping stations or to operate railroad  
1184 locomotives; however, sales of fuel used to produce electric power  
1185 by a company primarily engaged in the business of producing,  
1186 generating or distributing electric power for sale shall be exempt  
1187 from sales tax as provided in Section 27-65-107.

1188           (c) The one and one-half percent (1-1/2%) industrial  
1189 rate provided for in this subsection shall also apply when the

1190 electricity, current, power, steam, coal, natural gas, liquefied  
1191 petroleum gas or other fuel is sold to a producer or processor for  
1192 use directly in the production of poultry or poultry products, the  
1193 production of livestock and livestock products, the production of  
1194 domesticated fish and domesticated fish products, the production  
1195 of marine aquaculture products, the production of plants or food  
1196 by commercial horticulturists, the processing of milk and milk  
1197 products, the processing of poultry and livestock feed, and the  
1198 irrigation of farm crops.

1199 (d) The one and one-half percent (1-1/2%) rate provided  
1200 for in this subsection shall not apply to sales of fuel for  
1201 automobiles, trucks, truck-tractors, buses, farm tractors or  
1202 airplanes.

1203 (e) Upon every person operating a telegraph or  
1204 telephone business for the transmission of messages or  
1205 conversations between points within this state, there is hereby  
1206 levied, assessed and shall be collected a tax equal to seven  
1207 percent (7%) of the gross income of such business, with no  
1208 deduction or allowance for any part of an intrastate rate charge  
1209 because of routing across a state line. Charges by one  
1210 telecommunications provider to another telecommunications provider  
1211 holding a permit issued under Section 27-65-27 for services that  
1212 are resold by such other telecommunications provider, including,  
1213 but not limited to, access charges, shall not be subject to the  
1214 tax levied pursuant to this paragraph (e). However, any sale of a  
1215 prepaid telephone calling card or prepaid authorization number, or  
1216 both, shall be deemed to be the sale of tangible personal property  
1217 subject only to such taxes imposed by law on the sale of tangible  
1218 personal property. If the sale of a prepaid telephone calling  
1219 card or prepaid authorization number does not take place at the  
1220 vendor's place of business, it shall be conclusively determined to  
1221 take place at the customer's shipping address. The  
1222 reauthorization of a prepaid telephone calling card or a prepaid  
1223 authorization number shall be conclusively determined to take  
1224 place at the customer's billing address. Except for the

1225 provisions governing the sale of a prepaid telephone calling card  
1226 or prepaid authorization number, this paragraph (e) shall not  
1227 apply to persons providing mobile telecommunications services that  
1228 are taxed pursuant to paragraph (g) of this section.

1229 (f) Upon every person operating a telegraph or  
1230 telecommunications business for the transmission of messages or  
1231 conversations originating in this state or terminating in this  
1232 state via interstate telecommunications, which are charged to the  
1233 customer's service address in this state, regardless of where such  
1234 amount is billed or paid, there is hereby levied, assessed and  
1235 shall be collected a tax equal to seven percent (7%) of the gross  
1236 income received by such business from such interstate  
1237 telecommunications. However, a person, upon proof that he has  
1238 paid a tax in another state on such event, shall be allowed a  
1239 credit against the tax imposed in this paragraph (f) on interstate  
1240 telecommunications charges to the extent that the amount of such  
1241 tax is properly due and actually paid in such other state and to  
1242 the extent that the rate of sales tax imposed by and paid to such  
1243 other state does not exceed the rate of sales tax imposed by this  
1244 paragraph (f). Charges by one telecommunications provider to  
1245 another telecommunications provider holding a permit issued under  
1246 Section 27-65-27 for services that are resold by such other  
1247 telecommunications provider, including, but not limited to, access  
1248 charges, shall not be subject to the tax levied pursuant to this  
1249 paragraph (f). This paragraph (f) shall not apply to persons  
1250 providing mobile telecommunications services that are taxed  
1251 pursuant to paragraph (g) of this subsection.

1252 (g) (i) Upon every person providing mobile  
1253 telecommunications services in this state there is hereby levied,  
1254 assessed and shall be collected:

1255 1. A tax equal to seven percent (7%) of the  
1256 gross income received on such services from all charges for  
1257 transmission of messages or conversations between points within  
1258 any single state as they shall be construed to be within this  
1259 state; and



1260                   2. A tax equal to seven percent (7%) on the  
1261 gross income received from all charges for services that originate  
1262 in one state and terminate in any other state.

1263           Charges by one telecommunications provider to another  
1264 telecommunications provider holding a permit issued under Section  
1265 27-65-27 for services that are resold by such other  
1266 telecommunications provider, including, but not limited to, access  
1267 charges, shall not be subject to the tax levied pursuant to this  
1268 paragraph (g).

1269                   (ii) Subject to the provisions of 4 USCS 116(c),  
1270 the tax levied by this paragraph (g) shall apply only to those  
1271 charges for mobile telecommunications services subject to tax  
1272 which are deemed to be provided to a customer by a home service  
1273 provider pursuant to 4 USCS 117(a), if the customer's place of  
1274 primary use is located within this state.

1275                   (iii) A home service provider shall be responsible  
1276 for obtaining and maintaining the customer's place of primary use.  
1277 The home service provider shall be entitled to rely on the  
1278 applicable residential or business street address supplied by such  
1279 customer, if the home service provider's reliance is in good  
1280 faith; and the home service provider shall be held harmless from  
1281 liability for any additional taxes based on a different  
1282 determination of the place of primary use for taxes that are  
1283 customarily passed on to the customer as a separate itemized  
1284 charge. A home service provider shall be allowed to treat the  
1285 address used for purposes of the tax levied by this chapter for  
1286 any customer under a service contract in effect on August 1, 2002,  
1287 as that customer's place of primary use for the remaining term of  
1288 such service contract or agreement, excluding any extension or  
1289 renewal of such service contract or agreement. Month-to-month  
1290 services provided after the expiration of a contract shall be  
1291 treated as an extension or renewal of such contract or agreement.

1292           If the commissioner determines that the address used by a  
1293 home service provider as a customer's place of primary use does  
1294 not meet the definition of the term "place of primary use" as

1295 defined in this paragraph, the commissioner shall give binding  
1296 notice to the home service provider to change the place of primary  
1297 use on a prospective basis from the date of notice of  
1298 determination; however, the customer shall have the opportunity,  
1299 prior to such notice of determination, to demonstrate that such  
1300 address satisfies such definition.

1301 The commission has the right to collect any taxes due  
1302 directly from the home service provider's customer that has failed  
1303 to provide an address that meets the definition of the term "place  
1304 of primary use" which resulted in a failure of tax otherwise due  
1305 being remitted.

1306 (iv) For purposes of this paragraph (g):

1307 1. "Place of primary use" means the street  
1308 address representative of where the customer's use of mobile  
1309 telecommunications services primarily occurs, which shall be  
1310 either the residential street address of the customer or the  
1311 primary business street address of the customer.

1312 2. "Customer" means the person or entity that  
1313 contracts with the home service provider for mobile  
1314 telecommunications services. For determining the place of primary  
1315 use, in those instances in which the end user of mobile  
1316 telecommunications services is not the contracting party, the end  
1317 user of the mobile telecommunications services shall be deemed the  
1318 customer. The term "customer" shall not include a reseller of  
1319 mobile telecommunications service, or a serving carrier under an  
1320 arrangement to serve the customer outside the home service  
1321 provider's licensed service area.

1322 3. "Home service provider" means the  
1323 facilities-based carrier or reseller with which the customer  
1324 contracts for the provision of mobile telecommunications services.

1325 (h) (i) For purposes of this paragraph (h), "bundled  
1326 transaction" means a transaction that consists of distinct and  
1327 identifiable properties or services which are sold for a single  
1328 nonitemized price but which are treated differently for tax  
1329 purposes.

1330                   (ii) In the case of a bundled transaction that  
1331 includes telecommunications services taxed under this section in  
1332 which the price of the bundled transaction is attributable to  
1333 properties or services that are taxable and nontaxable, the  
1334 portion of the price that is attributable to any nontaxable  
1335 property or service shall be subject to the tax unless the  
1336 provider can reasonably identify that portion from its books and  
1337 records kept in the regular course of business.

1338                   (iii) In the case of a bundled transaction that  
1339 includes telecommunications services subject to tax under this  
1340 section in which the price is attributable to properties or  
1341 services that are subject to the tax but the tax revenue from the  
1342 different properties or services are dedicated to different funds  
1343 or purposes, the provider shall allocate the price among the  
1344 properties or services:

1345                   1. By reasonably identifying the portion of  
1346 the price attributable to each of the properties and services from  
1347 its books and records kept in the regular course of business; or

1348                   2. Based on a reasonable allocation  
1349 methodology approved by the commission.

1350                   (iv) This paragraph (h) shall not create a right  
1351 of action for a customer to require that the provider or the  
1352 commission, for purposes of determining the amount of tax  
1353 applicable to a bundled transaction, allocate the price to the  
1354 different portions of the transaction in order to minimize the  
1355 amount of tax charged to the customer. A customer shall not be  
1356 entitled to rely on the fact that a portion of the price is  
1357 attributable to properties or services not subject to tax unless  
1358 the provider elects, after receiving a written request from the  
1359 customer in the form required by the provider, to provide  
1360 verifiable data based upon the provider's books and records that  
1361 are kept in the regular course of business that reasonably  
1362 identifies the portion of the price attributable to the properties  
1363 or services not subject to the tax.

1364           (2) Persons making sales to consumers of electricity,  
1365 current, power, natural gas, liquefied petroleum gas or other fuel  
1366 for residential heating, lighting or other residential  
1367 noncommercial or nonagricultural use or sales of potable water for  
1368 residential, noncommercial or nonagricultural use shall indicate  
1369 on each statement rendered to customers that such charges are  
1370 exempt from sales taxes.

1371           (3) There is hereby levied, assessed and shall be paid on  
1372 transportation charges on shipments moving between points within  
1373 this state when paid directly by the consumer, a tax equal to the  
1374 rate applicable to the sale of the property being transported.  
1375 Such tax shall be reported and paid directly to the State Tax  
1376 Commission by the consumer.

1377           **SECTION 43.** Section 27-65-101, Mississippi Code of 1972, is  
1378 amended as follows:

1379           27-65-101. (1) The exemptions from the provisions of this  
1380 chapter which are of an industrial nature or which are more  
1381 properly classified as industrial exemptions than any other  
1382 exemption classification of this chapter shall be confined to  
1383 those persons or property exempted by this section or by the  
1384 provisions of the Constitution of the United States or the State  
1385 of Mississippi. No industrial exemption as now provided by any  
1386 other section except Section 57-3-33 shall be valid as against the  
1387 tax herein levied. Any subsequent industrial exemption from the  
1388 tax levied hereunder shall be provided by amendment to this  
1389 section. No exemption provided in this section shall apply to  
1390 taxes levied by Section 27-65-15 or 27-65-21.

1391           The tax levied by this chapter shall not apply to the  
1392 following:

1393           (a) Sales of boxes, crates, cartons, cans, bottles and  
1394 other packaging materials to manufacturers and wholesalers for use  
1395 as containers or shipping materials to accompany goods sold by  
1396 said manufacturers or wholesalers where possession thereof will  
1397 pass to the customer at the time of sale of the goods contained

1398 therein and sales to anyone of containers or shipping materials  
1399 for use in ships engaged in international commerce.

1400 (b) Sales of raw materials, catalysts, processing  
1401 chemicals, welding gases or other industrial processing gases  
1402 (except natural gas) to a manufacturer for use directly in  
1403 manufacturing or processing a product for sale or rental or  
1404 repairing or reconditioning vessels or barges of fifty (50) tons  
1405 load displacement and over. For the purposes of this exemption,  
1406 electricity used directly in the electrolysis process in the  
1407 production of sodium chlorate shall be considered a raw material.  
1408 This exemption shall not apply to any property used as fuel except  
1409 to the extent that such fuel comprises by-products which have no  
1410 market value.

1411 (c) The gross proceeds of sales of dry docks, offshore  
1412 drilling equipment for use in oil exploitation or production,  
1413 vessels or barges of fifty (50) tons load displacement and over,  
1414 when sold by the manufacturer or builder thereof.

1415 (d) Sales to commercial fishermen of commercial fishing  
1416 boats of over five (5) tons load displacement and not more than  
1417 fifty (50) tons load displacement as registered with the United  
1418 States Coast Guard and licensed by the Mississippi Commission on  
1419 Marine Resources.

1420 (e) The gross income from repairs to vessels and barges  
1421 engaged in foreign trade or interstate transportation.

1422 (f) Sales of petroleum products to vessels or barges  
1423 for consumption in marine international commerce or interstate  
1424 transportation businesses.

1425 (g) Sales and rentals of rail rolling stock (and  
1426 component parts thereof) for ultimate use in interstate commerce  
1427 and gross income from services with respect to manufacturing,  
1428 repairing, cleaning, altering, reconditioning or improving such  
1429 rail rolling stock (and component parts thereof).

1430 (h) Sales of raw materials, catalysts, processing  
1431 chemicals, welding gases or other industrial processing gases  
1432 (except natural gas) used or consumed directly in manufacturing,

1433 repairing, cleaning, altering, reconditioning or improving such  
1434 rail rolling stock (and component parts thereof). This exemption  
1435 shall not apply to any property used as fuel.

1436 (i) Sales of machinery or tools or repair parts  
1437 therefor or replacements thereof, fuel or supplies used directly  
1438 in manufacturing, converting or repairing ships of three thousand  
1439 (3,000) tons load displacement and over, but not to include office  
1440 and plant supplies or other equipment not directly used on the  
1441 ship being built, converted or repaired.

1442 (j) Sales of tangible personal property to persons  
1443 operating ships in international commerce for use or consumption  
1444 on board such ships. This exemption shall be limited to cases in  
1445 which procedures satisfactory to the commissioner, ensuring  
1446 against use in this state other than on such ships, are  
1447 established.

1448 (k) Sales of materials used in the construction of a  
1449 building, or any addition or improvement thereon, and sales of any  
1450 machinery and equipment not later than three (3) months after the  
1451 completion of construction of the building, or any addition  
1452 thereon, to be used therein, to qualified businesses, as defined  
1453 in Section 57-51-5, which are located in a county or portion  
1454 thereof designated as an enterprise zone pursuant to Sections  
1455 57-51-1 through 57-51-15.

1456 (l) Sales of materials used in the construction of a  
1457 building, or any addition or improvement thereon, and sales of any  
1458 machinery and equipment not later than three (3) months after the  
1459 completion of construction of the building, or any addition  
1460 thereon, to be used therein, to qualified businesses, as defined  
1461 in Section 57-54-5.

1462 (m) Income from storage and handling of perishable  
1463 goods by a public storage warehouse.

1464 (n) The value of natural gas lawfully injected into the  
1465 earth for cycling, repressuring or lifting of oil, or lawfully  
1466 vented or flared in connection with the production of oil;

1467 however, if any gas so injected into the earth is sold for such  
1468 purposes, then the gas so sold shall not be exempt.

1469 (o) The gross collections from self-service commercial  
1470 laundering, drying, cleaning and pressing equipment.

1471 (p) Sales of materials used in the construction of a  
1472 building, or any addition or improvement thereon, and sales of any  
1473 machinery and equipment not later than three (3) months after the  
1474 completion of construction of the building, or any addition  
1475 thereon, to be used therein, to qualified companies, certified as  
1476 such by the Mississippi Development Authority under Section  
1477 57-53-1.

1478 (q) Sales of component materials used in the  
1479 construction of a building, or any addition or improvement  
1480 thereon, sales of machinery and equipment to be used therein, and  
1481 sales of manufacturing or processing machinery and equipment which  
1482 is permanently attached to the ground or to a permanent foundation  
1483 and which is not by its nature intended to be housed within a  
1484 building structure, not later than three (3) months after the  
1485 initial start-up date, to permanent business enterprises engaging  
1486 in manufacturing or processing in Tier Three areas (as such term  
1487 is defined in Section 57-73-21), which businesses are certified by  
1488 the State Tax Commission as being eligible for the exemption  
1489 granted in this paragraph (q).

1490 (r) Sales of component materials used in the  
1491 construction of a building, or any addition or improvement  
1492 thereon, and sales of any machinery and equipment not later than  
1493 three (3) months after the completion of the building, addition or  
1494 improvement thereon, to be used therein, for any company  
1495 establishing or transferring its national or regional headquarters  
1496 from within or outside the State of Mississippi and creating a  
1497 minimum of thirty-five (35) jobs at the new headquarters in this  
1498 state. The Tax Commission shall establish criteria and prescribe  
1499 procedures to determine if a company qualifies as a national or  
1500 regional headquarters for the purpose of receiving the exemption  
1501 provided in this paragraph.

1502           (s) The gross proceeds from the sale of semitrailers,  
1503 trailers, boats, travel trailers, motorcycles and all-terrain  
1504 cycles if exported from this state within forty-eight (48) hours  
1505 and registered and first used in another state.

1506           (t) Gross income from the storage and handling of  
1507 natural gas in underground salt domes and in other underground  
1508 reservoirs, caverns, structures and formations suitable for such  
1509 storage.

1510           (u) Sales of machinery and equipment to nonprofit  
1511 organizations if the organization: (i) is tax-exempt pursuant to  
1512 Section 501(c)(4) of the Internal Revenue Code of 1986, as  
1513 amended; (ii) assists in the implementation of the national  
1514 contingency plan or area contingency plan, and which is created in  
1515 response to the requirements of Title IV, Subtitle B of the Oil  
1516 Pollution Act of 1990, Public Law 101-380; and (iii) engages  
1517 primarily in programs to contain, clean up and otherwise mitigate  
1518 spills of oil or other substances occurring in the United States  
1519 coastal and tidal waters. For purposes of this exemption,  
1520 "machinery and equipment" means any ocean-going vessels, barges,  
1521 booms, skimmers and other capital equipment used primarily in the  
1522 operations of nonprofit organizations referred to herein.

1523           (v) Sales or leases of materials and equipment to  
1524 approved business enterprises as provided under the Growth and  
1525 Prosperity Act.

1526           (w) From and after July 1, 2001, sales of pollution  
1527 control equipment to manufacturers or custom processors for  
1528 industrial use. For the purposes of this exemption, "pollution  
1529 control equipment" means equipment, devices, machinery or systems  
1530 used or acquired to prevent, control, monitor or reduce air, water  
1531 or groundwater pollution, or solid or hazardous waste as required  
1532 by federal or state law or regulation.

1533           (x) Sales or leases to a manufacturer of motor vehicles  
1534 operating a project that has been certified by the Mississippi  
1535 Major Economic Impact Authority as a project as defined in Section  
1536 57-75-5(f)(iv)1 of machinery and equipment; special tooling such



1537 as dies, molds, jigs and similar items treated as special tooling  
1538 for federal income tax purposes; or repair parts therefor or  
1539 replacements thereof; repair services thereon; fuel, supplies,  
1540 electricity, coal and natural gas used directly in the manufacture  
1541 of motor vehicles or motor vehicle parts or used to provide  
1542 climate control for manufacturing areas.

1543 (y) Sales or leases of component materials, machinery  
1544 and equipment used in the construction of a building, or any  
1545 addition or improvement thereon to an enterprise operating a  
1546 project that has been certified by the Mississippi Major Economic  
1547 Impact Authority as a project as defined in Section  
1548 57-75-5(f)(iv)1 and any other sales or leases required to  
1549 establish or operate such project.

1550 (z) Sales of component materials and equipment to a  
1551 business enterprise as provided under Section 57-64-33.

1552 (aa) The gross income from the stripping and painting  
1553 of commercial aircraft engaged in foreign or interstate  
1554 transportation business.

1555 (bb) Sales of production items used in the production  
1556 of motion pictures such as film; videotape; component building  
1557 materials used in the construction of a set; makeup; fabric used  
1558 as or in the making of costumes; clothing, including, shoes,  
1559 accessories and jewelry used as wardrobes; materials used as set  
1560 dressing; materials used as props on a set or by an actor;  
1561 materials used in the creation of special effects; and expendable  
1562 items purchased for limited use by grip, electric and camera  
1563 departments such as tape, fasteners and compressed air. For the  
1564 purposes of this paragraph \* \* \* the term "motion picture" means a  
1565 nationally distributed feature-length film, video, television  
1566 series or commercial made in Mississippi, in whole or in part, for  
1567 theatrical or television viewing or as a television pilot. The  
1568 term "motion picture" shall not include the production of  
1569 television coverage of news and athletic events, or a film, video,  
1570 television series or commercial that contains any material or  
1571 performance defined in Section 97-29-103.

1572           (cc) Sales of component materials used in the  
1573 construction of a facility, or any addition or improvement  
1574 thereon, and sales or leases of machinery and equipment not later  
1575 than three (3) months after the completion of construction of the  
1576 facility, or any addition or improvement thereto, to be used in  
1577 the building or any addition or improvement thereto, to a  
1578 permanent business enterprise operating a data/information  
1579 enterprise in Tier Three areas (as such areas are designated in  
1580 accordance with Section 57-73-21), meeting minimum criteria  
1581 established by the Mississippi Development Authority.

1582           (dd) Sales of component materials used in the  
1583 construction of a facility, or any addition or improvement  
1584 thereto, and sales of machinery and equipment not later than three  
1585 (3) months after the completion of construction of the facility,  
1586 or any addition or improvement thereto, to be used in the facility  
1587 or any addition or improvement thereto, to technology intensive  
1588 enterprises for industrial purposes in Tier Three areas (as such  
1589 areas are designated in accordance with Section 57-73-21), as  
1590 certified by the State Tax Commission. For purposes of this  
1591 paragraph, an enterprise must meet the criteria provided for in  
1592 Section 27-65-17(1)(f) in order to be considered a technology  
1593 intensive enterprise.

1594           (2) Sales of component materials used in the construction of  
1595 a building, or any addition or improvement thereon, sales of  
1596 machinery and equipment to be used therein, and sales of  
1597 manufacturing or processing machinery and equipment which is  
1598 permanently attached to the ground or to a permanent foundation  
1599 and which is not by its nature intended to be housed within a  
1600 building structure, not later than three (3) months after the  
1601 initial start-up date, to permanent business enterprises engaging  
1602 in manufacturing or processing in Tier Two areas and Tier One  
1603 areas (as such areas are designated in accordance with Section  
1604 57-73-21), which businesses are certified by the State Tax  
1605 Commission as being eligible for the exemption granted in this

1606 paragraph, shall be exempt from one-half (1/2) of the taxes  
1607 imposed on such transactions under this chapter.

1608       (3) Sales of component materials used in the construction of  
1609 a facility, or any addition or improvement thereon, and sales or  
1610 leases of machinery and equipment not later than three (3) months  
1611 after the completion of construction of the facility, or any  
1612 addition or improvement thereto, to be used in the building or any  
1613 addition or improvement thereto, to a permanent business  
1614 enterprise operating a data/information enterprise in Tier Two  
1615 areas and Tier One areas (as such areas are designated in  
1616 accordance with Section 57-73-21), which businesses meet minimum  
1617 criteria established by the Mississippi Development Authority,  
1618 shall be exempt from one-half (1/2) of the taxes imposed on such  
1619 transaction under this chapter.

1620       (4) Sales of component materials used in the construction of  
1621 a facility, or any addition or improvement thereto, and sales of  
1622 machinery and equipment not later than three (3) months after the  
1623 completion of construction of the facility, or any addition or  
1624 improvement thereto, to be used in the building or any addition or  
1625 improvement thereto, to technology intensive enterprises for  
1626 industrial purposes in Tier Two areas and Tier One areas (as such  
1627 areas are designated in accordance with Section 57-73-21), which  
1628 businesses are certified by the State Tax Commission as being  
1629 eligible for the exemption granted in this paragraph, shall be  
1630 exempt from one-half (1/2) of the taxes imposed on such  
1631 transactions under this chapter. For purposes of this subsection,  
1632 an enterprise must meet the criteria provided for in Section  
1633 27-65-17(1)(f) in order to be considered a technology intensive  
1634 enterprise.

1635       (5) (a) For purposes of this subsection:

1636               (i) "Telecommunications enterprises" shall have  
1637 the meaning ascribed to such term in Section 57-73-21(13);

1638               (ii) "Tier One areas" mean counties designated as  
1639 Tier One areas pursuant to Section 57-73-21(1);

1640 (iii) "Tier Two areas" mean counties designated as  
1641 Tier Two areas pursuant to Section 57-73-21(1);

1642 (iv) "Tier Three areas" mean counties designated  
1643 as Tier Three areas pursuant to Section 57-73-21(1); and

1644 (v) "Equipment used in the deployment of broadband  
1645 technologies" means any equipment capable of being used for or in  
1646 connection with the transmission of information at a rate, prior  
1647 to taking into account the effects of any signal degradation, that  
1648 is not less than three hundred eighty-four (384) kilobits per  
1649 second in at least one direction, including, but not limited to,  
1650 asynchronous transfer mode switches, digital subscriber line  
1651 access multiplexers, routers, servers, multiplexers, fiber optics  
1652 and related equipment.

1653 (b) Sales of equipment to telecommunications  
1654 enterprises after June 30, 2003, and before July 1, 2013, that is  
1655 installed in Tier One areas and used in the deployment of  
1656 broadband technologies shall be exempt from one-half (1/2) of the  
1657 taxes imposed on such transactions under this chapter.

1658 (c) Sales of equipment to telecommunications  
1659 enterprises after June 30, 2003, and before July 1, 2013, that is  
1660 installed in Tier Two and Tier Three areas and used in the  
1661 deployment of broadband technologies shall be exempt from the  
1662 taxes imposed on such transactions under this chapter.

1663 **SECTION 44.** Section 57-73-21, Mississippi Code of 1972, is  
1664 amended as follows:

1665 **[In cases involving business enterprises that received or**  
1666 **applied for the job tax credit authorized by this section prior to**  
1667 **January 1, 2005, this section shall read as follows:]**

1668 57-73-21. (1) Annually by December 31, using the most  
1669 current data available from the University Research Center,  
1670 Mississippi Department of Employment Security \* \* \* and the United  
1671 States Department of Commerce, the State Tax Commission shall rank  
1672 and designate the state's counties as provided in this section.  
1673 The twenty-eight (28) counties in this state having a combination  
1674 of the highest unemployment rate and lowest per capita income for

1675 the most recent thirty-six-month period, with equal weight being  
1676 given to each category, are designated Tier Three areas. The  
1677 twenty-seven (27) counties in the state with a combination of the  
1678 next highest unemployment rate and next lowest per capita income  
1679 for the most recent thirty-six-month period, with equal weight  
1680 being given to each category, are designated Tier Two areas. The  
1681 twenty-seven (27) counties in the state with a combination of the  
1682 lowest unemployment rate and the highest per capita income for the  
1683 most recent thirty-six-month period, with equal weight being given  
1684 to each category, are designated Tier One areas. Counties  
1685 designated by the Tax Commission qualify for the appropriate tax  
1686 credit for jobs as provided in subsections (2), (3) and (4) of  
1687 this section. The designation by the Tax Commission is effective  
1688 for the tax years of permanent business enterprises which begin  
1689 after the date of designation. For companies which plan an  
1690 expansion in their labor forces, the Tax Commission shall  
1691 prescribe certification procedures to ensure that the companies  
1692 can claim credits in future years without regard to whether or not  
1693 a particular county is removed from the list of Tier Three or Tier  
1694 Two areas.

1695 (2) Permanent business enterprises primarily engaged in  
1696 manufacturing, processing, warehousing, distribution, wholesaling  
1697 and research and development, or permanent business enterprises  
1698 designated by rule and regulation of the Mississippi Development  
1699 Authority as air transportation and maintenance facilities, final  
1700 destination or resort hotels having a minimum of one hundred fifty  
1701 (150) guest rooms, recreational facilities that impact tourism,  
1702 movie industry studios, telecommunications enterprises, data or  
1703 information processing enterprises or computer software  
1704 development enterprises or any technology intensive facility or  
1705 enterprise, in counties designated by the Tax Commission as Tier  
1706 Three areas are allowed a job tax credit for taxes imposed by  
1707 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually  
1708 for each net new full-time employee job for five (5) years  
1709 beginning with years two (2) through six (6) after the creation of

1710 the job. The number of new full-time jobs must be determined by  
1711 comparing the monthly average number of full-time employees  
1712 subject to the Mississippi income tax withholding for the taxable  
1713 year with the corresponding period of the prior taxable year.  
1714 Only those permanent businesses that increase employment by ten  
1715 (10) or more in a Tier Three area are eligible for the credit.  
1716 Credit is not allowed during any of the five (5) years if the net  
1717 employment increase falls below ten (10). The Tax Commission  
1718 shall adjust the credit allowed each year for the net new  
1719 employment fluctuations above the minimum level of ten (10).

1720 (3) Permanent business enterprises primarily engaged in  
1721 manufacturing, processing, warehousing, distribution, wholesaling  
1722 and research and development, or permanent business enterprises  
1723 designated by rule and regulation of the Mississippi Development  
1724 Authority as air transportation and maintenance facilities, final  
1725 destination or resort hotels having a minimum of one hundred fifty  
1726 (150) guest rooms, recreational facilities that impact tourism,  
1727 movie industry studios, telecommunications enterprises, data or  
1728 information processing enterprises or computer software  
1729 development enterprises or any technology intensive facility or  
1730 enterprise, in counties that have been designated by the Tax  
1731 Commission as Tier Two areas are allowed a job tax credit for  
1732 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
1733 (\$1,000.00) annually for each net new full-time employee job for  
1734 five (5) years beginning with years two (2) through six (6) after  
1735 the creation of the job. The number of new full-time jobs must be  
1736 determined by comparing the monthly average number of full-time  
1737 employees subject to Mississippi income tax withholding for the  
1738 taxable year with the corresponding period of the prior taxable  
1739 year. Only those permanent businesses that increase employment by  
1740 fifteen (15) or more in Tier Two areas are eligible for the  
1741 credit. The credit is not allowed during any of the five (5)  
1742 years if the net employment increase falls below fifteen (15).  
1743 The Tax Commission shall adjust the credit allowed each year for

1744 the net new employment fluctuations above the minimum level of  
1745 fifteen (15).

1746 (4) Permanent business enterprises primarily engaged in  
1747 manufacturing, processing, warehousing, distribution, wholesaling  
1748 and research and development, or permanent business enterprises  
1749 designated by rule and regulation of the Mississippi Development  
1750 Authority as air transportation and maintenance facilities, final  
1751 destination or resort hotels having a minimum of one hundred fifty  
1752 (150) guest rooms, recreational facilities that impact tourism,  
1753 movie industry studios, telecommunications enterprises, data or  
1754 information processing enterprises or computer software  
1755 development enterprises or any technology intensive facility or  
1756 enterprise, in counties designated by the Tax Commission as Tier  
1757 One areas are allowed a job tax credit for taxes imposed by  
1758 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually  
1759 for each net new full-time employee job for five (5) years  
1760 beginning with years two (2) through six (6) after the creation of  
1761 the job. The number of new full-time jobs must be determined by  
1762 comparing the monthly average number of full-time employees  
1763 subject to Mississippi income tax withholding for the taxable year  
1764 with the corresponding period of the prior taxable year. Only  
1765 those permanent businesses that increase employment by twenty (20)  
1766 or more in Tier One areas are eligible for the credit. The credit  
1767 is not allowed during any of the five (5) years if the net  
1768 employment increase falls below twenty (20). The Tax Commission  
1769 shall adjust the credit allowed each year for the net new  
1770 employment fluctuations above the minimum level of twenty (20).

1771 (5) In addition to the credits authorized in subsections  
1772 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)  
1773 credit for each net new full-time employee or an additional One  
1774 Thousand Dollars (\$1,000.00) credit for each net new full-time  
1775 employee who is paid a salary, excluding benefits which are not  
1776 subject to Mississippi income taxation, of at least one hundred  
1777 twenty-five percent (125%) of the average annual wage of the state  
1778 or an additional Two Thousand Dollars (\$2,000.00) credit for each

1779 net new full-time employee who is paid a salary, excluding  
1780 benefits which are not subject to Mississippi income taxation, of  
1781 at least two hundred percent (200%) of the average annual wage of  
1782 the state, shall be allowed for any company establishing or  
1783 transferring its national or regional headquarters from within or  
1784 outside the State of Mississippi. A minimum of thirty-five (35)  
1785 jobs must be created to qualify for the additional credit. The  
1786 State Tax Commission shall establish criteria and prescribe  
1787 procedures to determine if a company qualifies as a national or  
1788 regional headquarters for purposes of receiving the credit awarded  
1789 in this subsection. As used in this subsection, the average  
1790 annual wage of the state is the most recently published average  
1791 annual wage as determined by the Mississippi Department of  
1792 Employment Security \* \* \*.

1793 (6) In addition to the credits authorized in subsections  
1794 (2), (3), (4) and (5), any job requiring research and development  
1795 skills (chemist, engineer, etc.) shall qualify for an additional  
1796 One Thousand Dollars (\$1,000.00) credit for each net new full-time  
1797 employee.

1798 (7) Tax credits for five (5) years for the taxes imposed by  
1799 Section 27-7-5 shall be awarded for additional net new full-time  
1800 jobs created by business enterprises qualified under subsections  
1801 (2), (3), (4), (5) and (6) of this section. The Tax Commission  
1802 shall adjust the credit allowed in the event of employment  
1803 fluctuations during the additional five (5) years of credit.

1804 (8) The sale, merger, acquisition, reorganization,  
1805 bankruptcy or relocation from one county to another county within  
1806 the state of any business enterprise may not create new  
1807 eligibility in any succeeding business entity, but any unused job  
1808 tax credit may be transferred and continued by any transferee of  
1809 the business enterprise. The Tax Commission shall determine  
1810 whether or not qualifying net increases or decreases have occurred  
1811 or proper transfers of credit have been made and may require  
1812 reports, promulgate regulations, and hold hearings as needed for  
1813 substantiation and qualification.



1814           (9) Any tax credit claimed under this section but not used  
1815 in any taxable year may be carried forward for five (5) years from  
1816 the close of the tax year in which the qualified jobs were  
1817 established but the credit established by this section taken in  
1818 any one tax year must be limited to an amount not greater than  
1819 fifty percent (50%) of the taxpayer's state income tax liability  
1820 which is attributable to income derived from operations in the  
1821 state for that year.

1822           (10) No business enterprise for the transportation,  
1823 handling, storage, processing or disposal of hazardous waste is  
1824 eligible to receive the tax credits provided in this section.

1825           (11) The credits allowed under this section shall not be  
1826 used by any business enterprise or corporation other than the  
1827 business enterprise actually qualifying for the credits.

1828           (12) The tax credits provided for in this section shall be  
1829 in addition to any tax credits described in Sections 57-51-13(b),  
1830 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
1831 action by the Department of Economic Development prior to July 1,  
1832 1989, to any business enterprise determined prior to July 1, 1989,  
1833 by the Department of Economic Development to be a qualified  
1834 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
1835 a qualified company as described in Section 57-53-1, as the case  
1836 may be; however, from and after July 1, 1989, tax credits shall be  
1837 allowed only under either this section or Sections 57-51-13(b),  
1838 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time  
1839 employee.

1840           (13) As used in this section, the term "telecommunications  
1841 enterprises" means entities engaged in the creation, display,  
1842 management, storage, processing, transmission or distribution for  
1843 compensation of images, text, voice, video or data by wire or by  
1844 wireless means, or entities engaged in the construction, design,  
1845 development, manufacture, maintenance or distribution for  
1846 compensation of devices, products, software or structures used in  
1847 the above activities. Companies organized to do business as  
1848 commercial broadcast radio stations, television stations or news

1849 organizations primarily serving in-state markets shall not be  
1850 included within the definition of the term "telecommunications  
1851 enterprises."

1852 [In cases involving business enterprises that apply for the  
1853 job tax credit authorized by this section from and after January  
1854 1, 2005, this section shall read as follows:]

1855 57-73-21. (1) Annually by December 31, using the most  
1856 current data available from the University Research Center,  
1857 Mississippi Department of Employment Security \* \* \* and the United  
1858 States Department of Commerce, the State Tax Commission shall rank  
1859 and designate the state's counties as provided in this section.  
1860 The twenty-eight (28) counties in this state having a combination  
1861 of the highest unemployment rate and lowest per capita income for  
1862 the most recent thirty-six-month period, with equal weight being  
1863 given to each category, are designated Tier Three areas. The  
1864 twenty-seven (27) counties in the state with a combination of the  
1865 next highest unemployment rate and next lowest per capita income  
1866 for the most recent thirty-six-month period, with equal weight  
1867 being given to each category, are designated Tier Two areas. The  
1868 twenty-seven (27) counties in the state with a combination of the  
1869 lowest unemployment rate and the highest per capita income for the  
1870 most recent thirty-six-month period, with equal weight being given  
1871 to each category, are designated Tier One areas. Counties  
1872 designated by the Tax Commission qualify for the appropriate tax  
1873 credit for jobs as provided in \* \* \* this section. The  
1874 designation by the Tax Commission is effective for the tax years  
1875 of permanent business enterprises which begin after the date of  
1876 designation. For companies which plan an expansion in their labor  
1877 forces, the Tax Commission shall prescribe certification  
1878 procedures to ensure that the companies can claim credits in  
1879 future years without regard to whether or not a particular county  
1880 is removed from the list of Tier Three or Tier Two areas.

1881 (2) As used in this section:

1882 (a) "Business enterprises" means entities primarily  
1883 engaged in:

1884                   (i) Manufacturing, processing, warehousing,  
1885 distribution, wholesaling and research and development, or  
1886                   (ii) Permanent business enterprises designated by  
1887 rule and regulation of the Mississippi Development Authority as  
1888 air transportation and maintenance facilities, final destination  
1889 or resort hotels having a minimum of one hundred fifty (150) guest  
1890 rooms, recreational facilities that impact tourism, movie industry  
1891 studios, telecommunications enterprises, data or information  
1892 processing enterprises or computer software development  
1893 enterprises or any technology intensive facility or enterprise.

1894                   (b) "Telecommunications enterprises" means entities  
1895 engaged in the creation, display, management, storage, processing,  
1896 transmission or distribution for compensation of images, text,  
1897 voice, video or data by wire or by wireless means, or entities  
1898 engaged in the construction, design, development, manufacture,  
1899 maintenance or distribution for compensation of devices, products,  
1900 software or structures used in the above activities. Companies  
1901 organized to do business as commercial broadcast radio stations,  
1902 television stations or news organizations primarily serving  
1903 in-state markets shall not be included within the definition of  
1904 the term "telecommunications enterprises."

1905                   (3) Permanent business enterprises \* \* \* in counties  
1906 designated by the Tax Commission as Tier Three areas are allowed a  
1907 job tax credit for taxes imposed by Section 27-7-5 equal to ten  
1908 percent (10%) of the payroll of the enterprise for net new  
1909 full-time employee jobs for five (5) years beginning with years  
1910 two (2) through six (6) after the creation of the minimum number  
1911 of jobs required by this subsection. The number of new full-time  
1912 jobs must be determined by comparing the monthly average number of  
1913 full-time employees subject to the Mississippi income tax  
1914 withholding for the taxable year with the corresponding period of  
1915 the prior taxable year. Only those permanent business enterprises  
1916 that increase employment by ten (10) or more in a Tier Three area  
1917 are eligible for the credit. Credit is not allowed during any of  
1918 the five (5) years if the net employment increase falls below ten

1919 (10). The Tax Commission shall adjust the credit allowed each  
1920 year for the net new employment fluctuations above the minimum  
1921 level of ten (10).

1922 (4) Permanent business enterprises \* \* \* in counties that  
1923 have been designated by the Tax Commission as Tier Two areas are  
1924 allowed a job tax credit for taxes imposed by Section 27-7-5 equal  
1925 to five percent (5%) of the payroll of the enterprise for net new  
1926 full-time employee jobs for five (5) years beginning with years  
1927 two (2) through six (6) after the creation of the minimum number  
1928 of jobs required by this subsection. The number of new full-time  
1929 jobs must be determined by comparing the monthly average number of  
1930 full-time employees subject to Mississippi income tax withholding  
1931 for the taxable year with the corresponding period of the prior  
1932 taxable year. Only those permanent business enterprises that  
1933 increase employment by fifteen (15) or more in Tier Two areas are  
1934 eligible for the credit. The credit is not allowed during any of  
1935 the five (5) years if the net employment increase falls below  
1936 fifteen (15). The Tax Commission shall adjust the credit allowed  
1937 each year for the net new employment fluctuations above the  
1938 minimum level of fifteen (15).

1939 (5) Permanent business enterprises \* \* \* in counties  
1940 designated by the Tax Commission as Tier One areas are allowed a  
1941 job tax credit for taxes imposed by Section 27-7-5 equal to two  
1942 and one-half percent (2.5%) of the payroll of the enterprise for  
1943 net new full-time employee jobs for five (5) years beginning with  
1944 years two (2) through six (6) after the creation of the minimum  
1945 number of jobs required by this subsection. The number of new  
1946 full-time jobs must be determined by comparing the monthly average  
1947 number of full-time employees subject to Mississippi income tax  
1948 withholding for the taxable year with the corresponding period of  
1949 the prior taxable year. Only those permanent business enterprises  
1950 that increase employment by twenty (20) or more in Tier One areas  
1951 are eligible for the credit. The credit is not allowed during any  
1952 of the five (5) years if the net employment increase falls below  
1953 twenty (20). The Tax Commission shall adjust the credit allowed

1954 each year for the net new employment fluctuations above the  
1955 minimum level of twenty (20).

1956       (6) In addition to the other credits authorized in this  
1957 section, an additional Five Hundred Dollars (\$500.00) credit for  
1958 each net new full-time employee or an additional One Thousand  
1959 Dollars (\$1,000.00) credit for each net new full-time employee who  
1960 is paid a salary, excluding benefits which are not subject to  
1961 Mississippi income taxation, of at least one hundred twenty-five  
1962 percent (125%) of the average annual wage of the state or an  
1963 additional Two Thousand Dollars (\$2,000.00) credit for each net  
1964 new full-time employee who is paid a salary, excluding benefits  
1965 which are not subject to Mississippi income taxation, of at least  
1966 two hundred percent (200%) of the average annual wage of the  
1967 state, shall be allowed for any company establishing or  
1968 transferring its national or regional headquarters from within or  
1969 outside the State of Mississippi. A minimum of thirty-five (35)  
1970 jobs must be created to qualify for the additional credit. The  
1971 State Tax Commission shall establish criteria and prescribe  
1972 procedures to determine if a company qualifies as a national or  
1973 regional headquarters for purposes of receiving the credit awarded  
1974 in this subsection. As used in this subsection, the average  
1975 annual wage of the state is the most recently published average  
1976 annual wage as determined by the Mississippi Department of  
1977 Employment Security \* \* \*.

1978       (7) In addition to the other credits authorized in this  
1979 section, any job requiring research and development skills  
1980 (chemist, engineer, etc.) shall qualify for an additional One  
1981 Thousand Dollars (\$1,000.00) credit for each net new full-time  
1982 employee.

1983       (8) (a) Tax credits for five (5) years for the taxes  
1984 imposed by Section 27-7-5 shall be awarded for increases in the  
1985 annual payroll for net new full-time jobs created by business  
1986 enterprises qualified under this section. The Tax Commission  
1987 shall adjust the credit allowed in the event of payroll  
1988 fluctuations during the additional five (5) years of credit.

1989           (b) Tax credits for five (5) years for the taxes  
1990 imposed by Section 27-7-5 shall be awarded for additional net new  
1991 full-time jobs created by business enterprises qualified under  
1992 subsections \* \* \* (6) and (7) of this section. The Tax Commission  
1993 shall adjust the credit allowed in the event of employment  
1994 fluctuations during the additional five (5) years of credit.

1995           (9) The sale, merger, acquisition, reorganization,  
1996 bankruptcy or relocation from one county to another county within  
1997 the state of any business enterprise may not create new  
1998 eligibility in any succeeding business entity, but any unused job  
1999 tax credit may be transferred and continued by any transferee of  
2000 the business enterprise. The Tax Commission shall determine  
2001 whether or not qualifying net increases or decreases have occurred  
2002 or proper transfers of credit have been made and may require  
2003 reports, promulgate regulations, and hold hearings as needed for  
2004 substantiation and qualification.

2005           (10) Any tax credit claimed under this section but not used  
2006 in any taxable year may be carried forward for five (5) years from  
2007 the close of the tax year in which the qualified jobs were  
2008 established but the credit established by this section taken in  
2009 any one tax year must be limited to an amount not greater than  
2010 fifty percent (50%) of the taxpayer's state income tax liability  
2011 which is attributable to income derived from operations in the  
2012 state for that year.

2013           (11) No business enterprise for the transportation,  
2014 handling, storage, processing or disposal of hazardous waste is  
2015 eligible to receive the tax credits provided in this section.

2016           (12) The credits allowed under this section shall not be  
2017 used by any business enterprise or corporation other than the  
2018 business enterprise actually qualifying for the credits.

2019           (13) The tax credits provided for in this section shall be  
2020 in addition to any tax credits described in Sections 57-51-13(b),  
2021 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
2022 action by the Department of Economic Development prior to July 1,  
2023 1989, to any business enterprise determined prior to July 1, 1989,

2024 by the Department of Economic Development to be a qualified  
2025 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
2026 a qualified company as described in Section 57-53-1, as the case  
2027 may be; however, from and after July 1, 1989, tax credits shall be  
2028 allowed only under either this section or Sections 57-51-13(b),  
2029 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time  
2030 employee.

2031 \* \* \*

2032 **SECTION 45.** Section 57-10-401, Mississippi Code of 1972, is  
2033 reenacted and amended as follows:

2034 **[In cases involving an economic development project for which**  
2035 **the Mississippi Business Finance Corporation has issued bonds for**  
2036 **the purpose of financing the approved costs of such project prior**  
2037 **to July 1, 1994, this section shall read as follows:]**

2038 57-10-401. As used in Sections 57-10-401 through 57-10-445  
2039 the following terms shall have the meanings ascribed to them  
2040 herein unless the context clearly indicates otherwise:

2041 (a) "Approved company" means any eligible company  
2042 seeking to locate an economic development project in a county,  
2043 which eligible company is approved by the corporation.

2044 (b) "Approved costs" means:

2045 (i) Obligations incurred for equipment and labor  
2046 and to contractors, subcontractors, builders and materialmen in  
2047 connection with the acquisition, construction and installation of  
2048 an economic development project;

2049 (ii) The cost of acquiring land or rights in land  
2050 and any cost incidental thereto, including recording fees;

2051 (iii) The cost of contract bonds and of insurance  
2052 of all kinds that may be required or necessary during the course  
2053 of acquisition, construction and installation of an economic  
2054 development project which is not paid by the contractor or  
2055 contractors or otherwise provided for;

2056 (iv) All costs of architectural and engineering  
2057 services, including test borings, surveys, estimates, plans and  
2058 specifications, preliminary investigations, and supervision of

2059 construction, as well as for the performance of all the duties  
2060 required by or consequent upon the acquisition, construction and  
2061 installation of an economic development project;

2062 (v) All costs which shall be required to be paid  
2063 under the terms of any contract or contracts for the acquisition,  
2064 construction and installation of an economic development project;

2065 (vi) All costs, expenses and fees incurred in  
2066 connection with the issuance of bonds pursuant to Sections  
2067 57-10-401 through 57-10-445;

2068 (vii) All costs funded by a loan made under the  
2069 Mississippi Small Enterprise Development Finance Act; and

2070 (viii) All costs of professionals permitted to be  
2071 engaged under the Mississippi Small Enterprise Development Finance  
2072 Act for a loan made under such act.

2073 (c) "Assessment" means the job development assessment  
2074 fee authorized in Section 57-10-413.

2075 (d) "Bonds" means the revenue bonds, notes or other  
2076 debt obligations of the corporation authorized to be issued by the  
2077 corporation on behalf of an eligible company or other state  
2078 agency.

2079 (e) "Corporation" means the Mississippi Business  
2080 Finance Corporation created under Section 57-10-167, Mississippi  
2081 Code of 1972.

2082 (f) "Economic development project" means and includes  
2083 the acquisition of any equipment or real estate in a county and  
2084 the construction and installation thereon, and with respect  
2085 thereto, of improvements and facilities necessary or desirable for  
2086 improvement of the real estate, including surveys, site tests and  
2087 inspections, subsurface site work, excavation, removal of  
2088 structures, roadways, cemeteries and other surface obstructions,  
2089 filling, grading and provision of drainage, storm water detention,  
2090 installation of utilities such as water, sewer, sewage treatment,  
2091 gas, electricity, communications and similar facilities, off-site  
2092 construction of utility extensions to the boundaries of the real  
2093 estate, and the acquisition, construction and installation of



2094 manufacturing, telecommunications, data processing, distribution  
2095 or warehouse facilities on the real estate, for lease or financial  
2096 arrangement by the corporation to an approved company for use and  
2097 occupancy by the approved company or its affiliates for  
2098 manufacturing, telecommunications, data processing, distribution  
2099 or warehouse purposes. Such term also includes, without  
2100 limitation, any project the financing of which has been approved  
2101 under the Mississippi Small Enterprise Development Finance Act.

2102 (g) "Eligible company" means any corporation,  
2103 partnership, sole proprietorship, business trust, or other entity  
2104 which is:

2105 (i) Engaged in manufacturing which meets the  
2106 standards promulgated by the corporation under Sections 57-10-401  
2107 through 57-10-445;

2108 (ii) A private company approved by the corporation  
2109 for a loan under the Mississippi Small Enterprise Development  
2110 Finance Act;

2111 (iii) A distribution or warehouse facility  
2112 employing a minimum of fifty (50) people or employing a minimum of  
2113 twenty (20) people and having a capital investment in such  
2114 facility of at least Five Million Dollars (\$5,000,000.00); or

2115 (iv) A telecommunications or data processing  
2116 business.

2117 (h) "Executive director" means the Executive Director  
2118 of the Mississippi Business Finance Corporation.

2119 (i) "Financing agreement" means any financing documents  
2120 and agreements, indentures, loan agreements, lease agreements,  
2121 security agreements and the like, entered into by and among the  
2122 corporation, private lenders and an approved company with respect  
2123 to an economic development project.

2124 (j) "Manufacturing" means any activity involving the  
2125 manufacturing, processing, assembling or production of any  
2126 property, including the processing resulting in a change in the  
2127 conditions of the property and any activity functionally related  
2128 thereto, together with the storage, warehousing, distribution and

2129 related office facilities in respect thereof as determined by the  
2130 Mississippi Business Finance Corporation; however, in no event  
2131 shall "manufacturing" include mining, coal or mineral processing,  
2132 or extraction of Mississippi minerals.

2133 (k) "State agency" means any state board, commission,  
2134 committee, council, university, department or unit thereof created  
2135 by the Constitution or laws of this state.

2136 (l) "Revenues" shall not be considered state funds.

2137 (m) "State" means the State of Mississippi.

2138 (n) "Mississippi Small Enterprise Development Finance  
2139 Act" means the provisions of law contained in Section 57-71-1 et  
2140 seq.

2141 **[In cases involving an economic development project for which**  
2142 **the Mississippi Business Finance Corporation has not issued bonds**  
2143 **for the purpose of financing the approved costs of such project**  
2144 **prior to July 1, 1994, this section shall read as follows:]**

2145 57-10-401. As used in Sections 57-10-401 through 57-10-445  
2146 the following terms shall have the meanings ascribed to them  
2147 herein unless the context clearly indicates otherwise:

2148 (a) "Approved company" means any eligible company  
2149 seeking to locate an economic development project in a county,  
2150 which eligible company is approved by the corporation.

2151 (b) "Approved costs" means:

2152 (i) Obligations incurred for equipment and labor  
2153 and to contractors, subcontractors, builders and materialmen in  
2154 connection with the acquisition, construction and installation of  
2155 an economic development project;

2156 (ii) The cost of acquiring land or rights in land  
2157 and any cost incidental thereto, including recording fees;

2158 (iii) The cost of contract bonds and of insurance  
2159 of all kinds that may be required or necessary during the course  
2160 of acquisition, construction and installation of an economic  
2161 development project which is not paid by the contractor or  
2162 contractors or otherwise provided for;

2163 (iv) All costs of architectural and engineering  
2164 services, including test borings, surveys, estimates, plans and  
2165 specifications, preliminary investigations, and supervision of  
2166 construction, as well as for the performance of all the duties  
2167 required by or consequent upon the acquisition, construction and  
2168 installation of an economic development project;

2169 (v) All costs which shall be required to be paid  
2170 under the terms of any contract or contracts for the acquisition,  
2171 construction and installation of an economic development project;

2172 (vi) All costs, expenses and fees incurred in  
2173 connection with the issuance of bonds pursuant to Sections  
2174 57-10-401 through 57-10-445;

2175 (vii) All costs funded by a loan made under the  
2176 Mississippi Small Enterprise Development Finance Act; and

2177 (viii) All costs of professionals permitted to be  
2178 engaged under the Mississippi Small Enterprise Development Finance  
2179 Act for a loan made under such act.

2180 (c) "Assessment" means the job development assessment  
2181 fee authorized in Section 57-10-413.

2182 (d) "Bonds" means the revenue bonds, notes or other  
2183 debt obligations of the corporation authorized to be issued by the  
2184 corporation on behalf of an eligible company or other state  
2185 agency.

2186 (e) "Corporation" means the Mississippi Business  
2187 Finance Corporation created under Section 57-10-167, Mississippi  
2188 Code of 1972.

2189 (f) "Economic development project" means and includes  
2190 the acquisition of any equipment or real estate in a county and  
2191 the construction and installation thereon, and with respect  
2192 thereto, of improvements and facilities necessary or desirable for  
2193 improvement of the real estate, including surveys, site tests and  
2194 inspections, subsurface site work, excavation, removal of  
2195 structures, roadways, cemeteries and other surface obstructions,  
2196 filling, grading and provision of drainage, storm water detention,  
2197 installation of utilities such as water, sewer, sewage treatment,

2198 gas, electricity, communications and similar facilities, off-site  
2199 construction of utility extensions to the boundaries of the real  
2200 estate, and the acquisition, construction and installation of  
2201 manufacturing, telecommunications, data processing, distribution  
2202 or warehouse facilities on the real estate, for lease or financial  
2203 arrangement by the corporation to an approved company for use and  
2204 occupancy by the approved company or its affiliates for  
2205 manufacturing, telecommunications, data processing, distribution  
2206 or warehouse purposes. Such term also includes, without  
2207 limitation, any project the financing of which has been approved  
2208 under the Mississippi Small Enterprise Development Finance Act.

2209 If an eligible company closes a facility in this state and  
2210 becomes an approved company under the provisions of Sections  
2211 57-10-401 through 57-10-449, only that portion of the project for  
2212 which such company is attempting to obtain financing that is in  
2213 excess of the value of the closed facility shall be included  
2214 within the definition of the term "economic development project."  
2215 The Mississippi Business Finance Corporation shall promulgate  
2216 rules and regulations to govern the determination of the  
2217 difference between the value of the closed facility and the new  
2218 facility.

2219 (g) "Eligible company" means any corporation,  
2220 partnership, sole proprietorship, business trust, or other entity  
2221 which:

2222 (i) Engaged in manufacturing which meets the  
2223 standards promulgated by the corporation under Sections 57-10-401  
2224 through 57-10-445;

2225 (ii) A private company approved by the corporation  
2226 for a loan under the Mississippi Small Enterprise Development  
2227 Finance Act;

2228 (iii) A distribution or warehouse facility  
2229 employing a minimum of fifty (50) people or employing a minimum of  
2230 twenty (20) people and having a capital investment in such  
2231 facility of at least Five Million Dollars (\$5,000,000.00); \* \* \*

2232 (iv) A telecommunications or data/information  
2233 processing business meeting criteria established by the  
2234 Mississippi Business Finance Corporation;

2235 (v) National or regional headquarters meeting  
2236 criteria established by the Mississippi Business Finance  
2237 Corporation;

2238 (vi) Research and development facilities meeting  
2239 criteria established by the Mississippi Business Finance  
2240 Corporation; or

2241 (vii) Technology intensive enterprises or  
2242 facilities meeting criteria established by the Mississippi  
2243 Business Finance Corporation.

2244 (h) "Executive director" means the Executive Director  
2245 of the Mississippi Business Finance Corporation.

2246 (i) "Financing agreement" means any financing documents  
2247 and agreements, indentures, loan agreements, lease agreements,  
2248 security agreements and the like, entered into by and among the  
2249 corporation, private lenders and an approved company with respect  
2250 to an economic development project.

2251 (j) "Manufacturing" means any activity involving the  
2252 manufacturing, processing, assembling or production of any  
2253 property, including the processing resulting in a change in the  
2254 conditions of the property and any activity functionally related  
2255 thereto, together with the storage, warehousing, distribution and  
2256 related office facilities in respect thereof as determined by the  
2257 Mississippi Business Finance Corporation; however, in no event  
2258 shall "manufacturing" include mining, coal or mineral processing,  
2259 or extraction of Mississippi minerals.

2260 (k) "State agency" means any state board, commission,  
2261 committee, council, university, department or unit thereof created  
2262 by the Constitution or laws of this state.

2263 (l) "Revenues" shall not be considered state funds.

2264 (m) "State" means the State of Mississippi.

2265 (n) "Mississippi Small Enterprise Development Finance  
2266 Act" means the provisions of law contained in Section 57-71-1 et  
2267 seq.

2268 **SECTION 46.** Section 57-10-403, Mississippi Code of 1972, is  
2269 reenacted as follows:

2270 57-10-403. (1) The Legislature finds and declares that the  
2271 general welfare and material well-being of citizens of the state  
2272 depend in large measure upon the development and growth of  
2273 industry in the state.

2274 (2) The Legislature finds and declares further that it is in  
2275 the best interest of the state to induce the location or expansion  
2276 of manufacturing facilities within this state in order to advance  
2277 the public purposes of relieving unemployment by creating new jobs  
2278 within this state that, but for the inducements to be offered by  
2279 the corporation to approved companies as herein provided, would  
2280 not exist, and of creating new sources of tax revenues for the  
2281 support of the public services provided by this state and country.

2282 (3) The Legislature finds and declares further that the  
2283 authority granted by this article and the purposes to be  
2284 accomplished hereby are proper governmental and public purposes  
2285 for which public monies may be expended, and that the inducement  
2286 of the location or expansion of manufacturing facilities within  
2287 the state is of paramount importance, mandating that the  
2288 provisions of this article be liberally construed and applied in  
2289 order to advance the public purposes.

2290 **SECTION 47.** Section 57-10-405, Mississippi Code of 1972, is  
2291 reenacted as follows:

2292 57-10-405. In addition to its other powers and duties, the  
2293 corporation shall have all the powers necessary or convenient to  
2294 carry out and effectuate the purposes and provisions of Sections  
2295 57-10-401 through 57-10-445, including, but without limiting the  
2296 generality of the foregoing, the power:

2297 (a) To provide and finance economic development  
2298 projects under the provisions of Sections 57-10-401 through  
2299 57-10-445, and cooperate with counties, municipalities and

2300 eligible companies in order to promote, foster and support  
2301 economic development within the counties and municipalities;

2302 (b) To conduct hearings and inquiries, in the manner  
2303 and by the methods as it deems desirable, including, without  
2304 limitation, appointment of special committees, for the purpose of  
2305 gathering information with respect to counties, municipalities,  
2306 eligible companies and economic development projects, for the  
2307 purpose of making any determinations necessary or desirable in the  
2308 furtherance of Sections 57-10-401 through 57-10-445;

2309 (c) To negotiate the terms of, and enter into financing  
2310 agreements with, approved companies, and in connection therewith  
2311 to acquire, convey, sell, own, lease, mortgage, finance, foreclose  
2312 or otherwise dispose of any property, real or personal, in  
2313 connection with an economic development project, and to pay, or  
2314 cause to be paid, in accordance with the provisions of a financing  
2315 agreement, the approved costs of an economic development project  
2316 from any funds available therefor, including, without limitation,  
2317 funds available as the result of the issuance of bonds under the  
2318 Mississippi Small Enterprise Development Finance Act;

2319 (d) To delegate to the executive director the rights  
2320 and powers of the corporation required for the proper and  
2321 desirable execution of the purposes of this article;

2322 (e) To consent, if it deems it necessary or desirable  
2323 in the fulfillment of its purposes, to the modification of the  
2324 terms of any financing agreements of any kind to which the  
2325 corporation is a party;

2326 (f) To include in any borrowing the amounts deemed  
2327 necessary by the corporation to pay financing charges, consultant,  
2328 advisory and legal fees, fees for bond insurance, letters of  
2329 credit or other forms of credit enhancement, investment advisory  
2330 fees, trustees' fees and other expenses necessary or incident to  
2331 the borrowing;

2332 (g) To make and publish administrative regulations  
2333 respecting its programs and other administrative regulations  
2334 necessary or appropriate to effectuate the purposes of Sections

2335 57-10-401 through 57-10-445, and necessary to administer the  
2336 procedures and program as provided for in Sections 57-10-401  
2337 through 57-10-445;

2338 (h) To make, execute and effectuate any and all  
2339 agreements or other documents with any governmental agency or any  
2340 person, corporation, association, partnership, or other  
2341 organization or entity, necessary or appropriate to accomplish the  
2342 purposes of Sections 57-10-401 through 57-10-445, including any  
2343 financing agreements with state agencies or any political  
2344 subdivisions of the state under which funds may be pledged by or  
2345 to the corporation for the payment of its bonds;

2346 (i) To accept gifts, devises, bequests, grants, loans,  
2347 appropriations, revenue sharing, other financing and assistance  
2348 and any other aid from any source and to agree to, and to comply  
2349 with, conditions attached thereto;

2350 (j) To sue and be sued in its own name, plead and be  
2351 impleaded; and

2352 (k) To invest any funds held by the corporation or its  
2353 agents or trustees, under Sections 57-10-401 through 57-10-445,  
2354 including, but not limited to, the proceeds of bonds issued under  
2355 Sections 57-10-401 through 57-10-445, reserve or other funds, or  
2356 any monies not required for immediate disbursement, and the  
2357 investment income on any of the foregoing, in obligations  
2358 authorized by Sections 57-10-401 through 57-10-445.

2359 **SECTION 48.** Section 57-10-407, Mississippi Code of 1972, is  
2360 reenacted as follows:

2361 57-10-407. The corporation may accept and expend: (a)  
2362 monies which may be appropriated from time to time by the  
2363 Legislature; (b) monies which may be available under the  
2364 Mississippi Small Enterprise Development Finance Act; or (c)  
2365 monies which may be received from any source, including income  
2366 from the corporation's operations, under Sections 57-10-401  
2367 through 57-10-445, for effectuating the purposes of Sections  
2368 57-10-401 through 57-10-445, including, without limitation, the  
2369 payment of the expenses of administration and operation incurred



2370 pursuant to Sections 57-10-401 through 57-10-445 and the  
2371 establishment and, if deemed desirable, maintenance of a reserve  
2372 or contingency fund for the administration of Sections 57-10-401  
2373 through 57-10-445.

2374 **SECTION 49.** Section 57-10-409, Mississippi Code of 1972, is  
2375 reenacted as follows:

2376 **[In cases involving an economic development project for which**  
2377 **the Mississippi Business Finance Corporation has issued bonds for**  
2378 **the purpose of financing the approved costs of such project prior**  
2379 **to July 1, 1994, this section shall read as follows:]**

2380 57-10-409. The corporation may enter into, with any approved  
2381 company, a financing agreement with respect to its economic  
2382 development project. The terms and provisions of each financing  
2383 agreement shall be determined by negotiations between the  
2384 corporation and the approved company, except that each financing  
2385 agreement shall include the following provisions:

2386 (a) If the corporation issues any bonds in connection  
2387 with an economic development project, the term of the financing  
2388 agreement shall not be less than the last maturity of the bonds  
2389 issued with respect to the economic development project, except  
2390 that the financing agreement may terminate upon the earlier  
2391 redemption of all of the bonds issued with respect to the economic  
2392 development project and may grant to the approved company an  
2393 option to purchase the economic development project from the  
2394 corporation upon the termination of the financing agreement for  
2395 such consideration and under such terms and conditions the  
2396 corporation may approve. Nothing in this paragraph shall limit  
2397 the extension of the term of a financing agreement if there is a  
2398 refunding of the correlative bonds or otherwise.

2399 (b) If the corporation issues any bonds in connection  
2400 with an economic development project, the financing agreement  
2401 shall specify that the annual obligations of the approved company  
2402 under Sections 57-10-401 through 57-10-445 shall equal in each  
2403 year at least the annual debt service for that year on the bonds  
2404 issued with respect to the economic development project; and the

2405 approved company shall pay such obligation of the financing  
2406 agreement to the trustee for bonds issued for the benefit of the  
2407 approved company, at such time and in such amounts sufficient to  
2408 amortize such bonds.

2409 (c) If the corporation loans funds to an approved  
2410 company that is a private company under the Mississippi Small  
2411 Enterprise Development Finance Act, the financing agreement shall  
2412 include the terms and conditions of the loan required by Section  
2413 57-71-1 et seq.

2414 (d) (i) In consideration for financing agreement  
2415 payment, the approved company may be permitted the following  
2416 during the period of time in which the financing agreement is in  
2417 effect, not to exceed twenty-five (25) years:

2418 1. A tax credit on the amount provided for in  
2419 Section 27-7-22.3(2), Mississippi Code of 1972; plus

2420 2. The aggregate assessment withheld by the  
2421 approved company in each year.

2422 (ii) The income tax credited to the approved  
2423 company referred to herein shall be credited in the fiscal year of  
2424 the financing agreement in which the tax return of the approved  
2425 company is filed. The approved company shall not be required to  
2426 pay estimated tax payments under Section 27-7-319, Mississippi  
2427 Code of 1972.

2428 (e) (i) The financing agreement shall provide that the  
2429 assessments, when added to the credit for the state corporate  
2430 income tax herein granted, shall not exceed the total financing  
2431 agreement annual payment by the approved company in any year;  
2432 however, to the extent that financing agreement annual payments  
2433 exceed credits received and assessments collected in any year, the  
2434 excess payment may be recouped from excess credits or assessment  
2435 collections in succeeding years.

2436 (ii) If during any fiscal year of the financing  
2437 agreement the total of the income tax credit granted to the  
2438 approved company plus the assessment collected from the wages of  
2439 the employees equals the annual payment pursuant to the financing

2440 agreement, and if all excess payments pursuant to the financing  
2441 agreement accumulated in prior years have been recouped, the  
2442 assessment collected from the wages of the employees shall cease  
2443 for the remainder of the fiscal year of the financing agreement.

2444 (f) The financing agreement shall provide that:

2445 (i) It may be assigned by the approved company  
2446 only upon the prior written consent of the corporation following  
2447 the adoption of a resolution by the corporation to such effect;  
2448 and

2449 (ii) Upon the default by the approved company in  
2450 the obligation to render its annual payment, the corporation shall  
2451 have the right, at its option, to declare the financing agreement  
2452 in default and to accelerate the total of all annual payments that  
2453 are to be made or to terminate the financing agreement and cause  
2454 to be sold the economic development project at public or private  
2455 sale, or to pursue any other remedies available under the Uniform  
2456 Commercial Code, as from time to time amended, or otherwise  
2457 available in law or equity.

2458 **[In cases involving an economic development project for which**  
2459 **the Mississippi Business Finance Corporation has not issued bonds**  
2460 **for the purpose of financing the approved costs of such project**  
2461 **prior to July 1, 1994, but has issued bonds for such project prior**  
2462 **to July 1, 1997, or in cases involving an economic development**  
2463 **project which has been induced by a resolution of the Board of**  
2464 **Directors of the Mississippi Business Finance Corporation that has**  
2465 **been filed with the State Tax Commission prior to July 1, 1997,**  
2466 **this section shall read as follows:]**

2467 57-10-409. The corporation may enter into, with any approved  
2468 company, a financing agreement with respect to its economic  
2469 development project. The terms and provisions of each financing  
2470 agreement shall be determined by negotiations between the  
2471 corporation and the approved company, except that each financing  
2472 agreement shall include the following provisions:

2473 (a) If the corporation issues any bonds in connection  
2474 with an economic development project, the term of the financing

2475 agreement shall not be less than the last maturity of the bonds  
2476 issued with respect to the economic development project, except  
2477 that the financing agreement may terminate upon the earlier  
2478 redemption of all of the bonds issued with respect to the economic  
2479 development project and may grant to the approved company an  
2480 option to purchase the economic development project from the  
2481 corporation upon the termination of the financing agreement for  
2482 such consideration and under such terms and conditions the  
2483 corporation may approve. Nothing in this paragraph shall limit  
2484 the extension of the term of a financing agreement if there is a  
2485 refunding of the correlative bonds or otherwise.

2486 (b) If the corporation issues any bonds in connection  
2487 with an economic development project, the financing agreement  
2488 shall specify that the annual obligations of the approved company  
2489 under Sections 57-10-401 through 57-10-445 shall equal in each  
2490 year at least the annual debt service for that year on the bonds  
2491 issued with respect to the economic development project; and the  
2492 approved company shall pay such obligation of the financing  
2493 agreement to the trustee for bonds issued for the benefit of the  
2494 approved company, at such time and in such amounts sufficient to  
2495 amortize such bonds.

2496 (c) If the corporation loans funds to an approved  
2497 company that is a private company under the Mississippi Small  
2498 Enterprise Development Finance Act, the financing agreement shall  
2499 include the terms and conditions of the loan required by Section  
2500 57-71-1 et seq.

2501 (d) (i) In consideration for financing agreement  
2502 payment, the approved company may be permitted the following  
2503 during the period of time in which the financing agreement is in  
2504 effect, not to exceed twenty-five (25) years:

2505 1. A tax credit on the amount provided for in  
2506 Section 27-7-22.3(2), Mississippi Code of 1972; plus

2507 2. The aggregate assessment withheld by the  
2508 approved company in each year.

2509                   (ii) The income tax credited to the approved  
2510 company referred to herein shall be credited in the fiscal year of  
2511 the financing agreement in which the tax return of the approved  
2512 company is filed. The approved company shall not be required to  
2513 pay estimated tax payments under Section 27-7-319, Mississippi  
2514 Code of 1972.

2515                   (e) (i) The financing agreement shall provide that the  
2516 assessments, when added to the credit for the state corporate  
2517 income tax herein granted, shall not exceed the total financing  
2518 agreement annual payment by the approved company in any year;  
2519 however, to the extent that financing agreement annual payments  
2520 exceed credits received and assessments collected in any year, the  
2521 excess payment may be recouped from excess credits or assessment  
2522 collections in succeeding years not to exceed three (3) years  
2523 following the termination of the period of time during which the  
2524 financing agreement is in effect.

2525                   (ii) If during any fiscal year of the financing  
2526 agreement the total of the income tax credit granted to the  
2527 approved company plus the assessment collected from the wages of  
2528 the employees equals the annual payment pursuant to the financing  
2529 agreement, and if all excess payments pursuant to the financing  
2530 agreement accumulated in prior years have been recouped, the  
2531 assessment collected from the wages of the employees shall cease  
2532 for the remainder of the fiscal year of the financing agreement.

2533                   (f) The financing agreement shall provide that:

2534                   (i) It may be assigned by the approved company  
2535 only upon the prior written consent of the corporation following  
2536 the adoption of a resolution by the corporation to such effect;  
2537 and

2538                   (ii) Upon the default by the approved company in  
2539 the obligation to render its annual payment, the corporation shall  
2540 have the right, at its option, to declare the financing agreement  
2541 in default and to accelerate the total of all annual payments that  
2542 are to be made or to terminate the financing agreement and cause  
2543 to be sold the economic development project at public or private

2544 sale, or to pursue any other remedies available under the Uniform  
2545 Commercial Code, as from time to time amended, or otherwise  
2546 available in law or equity.

2547 **[In cases involving an economic development project for which**  
2548 **the Mississippi Business Finance Corporation has not issued bonds**  
2549 **for the purpose of financing the approved costs of such project**  
2550 **prior to July 1, 1997, or in cases involving an economic**  
2551 **development project which has not been induced by a resolution of**  
2552 **the Board of Directors of the Mississippi Business Finance**  
2553 **Corporation that has been filed with the State Tax Commission**  
2554 **prior to July 1, 1997, this section shall read as follows:]**

2555 57-10-409. The corporation may enter into, with any approved  
2556 company, a financing agreement with respect to its economic  
2557 development project. The terms and provisions of each financing  
2558 agreement shall be determined by negotiations between the  
2559 corporation and the approved company, except that each financing  
2560 agreement shall include the following provisions:

2561 (a) If the corporation issues any bonds in connection  
2562 with an economic development project, the term of the financing  
2563 agreement shall not be less than the last maturity of the bonds  
2564 issued with respect to the economic development project, except  
2565 that the financing agreement may terminate upon the earlier  
2566 redemption of all of the bonds issued with respect to the economic  
2567 development project and may grant to the approved company an  
2568 option to purchase the economic development project from the  
2569 corporation upon the termination of the financing agreement for  
2570 such consideration and under such terms and conditions the  
2571 corporation may approve. Nothing in this paragraph shall limit  
2572 the extension of the term of a financing agreement if there is a  
2573 refunding of the correlative bonds or otherwise.

2574 (b) If the corporation issues any bonds in connection  
2575 with an economic development project, the financing agreement  
2576 shall specify that the annual obligations of the approved company  
2577 under Sections 57-10-401 through 57-10-445 shall equal in each  
2578 year at least the annual debt service for that year on the bonds

2579 issued with respect to the economic development project; and the  
2580 approved company shall pay such obligation of the financing  
2581 agreement to the trustee for bonds issued for the benefit of the  
2582 approved company, at such time and in such amounts sufficient to  
2583 amortize such bonds.

2584 (c) If the corporation loans funds to an approved  
2585 company that is a private company under the Mississippi Small  
2586 Enterprise Development Finance Act, the financing agreement shall  
2587 include the terms and conditions of the loan required by Section  
2588 57-71-1 et seq.

2589 (d) (i) In consideration for financing agreement  
2590 payment, the approved company may be permitted a tax credit on the  
2591 amount provided for in Section 27-7-22.3(2), Mississippi Code of  
2592 1972, during the period of time in which the financing agreement  
2593 is in effect, not to exceed twenty-five (25) years.

2594 (ii) The income tax credited to the approved  
2595 company referred to herein shall be credited in the fiscal year of  
2596 the financing agreement in which the tax return of the approved  
2597 company is filed. The approved company shall not be required to  
2598 pay estimated tax payments under Section 27-7-319, Mississippi  
2599 Code of 1972.

2600 (e) The financing agreement shall provide that:

2601 (i) It may be assigned by the approved company  
2602 only upon the prior written consent of the corporation following  
2603 the adoption of a resolution by the corporation to such effect;  
2604 and

2605 (ii) Upon the default by the approved company in  
2606 the obligation to render its annual payment, the corporation shall  
2607 have the right, at its option, to declare the financing agreement  
2608 in default and to accelerate the total of all annual payments that  
2609 are to be made or to terminate the financing agreement and cause  
2610 to be sold the economic development project at public or private  
2611 sale, or to pursue any other remedies available under the Uniform  
2612 Commercial Code, as from time to time amended, or otherwise  
2613 available in law or equity.

2614           **SECTION 50.** Section 57-10-411, Mississippi Code of 1972, is  
2615 reenacted as follows:

2616           57-10-411. Ninety (90) days after the filing of the tax  
2617 return of the approved company, the State Tax Commission shall  
2618 certify to the corporation the state income tax liability for the  
2619 preceding year of each approved company with respect to an  
2620 economic development project financed under Sections 57-10-401  
2621 through 57-10-445, and the amounts of any tax credits taken under  
2622 Sections 57-10-401 through 57-10-445.

2623           **SECTION 51.** Section 57-10-413, Mississippi Code of 1972, is  
2624 reenacted as follows:

2625           **[In cases involving an economic development project for which**  
2626 **the Mississippi Business Finance Corporation has issued bonds for**  
2627 **the purpose of financing the approved costs of such project prior**  
2628 **to July 1, 1994, this section shall read as follows:]**

2629           57-10-413. (1) The approved company may require that each  
2630 employee whose gross wages are equivalent to Five Dollars (\$5.00)  
2631 or more per hour, as a condition of employment, agrees to pay a  
2632 job development assessment fee not to exceed a certain percentage  
2633 of the gross wages of each such employee whose job was created as  
2634 a result of the economic development project, for the purpose of  
2635 retiring the bonds which fund the economic development project or  
2636 other indebtedness. The job development assessment fee shall not  
2637 exceed the following percentages of the gross wages of the  
2638 employee:

2639           (a) Two percent (2%), if the gross wages of the  
2640 employee are equivalent to Five Dollars (\$5.00) or more per hour  
2641 but less than Seven Dollars (\$7.00) per hour;

2642           (b) Four percent (4%), if the gross wages of the  
2643 employee are equivalent to Seven Dollars (\$7.00) or more per hour  
2644 but less than Nine Dollars (\$9.00) per hour; and

2645           (c) Six percent (6%), if the gross wages of the  
2646 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

2647           (2) Each employee so assessed shall be entitled to credits  
2648 against Mississippi income taxes as provided in Section 27-7-22.3.



2649           (3) If an approved company shall elect to impose the  
2650 assessment as a condition of employment, it shall deduct the  
2651 assessment from each paycheck of each employee.

2652           (4) Any approved company collecting an assessment as  
2653 provided in subsection (1) of this section shall make its payroll  
2654 books and records available to the corporation at such reasonable  
2655 times as the corporation shall request and shall file with the  
2656 corporation documentation respecting the assessment as the  
2657 corporation may require.

2658           (5) Any assessment of the wages of employees of an approved  
2659 company in connection with their employment at an economic  
2660 development project under subsection (1) of this section shall  
2661 lapse on the date the bonds are retired.

2662           **[In cases involving an economic development project for which**  
2663 **the Mississippi Business Finance Corporation has not issued bonds**  
2664 **for the purpose of financing the approved costs of such project**  
2665 **prior to July 1, 1994, but has issued bonds for such project prior**  
2666 **to July 1, 1997, or in cases involving an economic development**  
2667 **project which has been induced by a resolution of the Board of**  
2668 **Directors of the Mississippi Business Finance Corporation that has**  
2669 **been filed with the State Tax Commission prior to July 1, 1997,**  
2670 **this section shall read as follows:]**

2671           57-10-413. (1) Except as otherwise provided for in  
2672 subsection (6) of this section, the approved company may require  
2673 that each employee whose gross wages are equivalent to Five  
2674 Dollars (\$5.00) or more per hour, as a condition of employment,  
2675 agrees to pay a job development assessment fee not to exceed a  
2676 certain percentage of the gross wages of each such employee whose  
2677 job was created as a result of the economic development project,  
2678 for the purpose of retiring the bonds which fund the economic  
2679 development project or other indebtedness. The job development  
2680 assessment fee shall not exceed the following percentages of the  
2681 gross wages of the employee:

2682           (a) Two percent (2%), if the gross wages of the  
2683 employee are equivalent to Five Dollars (\$5.00) or more per hour  
2684 but less than Seven Dollars (\$7.00) per hour;

2685           (b) Four percent (4%), if the gross wages of the  
2686 employee are equivalent to Seven Dollars (\$7.00) or more per hour  
2687 but less than Nine Dollars (\$9.00) per hour; and

2688           (c) Six percent (6%), if the gross wages of the  
2689 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

2690           (2) Each employee so assessed shall be entitled to credits  
2691 against Mississippi income taxes as provided in Section 27-7-22.3.

2692           (3) If an approved company shall elect to impose the  
2693 assessment as a condition of employment, it shall deduct the  
2694 assessment from each paycheck of each employee.

2695           (4) Any approved company collecting an assessment as  
2696 provided in subsection (1) of this section shall make its payroll  
2697 books and records available to the corporation at such reasonable  
2698 times as the corporation shall request and shall file with the  
2699 corporation documentation respecting the assessment as the  
2700 corporation may require.

2701           (5) Any assessment of the wages of employees of an approved  
2702 company in connection with their employment at an economic  
2703 development project under subsection (1) of this section shall  
2704 lapse on the date the bonds are retired.

2705           (6) If an eligible company closes a facility in this state  
2706 and becomes an approved company under the provisions of Sections  
2707 57-10-401 through 57-10-449, only those jobs created in excess of  
2708 those that existed at the closed facility at the time of the  
2709 closure shall be eligible for the imposition of the job  
2710 development assessment fee. The Mississippi Business Finance  
2711 Corporation shall promulgate rules and regulations to govern the  
2712 determination of the number of jobs upon which the job development  
2713 assessment fee may be imposed.

2714           **SECTION 52.** Section 57-10-415, Mississippi Code of 1972, is  
2715 reenacted as follows:

2716           57-10-415. Every issue of bonds under Sections 57-10-401  
2717 through 57-10-445 shall be payable solely out of any revenues of  
2718 the corporation as provided in Sections 57-10-401 through  
2719 57-10-445. The bonds additionally may be secured by a pledge of  
2720 any grant, contribution or guarantee from the federal government  
2721 or any person or a pledge by the corporation of any revenues from  
2722 any source.

2723           **SECTION 53.** Section 57-10-417, Mississippi Code of 1972, is  
2724 reenacted as follows:

2725           57-10-417. The bonds issued by the corporation under  
2726 Sections 57-10-401 through 57-10-445 shall be limited obligations  
2727 of the corporation and shall not constitute a debt, liability or  
2728 general obligation of the state or any political subdivision  
2729 thereof (other than the corporation), or a pledge of the faith and  
2730 credit of the state or any political subdivision thereof (other  
2731 than the corporation), but shall be payable solely as provided by  
2732 the corporation under Sections 57-10-401 through 57-10-445. No  
2733 member or officer of the board of directors of the corporation nor  
2734 any person executing the bonds shall be liable personally on the  
2735 bonds by reason of the issuance thereof. Each bond issued under  
2736 Sections 57-10-401 through 57-10-445 shall contain on the face  
2737 thereof a statement that neither the state, nor any other  
2738 political subdivision thereof, shall be obligated to pay the same  
2739 or the interest thereon or other costs incident thereto except  
2740 from the revenue or money pledged by the corporation and that  
2741 neither the faith and credit nor the taxing power of the state or  
2742 any political subdivision thereof is pledged to the payment of the  
2743 principal of, or the interest on, such bond.

2744           **SECTION 54.** Section 57-10-419, Mississippi Code of 1972, is  
2745 reenacted as follows:

2746           57-10-419. (1) The corporation may issue in its own name,  
2747 from time to time, for the purpose of financing the approved costs  
2748 of an economic development project, its bonds and may pledge for  
2749 the payment thereof funds derived in respect of any financing

2750 agreement or other arrangement entered into by the corporation and  
2751 an approved company under Sections 57-10-401 through 57-10-445.

2752 (2) In anticipation of the issuance of bonds, the  
2753 corporation may provide for the issuance, at one time or from time  
2754 to time, of bond anticipation notes. The principal of and the  
2755 interest on the notes shall be payable solely from the funds  
2756 herein provided for the payment. Any notes may be made payable  
2757 from the proceeds of bonds or renewal notes; or, if bond or  
2758 renewal note proceeds are not available, the notes may be paid  
2759 from any available revenues or assets of the corporation.

2760 (3) The bonds issued under Sections 57-10-401 through  
2761 57-10-445 shall be authorized by a resolution of the corporation,  
2762 shall bear such date or dates, and shall mature at such time or  
2763 times as such resolution may provide, except that no bond shall  
2764 mature more than twenty-five (25) years from the date of issue.  
2765 Bonds which are not subject to taxation shall bear interest at  
2766 such rate or rates, be in such denominations, be in such form,  
2767 carry such registration privileges, be executed in such manner, be  
2768 payable in such medium of payment, at such place or places, and be  
2769 subject to such terms of redemption, including redemption before  
2770 maturity, as such resolution may provide. Except as expressly  
2771 provided otherwise in Sections 57-10-401 through 57-10-445, the  
2772 provisions of other laws of the state relating to the issuance of  
2773 revenue bonds shall not apply to bonds issued by the corporation.  
2774 As to bonds issued hereunder and designated as taxable bonds by  
2775 the corporation, any immunity to taxation by the United States  
2776 government of interest on such bonds or notes is hereby waived.  
2777 Bonds of the corporation may be sold by the corporation at public  
2778 or private sale, from time to time, and at such price or prices as  
2779 the corporation shall determine.

2780 (4) The proceeds of any bonds shall be used solely for the  
2781 purposes for which issued and shall be disbursed in the manner and  
2782 under the restrictions, if any, that the corporation may provide  
2783 in the resolution authorizing the issuance of the bonds or in a  
2784 trust indenture securing the same.

2785           (5) The principal and interest on the bonds issued by the  
2786 corporation shall be payable solely and only from proceeds derived  
2787 under a financing agreement and shall be secured solely by the  
2788 economic development project, the proceeds of the financing  
2789 agreement, and such other assets as may be available, but not  
2790 including revenues of the state.

2791           (6) Before the preparation of definitive certificates  
2792 evidencing the bonds, the corporation may issue, under like  
2793 restrictions, interim receipts or temporary certificates, with or  
2794 without coupons, exchangeable for definitive certificates when the  
2795 certificates have been executed and are available for delivery.  
2796 The corporation may also provide for the replacement of any  
2797 certificates which become mutilated or are destroyed or lost.

2798           **SECTION 55.** Section 57-10-421, Mississippi Code of 1972, is  
2799 reenacted as follows:

2800           57-10-421. In addition to the requirements provided for in  
2801 Section 57-10-419, any resolution authorizing the issuance of  
2802 bonds under Sections 57-10-401 through 57-10-445 may contain  
2803 provisions as to:

2804           (a) The setting aside of reserves or sinking funds and  
2805 the regulations and disposition thereof;

2806           (b) Limitations on the issuance of additional bonds,  
2807 the terms upon which additional bonds may be issued and secured,  
2808 and the refunding of outstanding or other bonds;

2809           (c) The procedure, if any, by which the terms of any of  
2810 the proceedings under which the bonds are being issued may be  
2811 amended or abrogated, the number or percentage of bondholders who  
2812 or which must consent thereto, and the manner in which the consent  
2813 may be given;

2814           (d) The vesting in a trustee or trustees of such  
2815 property, rights, powers and duties in trust as the company may  
2816 determine, and limiting or abrogating the right of bondholders to  
2817 appoint a trustee or limiting the rights, powers and duties of the  
2818 trustee;

2819           (e) Defining the act or omissions to act which shall  
2820 constitute a default and the obligations or duties of the  
2821 corporation to the holders of the bonds, and providing for the  
2822 rights and remedies of the holders of the bonds in the event of  
2823 default, which rights and remedies may include the general laws of  
2824 the state and other provisions of Sections 57-10-401 through  
2825 57-10-445; or

2826           (f) Any other matter, of like or different character,  
2827 which in any way affects the security or protection of the holders  
2828 of the bonds.

2829           **SECTION 56.** Section 57-10-423, Mississippi Code of 1972, is  
2830 reenacted as follows:

2831           57-10-423. Any pledge made by the corporation shall be valid  
2832 and binding from the time when the pledge was made. The revenues  
2833 or properties so pledged and thereafter received by the  
2834 corporation shall immediately be subject to the lien of such  
2835 pledge without any physical delivery thereof or further act, and  
2836 the lien of any such pledge shall be valid and binding as against  
2837 all parties having claims of any kind in tort, contract or  
2838 otherwise against the corporation, irrespective of whether the  
2839 parties have notice thereof. Neither the resolution nor any other  
2840 instrument by which a pledge is created need be recorded.

2841           **SECTION 57.** Section 57-10-425, Mississippi Code of 1972, is  
2842 reenacted as follows:

2843           57-10-425. The corporation, subject to the provisions in  
2844 proceedings relating to outstanding bonds as may then exist, may  
2845 purchase bonds out of any funds available therefor, which shall  
2846 thereupon be canceled, at any reasonable price which, if the bonds  
2847 are then redeemable, shall not exceed the redemption price (and  
2848 premium, if any) then applicable plus accrued interest to the  
2849 redemption date thereof.

2850           **SECTION 58.** Section 57-10-427, Mississippi Code of 1972, is  
2851 reenacted as follows:

2852           57-10-427. The bonds may be secured by an indenture by and  
2853 between the corporation and a corporate trustee which may be any

2854 bank or other corporation having the power of a trust company or  
2855 any trust company within or without this state. Such indenture  
2856 may contain such provisions for protecting and enforcing the  
2857 rights and remedies of the bondholders as may be reasonable and  
2858 proper and not in violation of law, including covenants setting  
2859 forth the duties of the corporation in relation to the exercise of  
2860 its powers and the custody, safekeeping and application of all  
2861 money. The corporation may provide by the indenture for the  
2862 payment of the proceeds of the bonds and revenues to the trustee  
2863 under the indenture or other depository, and for the method of  
2864 disbursement thereof, with such safeguards and restrictions as the  
2865 corporation may determine. If the bonds shall be secured by an  
2866 indenture, the bondholders shall have no authority to appoint a  
2867 separate trustee to represent them.

2868       **SECTION 59.** Section 57-10-429, Mississippi Code of 1972, is  
2869 reenacted as follows:

2870       57-10-429. In the event that any of the members or officers  
2871 of the board of directors of the corporation shall cease to be  
2872 members or officers of the board prior to the delivery of any  
2873 bonds signed by them, their signatures or facsimiles thereof shall  
2874 nevertheless be valid and sufficient for all purposes, the same as  
2875 if such members or officers had remained in office until such  
2876 delivery.

2877       **SECTION 60.** Section 57-10-431, Mississippi Code of 1972, is  
2878 reenacted as follows:

2879       57-10-431. The corporation may create and establish such  
2880 funds and accounts as may be necessary or desirable for its  
2881 purposes under Sections 57-10-401 through 57-10-445.

2882       **SECTION 61.** Section 57-10-433, Mississippi Code of 1972, is  
2883 reenacted as follows:

2884       57-10-433. The corporation shall have the power to contract  
2885 with the holders of any of its bonds issued under Sections  
2886 57-10-401 through 57-10-445 as to the custody, collection,  
2887 securing, investment and payment of any money of the corporation,  
2888 and of any money held in trust or otherwise for the payment of

2889 bonds, and to carry out such contract. Money held in trust or  
2890 otherwise for the payment of bonds or in any way to secure bonds  
2891 and deposits of money may be secured in the same manner as money  
2892 of the corporation, and all banks and trust companies are  
2893 authorized to give security for the deposits.

2894 **SECTION 62.** Section 57-10-435, Mississippi Code of 1972, is  
2895 reenacted as follows:

2896 57-10-435. Amendments to Sections 57-10-401 through  
2897 57-10-445, enacted after July 1, 1993, shall not limit the rights  
2898 vested in the corporation with respect to any agreements made  
2899 with, or remedies available to, the holders of bonds issued under  
2900 this article or Section 27-7-22.3 prior to the enactment of the  
2901 amendments until the bonds, together with all interest thereon,  
2902 and all costs and expenses in connection with any proceeding by or  
2903 on behalf of the holders, are fully met and discharged.

2904 **SECTION 63.** Section 57-10-437, Mississippi Code of 1972, is  
2905 reenacted as follows:

2906 57-10-437. All expenses incurred by the corporation in  
2907 carrying out the provisions of Sections 57-10-401 through  
2908 57-10-445 shall be payable solely from funds provided under  
2909 Sections 57-10-401 through 57-10-445, or other funds of the  
2910 corporation. Nothing in Sections 57-10-401 through 57-10-445  
2911 shall be construed to authorize the corporation to incur  
2912 indebtedness or liability on behalf of or payable by the state or  
2913 any other political subdivision thereof.

2914 **SECTION 64.** Section 57-10-439, Mississippi Code of 1972, is  
2915 reenacted as follows:

2916 57-10-439. (1) The corporation is hereby declared to be  
2917 performing a public function and to be a public body corporate and  
2918 a political subdivision of the state. Accordingly, the income,  
2919 including any profit made on the sale thereof from all bonds  
2920 issued by the corporation, shall at all times be exempt from all  
2921 taxation by the state or any political subdivision thereof. If,  
2922 after all indebtedness and other obligations of the corporation



2923 are discharged, the corporation is dissolved, its remaining assets  
2924 shall inure to the benefit of the state.

2925 (2) With the approval of the appropriate local taxing  
2926 authority, all mortgages or deeds of trust executed as security  
2927 therefor, all lease or purchase agreements made pursuant to the  
2928 provisions hereof, and all purchases required to establish the  
2929 industrial enterprise and financed by proceeds from bonds issued  
2930 under Sections 57-10-401 through 57-10-445, shall likewise be  
2931 exempt from all taxation in the State of Mississippi except the  
2932 contractors' tax imposed by Section 27-65-21, and except ad  
2933 valorem taxes levied for school district purposes. All projects  
2934 and the revenue derived therefrom from any lease thereof shall be  
2935 exempt from all taxation in the State of Mississippi, except the  
2936 tax levied by Section 27-65-21, except the tax levied under  
2937 Chapter 7, Title 27, Mississippi Code of 1972, and except ad  
2938 valorem taxes levied for school district purposes.

2939 **SECTION 65.** Section 57-10-441, Mississippi Code of 1972, is  
2940 reenacted as follows:

2941 57-10-441. The bonds issued by and under the authority of  
2942 Sections 57-10-401 through 57-10-445 by the corporation are  
2943 declared to be legal investments in which all public officers or  
2944 public bodies of the state, its political subdivisions, all  
2945 municipalities and municipal subdivisions, all insurance companies  
2946 and associations, and other persons carrying on insurance  
2947 business, all banks, bankers, banking associations, trust  
2948 companies, savings associations, including savings and loan  
2949 associations, building and loan associations, investment  
2950 companies, and other persons carrying on a banking business, all  
2951 administrators, guardians, executors, trustees and other  
2952 fiduciaries, and all other persons who are now or may later be  
2953 authorized to invest in bonds or in other obligations of the  
2954 state, may invest funds, including capital, in their control or  
2955 belonging to them. Such bonds are also hereby made securities  
2956 which may be deposited with and received by all public officers  
2957 and bodies of the state or any agency or political subdivision of

2958 the state and all municipalities and public corporations for any  
2959 purpose for which the deposit of bonds or other obligations of the  
2960 state is now or may be later authorized by law.

2961 **SECTION 66.** Section 57-10-443, Mississippi Code of 1972, is  
2962 reenacted as follows:

2963 57-10-443. The corporation, within one hundred twenty (120)  
2964 days of the close of each fiscal year, shall submit an annual  
2965 report of its activities in regard to Sections 57-10-401 through  
2966 57-10-445 for the preceding year to the Governor. The Clerk of  
2967 the House of Representatives and the Secretary of the Senate each  
2968 shall receive a copy of the report by making a request for it to  
2969 the corporation. Each report shall set forth a complete operating  
2970 and financial statement in regard to Sections 57-10-401 through  
2971 57-10-445 for the corporation during the fiscal year it covers.

2972 **SECTION 67.** Section 57-10-445, Mississippi Code of 1972, is  
2973 reenacted as follows:

2974 57-10-445. Nothing contained in Sections 57-10-401 through  
2975 57-10-445 is to be construed as a restriction or limitation upon  
2976 any powers which the corporation might otherwise have under any  
2977 other law of the state. Insofar as the provisions of Sections  
2978 57-10-401 through 57-10-445 are inconsistent with the provisions  
2979 of any other law, the provisions of Sections 57-10-401 through  
2980 57-10-445 shall be controlling, and the powers conferred by  
2981 Sections 57-10-401 through 57-10-445 shall be regarded as  
2982 supplemental and additional to powers conferred by any other laws.  
2983 No proceedings, notice or approval shall be required for the  
2984 issuance of any bonds or any instrument or the security therefor,  
2985 except as provided in Sections 57-10-401 through 57-10-445.

2986 The provisions of Sections 57-10-401 through 57-10-445 shall  
2987 be liberally construed to accomplish the purposes of Sections  
2988 57-10-401 through 57-10-445.

2989 The powers granted and the duties imposed in Sections  
2990 57-10-401 through 57-10-445 shall be construed to be independent  
2991 and severable. If any one or more sections, subsections,  
2992 sentences or parts of any of Sections 57-10-401 through 57-10-445

2993 shall be adjudged unconstitutional or invalid, such adjudication  
2994 shall not affect, impair or invalidate the remaining provisions  
2995 thereof, but shall be confined in its operation to the specific  
2996 provisions so held unconstitutional or invalid.

2997 **SECTION 68.** Section 27-7-22.3, Mississippi Code of 1972, is  
2998 reenacted as follows:

2999 **[In cases involving an economic development project for which**  
3000 **the Mississippi Business Finance Corporation has issued bonds for**  
3001 **the purpose of financing the approved costs of such project prior**  
3002 **to July 1, 1994, this section shall read as follows:]**

3003 27-7-22.3. (1) For taxpayers who are required to pay a job  
3004 assessment fee as provided in Section 57-10-413, there shall be  
3005 allowed as a credit against the taxes imposed by this chapter, an  
3006 amount equal to the amount of the job assessment fee imposed upon  
3007 such taxpayer pursuant to Section 57-10-413. If the amount  
3008 allowable as a credit exceeds the tax imposed by this article and  
3009 Section 27-7-22.3, the amount of such excess shall not be  
3010 refundable or carried forward to any other taxable year.

3011 (2) For any approved company as defined in Section  
3012 57-10-401, there shall be allowed against the taxes imposed by  
3013 this chapter on the income of the approved company generated by or  
3014 arising out of the economic development project (as defined in  
3015 Section 57-10-401), a credit in an amount not to exceed the total  
3016 debt service paid under a financing agreement entered into under  
3017 Section 57-10-409. The tax credit allowed in this subsection  
3018 shall not exceed the amount of taxes due the State of Mississippi.

3019 **[In cases involving an economic development project for which**  
3020 **the Mississippi Business Finance Corporation has not issued bonds**  
3021 **for the purpose of financing the approved costs of such project**  
3022 **prior to July 1, 1994, but has issued bonds for such project prior**  
3023 **to July 1, 1997, or in cases involving an economic development**  
3024 **project which has been induced by a resolution of the Board of**  
3025 **Directors of the Mississippi Business Finance Corporation that has**  
3026 **been filed with the State Tax Commission prior to July 1, 1997,**  
3027 **this section shall read as follows:]**

3028           27-7-22.3. (1) For taxpayers who are required to pay a job  
3029 assessment fee as provided in Section 57-10-413, there shall be  
3030 allowed as a credit against the taxes imposed by this chapter, an  
3031 amount equal to the amount of the job assessment fee imposed upon  
3032 such taxpayer pursuant to Section 57-10-413. If the amount  
3033 allowable as a credit exceeds the tax imposed by this article and  
3034 Section 27-7-22.3, the amount of such excess shall not be  
3035 refundable or carried forward to any other taxable year.

3036           (2) For any approved company as defined in Section  
3037 57-10-401, there shall be allowed against the taxes imposed by  
3038 this chapter on the income of the approved company generated by or  
3039 arising out of the economic development project (as defined in  
3040 Section 57-10-401), a credit in an amount not to exceed the total  
3041 debt service paid under a financing agreement entered into under  
3042 Section 57-10-409. The tax credit allowed in this subsection  
3043 shall not exceed the amount of taxes due the State of Mississippi.  
3044 The amount of income of the approved company generated by or  
3045 arising out of the economic development project shall be  
3046 determined by a formula adopted by the Mississippi Business  
3047 Finance Corporation.

3048           **[In cases involving an economic development project for which**  
3049 **the Mississippi Business Finance Corporation has not issued bonds**  
3050 **for the purpose of financing the approved costs of such project**  
3051 **prior to July 1, 1997, or in cases involving an economic**  
3052 **development project which has not been induced by a resolution of**  
3053 **the Board of Directors of the Mississippi Business Finance**  
3054 **Corporation that has been filed with the State Tax Commission**  
3055 **prior to July 1, 1997, this section shall read as follows:]**

3056           27-7-22.3. For any approved company as defined in Section  
3057 57-10-401, there shall be allowed against the taxes imposed by  
3058 this chapter on the income of the approved company generated by or  
3059 arising out of the economic development project (as defined in  
3060 Section 57-10-401), a credit in an amount not to exceed the total  
3061 debt service paid under a financing agreement entered into under  
3062 Section 57-10-409; provided, however, that the tax credit allowed

3063 in this subsection shall not exceed eighty percent (80%) of the  
3064 amount of taxes due the State of Mississippi prior to the  
3065 application of the credit. To the extent that financing agreement  
3066 annual payments exceed the amount of the credit authorized  
3067 pursuant to this section in any taxable year, such excess payment  
3068 may be recouped from excess credits in succeeding years not to  
3069 exceed three (3) years following the date upon which the credit  
3070 was earned. The amount of income of the approved company  
3071 generated by or arising out of the economic development project  
3072 shall be determined by a formula adopted by the Mississippi  
3073 Business Finance Corporation.

3074 **SECTION 69.** Section 57-10-449, Mississippi Code of 1972, is  
3075 amended as follows:

3076 57-10-449. Sections 57-10-401 through 57-10-445 and  
3077 27-7-22.3 shall be repealed from and after October 1, 2006.

3078 **SECTION 70.** Section 57-62-5, Mississippi Code of 1972, is  
3079 amended as follows:

3080 **[For businesses or industries that received or applied for**  
3081 **incentive payments prior to July 1, 2005, this section shall read**  
3082 **as follows:]**

3083 57-62-5. As used in this chapter, the following words and  
3084 phrases shall have the meanings ascribed in this section unless  
3085 the context clearly indicates otherwise:

3086 (a) "Qualified business or industry" means any  
3087 corporation, limited liability company, partnership, sole  
3088 proprietorship, business trust or other legal entity and subunits  
3089 or affiliates thereof, pursuant to rules and regulations of the  
3090 MDA, which provides an average annual salary, excluding benefits  
3091 which are not subject to Mississippi income taxes, of at least one  
3092 hundred twenty-five percent (125%) of the most recently published  
3093 state average annual wage or the most recently published average  
3094 annual wage of the county in which the qualified business or  
3095 industry is located as determined by the Mississippi Department of  
3096 Employment Security, whichever is the lesser. An establishment  
3097 shall not be considered to be a qualified business or industry

3098 unless it offers, or will offer within one hundred eighty (180)  
3099 days of the date it receives the first incentive payment pursuant  
3100 to the provisions of this chapter, a basic health benefits plan to  
3101 the individuals it employs in new direct jobs in this state which  
3102 is approved by the MDA. Qualified business or industry does not  
3103 include retail business or gaming business;

3104 (b) "New direct job" means full-time employment in this  
3105 state in a qualified business or industry that has qualified to  
3106 receive an incentive payment pursuant to this chapter, which  
3107 employment did not exist in this state before the date of approval  
3108 by the MDA of the application of the qualified business or  
3109 industry pursuant to the provisions of this chapter. "New direct  
3110 job" shall include full-time employment in this state of employees  
3111 who are employed by an entity other than the establishment that  
3112 has qualified to receive an incentive payment and who are leased  
3113 to the qualified business or industry, if such employment did not  
3114 exist in this state before the date of approval by the MDA of the  
3115 application of the establishment;

3116 (c) "Full-time job" means a job of at least thirty-five  
3117 (35) hours per week;

3118 (d) "Estimated direct state benefits" means the tax  
3119 revenues projected by the MDA to accrue to the state as a result  
3120 of the qualified business or industry;

3121 (e) "Estimated direct state costs" means the costs  
3122 projected by the MDA to accrue to the state as a result of the  
3123 qualified business or industry;

3124 (f) "Estimated net direct state benefits" means the  
3125 estimated direct state benefits less the estimated direct state  
3126 costs;

3127 (g) "Net benefit rate" means the estimated net direct  
3128 state benefits computed as a percentage of gross payroll, provided  
3129 that:

3130 (i) Except as otherwise provided in this paragraph  
3131 (g), the net benefit rate may be variable and shall not exceed

3132 four percent (4%) of the gross payroll; and shall be set in the  
3133 sole discretion of the MDA;

3134 (ii) In no event shall incentive payments,  
3135 cumulatively, exceed the estimated net direct state benefits;

3136 (h) "Gross payroll" means wages for new direct jobs of  
3137 the qualified business or industry; and

3138 (i) "MDA" means the Mississippi Development Authority.

3139 **[For businesses or industries that apply for incentive**  
3140 **payments from and after July 1, 2005, this section shall read as**  
3141 **follows:]**

3142 57-62-5. As used in this chapter, the following words and  
3143 phrases shall have the meanings ascribed in this section unless  
3144 the context clearly indicates otherwise:

3145 (a) "Qualified business or industry" means any  
3146 corporation, limited liability company, partnership, sole  
3147 proprietorship, business trust or other legal entity and subunits  
3148 or affiliates thereof, pursuant to rules and regulations of the  
3149 MDA, which:

3150 (i) Is a data/information processing enterprise  
3151 meeting minimum criteria established by the MDA that provides an  
3152 average annual salary, excluding benefits which are not subject to  
3153 Mississippi income taxes, of at least one hundred percent (100%)  
3154 of the most recently published state average annual wage or the  
3155 most recently published average annual wage of the county in which  
3156 the qualified business or industry is located as determined by the  
3157 Mississippi Department of Employment Security, whichever is the  
3158 lesser, and creates not less than two hundred (200) new direct  
3159 jobs if the enterprise is located in a Tier One or Tier Two area  
3160 (as such areas are designated in accordance with Section  
3161 57-73-21), or which creates not less than one hundred (100) new  
3162 jobs if the enterprise is located in a Tier Three area (as such  
3163 areas are designated in accordance with Section 57-73-21);

3164 (ii) Is a manufacturing or distribution enterprise  
3165 meeting minimum criteria established by the MDA that provides an  
3166 average annual salary, excluding benefits which are not subject to

3167 Mississippi income taxes, of at least one hundred ten percent  
3168 (110%) of the most recently published state average annual wage or  
3169 the most recently published average annual wage of the county in  
3170 which the qualified business or industry is located as determined  
3171 by the Mississippi Department of Employment Security, whichever is  
3172 the lesser, invests not less than Twenty Million Dollars  
3173 (\$20,000,000.00) in land, buildings and equipment, and creates not  
3174 less than fifty (50) new direct jobs if the enterprise is located  
3175 in a Tier One or Tier Two area (as such areas are designated in  
3176 accordance with Section 57-73-21), or which creates not less than  
3177 twenty (20) new jobs if the enterprise is located in a Tier Three  
3178 area (as such areas are designated in accordance with Section  
3179 57-73-21);

3180 (iii) Is a corporation, limited liability company,  
3181 partnership, sole proprietorship, business trust or other legal  
3182 entity and subunits or affiliates thereof, pursuant to rules and  
3183 regulations of the MDA, which provides an average annual salary,  
3184 excluding benefits which are not subject to Mississippi income  
3185 taxes, of at least one hundred twenty-five percent (125%) of the  
3186 most recently published state average annual wage or the most  
3187 recently published average annual wage of the county in which the  
3188 qualified business or industry is located as determined by the  
3189 Mississippi Department of Employment Security, whichever is the  
3190 lesser. An establishment shall not be considered to be a  
3191 qualified business or industry unless it offers, or will offer  
3192 within one hundred eighty (180) days of the date it receives the  
3193 first incentive payment pursuant to the provisions of this  
3194 chapter, a basic health benefits plan to the individuals it  
3195 employs in new direct jobs in this state which is approved by the  
3196 MDA. Qualified business or industry does not include retail  
3197 business or gaming business; or

3198 (iv) Is a research and development or a technology  
3199 intensive enterprise meeting minimum criteria established by the  
3200 MDA that provides an average annual salary, excluding benefits  
3201 which are not subject to Mississippi income taxes, of at least one



3202 hundred fifty percent (150%) of the most recently published state  
3203 average annual wage or the most recently published average annual  
3204 wage of the county in which the qualified business or industry is  
3205 located as determined by the Mississippi Department of Employment  
3206 Security, whichever is the lesser, and creates not less than ten  
3207 (10) new direct jobs.

3208         An establishment shall not be considered to be a qualified  
3209 business or industry unless it offers, or will offer within one  
3210 hundred eighty (180) days of the date it receives the first  
3211 incentive payment pursuant to the provisions of this chapter, a  
3212 basic health benefits plan to the individuals it employs in new  
3213 direct jobs in this state which is approved by the MDA. Qualified  
3214 business or industry does not include retail business or gaming  
3215 business.

3216         (b) "New direct job" means full-time employment in this  
3217 state in a qualified business or industry that has qualified to  
3218 receive an incentive payment pursuant to this chapter, which  
3219 employment did not exist in this state before the date of approval  
3220 by the MDA of the application of the qualified business or  
3221 industry pursuant to the provisions of this chapter. "New direct  
3222 job" shall include full-time employment in this state of employees  
3223 who are employed by an entity other than the establishment that  
3224 has qualified to receive an incentive payment and who are leased  
3225 to the qualified business or industry, if such employment did not  
3226 exist in this state before the date of approval by the MDA of the  
3227 application of the establishment.

3228         (c) "Full-time job" or "full-time employment" means a  
3229 job of at least thirty-five (35) hours per week.

3230         (d) "Estimated direct state benefits" means the tax  
3231 revenues projected by the MDA to accrue to the state as a result  
3232 of the qualified business or industry.

3233         (e) "Estimated direct state costs" means the costs  
3234 projected by the MDA to accrue to the state as a result of the  
3235 qualified business or industry.

3236 (f) "Estimated net direct state benefits" means the  
3237 estimated direct state benefits less the estimated direct state  
3238 costs.

3239 (g) "Net benefit rate" means the estimated net direct  
3240 state benefits computed as a percentage of gross payroll, provided  
3241 that:

3242 (i) Except as otherwise provided in this paragraph  
3243 (g), the net benefit rate may be variable and shall not exceed  
3244 four percent (4%) of the gross payroll; and shall be set in the  
3245 sole discretion of the MDA;

3246 (ii) In no event shall incentive payments,  
3247 cumulatively, exceed the estimated net direct state benefits.

3248 (h) "Gross payroll" means wages for new direct jobs of  
3249 the qualified business or industry. \* \* \*

3250 (i) "MDA" means the Mississippi Development Authority.

3251 **SECTION 71.** Section 57-62-9, Mississippi Code of 1972, is  
3252 amended as follows:

3253 **[For businesses or industries that received or applied for**  
3254 **incentive payments prior to July 1, 2005, this section shall read**  
3255 **as follows:]**

3256 57-62-9. (1) Except as otherwise provided in this section,  
3257 a qualified business or industry that meets the qualifications  
3258 specified in the Mississippi Advantage Jobs Act may receive  
3259 quarterly incentive payments for a period not to exceed ten (10)  
3260 years from the State Tax Commission pursuant to the provisions of  
3261 the Mississippi Advantage Jobs Act in an amount which shall be  
3262 equal to the net benefit rate multiplied by the actual gross  
3263 payroll of new direct jobs for a calendar quarter as verified by  
3264 the Mississippi Department of Employment Security, but not to  
3265 exceed the amount of money previously paid into the fund by the  
3266 employer. A qualified business or industry that is a project as  
3267 defined in Section 57-75-5(f)(iv)1 may elect the date upon which  
3268 the ten-year period will begin. Such date may not be later than  
3269 sixty (60) months after the date the business or industry applied  
3270 for incentive payments.

3271           (2) (a) A qualified business or industry that is a project  
3272 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to  
3273 receive incentive payments for an additional period not to exceed  
3274 five (5) years beyond the expiration date of the initial ten-year  
3275 period if:

3276                       (i) The qualified business or industry creates at  
3277 least three thousand (3,000) new direct jobs within five (5) years  
3278 after the date the business or industry commences commercial  
3279 production;

3280                       (ii) Within five (5) years after the date the  
3281 business or industry commences commercial production, the average  
3282 annual wage of the jobs is at least one hundred fifty percent  
3283 (150%) of the most recently published state average annual wage or  
3284 the most recently published average annual wage of the county in  
3285 which the qualified business or industry is located as determined  
3286 by the Mississippi Department of Employment Security, whichever is  
3287 the lesser. The criteria for the average annual wage requirement  
3288 shall be based upon the state average annual wage or the average  
3289 annual wage of the county whichever is appropriate, at the time of  
3290 creation of the minimum number of jobs, and the threshold  
3291 established at that time will remain constant for the duration of  
3292 the additional period; and

3293                       (iii) The qualified business or industry meets and  
3294 maintains the job and wage requirements of subparagraphs (i) and  
3295 (ii) of this paragraph (a) for four (4) consecutive calendar  
3296 quarters.

3297           (b) A qualified business or industry that is a project  
3298 as defined in Section 57-75-5(f)(iv)1 and qualified to receive  
3299 incentive payments for the additional period provided in paragraph  
3300 (a) of this subsection (2) may apply to the MDA to receive  
3301 incentive payments for an additional period not to exceed ten (10)  
3302 years beyond the expiration date of the additional period provided  
3303 in paragraph (a) of this subsection (2) if:

3304                       (i) The qualified business or industry creates at  
3305 least four thousand (4,000) new direct jobs after qualifying for

3306 the additional incentive period provided in paragraph (a) of this  
3307 subsection (2) but before the expiration of the additional period.  
3308 For purposes of determining whether the business or industry meets  
3309 the minimum jobs requirement of this subparagraph (i), the number  
3310 of jobs the business or industry created in order to meet the  
3311 minimum jobs requirement of paragraph (a) of this subsection (2)  
3312 shall be subtracted from the minimum jobs requirement of this  
3313 subparagraph (i);

3314 (ii) The average annual wage of the jobs is at  
3315 least one hundred fifty percent (150%) of the most recently  
3316 published state average annual wage or the most recently published  
3317 average annual wage of the county in which the qualified business  
3318 or industry is located as determined by the Mississippi Department  
3319 of Employment Security, whichever is the lesser. The criteria for  
3320 the average annual wage requirement shall be based upon the state  
3321 average annual wage or the average annual wage of the county  
3322 whichever is appropriate, at the time of creation of the minimum  
3323 number of jobs, and the threshold established at that time will  
3324 remain constant for the duration of the additional period; and

3325 (iii) The qualified business or industry meets and  
3326 maintains the job and wage requirements of subparagraphs (i) and  
3327 (ii) of this paragraph (b) for four (4) consecutive calendar  
3328 quarters.

3329 (3) In order to receive incentive payments, an establishment  
3330 shall apply to the MDA. The application shall be on a form  
3331 prescribed by the MDA and shall contain such information as may be  
3332 required by the MDA to determine if the applicant is qualified.

3333 (4) In order to qualify to receive such payments, the  
3334 establishment applying shall be required to:

3335 (a) Be engaged in a qualified business or industry;

3336 (b) Provide an average salary, excluding benefits which  
3337 are not subject to Mississippi income taxes, of at least one  
3338 hundred twenty-five percent (125%) of the most recently published  
3339 state average annual wage or the most recently published average  
3340 annual wage of the county in which the qualified business or

3341 industry is located as determined by the Mississippi Department of  
3342 Employment Security, whichever is the lesser. The criteria for  
3343 this requirement shall be based upon the state average annual wage  
3344 or the average annual wage of the county whichever is appropriate,  
3345 at the time of application, and the threshold established upon  
3346 application will remain constant for the duration of the project;

3347 (c) The business or industry must create and maintain a  
3348 minimum of ten (10) full-time jobs in counties that have an  
3349 average unemployment rate over the previous twelve-month period  
3350 which is at least one hundred fifty percent (150%) of the most  
3351 recently published state unemployment rate, as determined by the  
3352 Mississippi Department of Employment Security or in Tier Three  
3353 counties as determined under Section 57-73-21. In all other  
3354 counties, the business or industry must create and maintain a  
3355 minimum of twenty-five (25) full-time jobs. The criteria for this  
3356 requirement shall be based on the designation of the county at the  
3357 time of the application. The threshold established upon the  
3358 application will remain constant for the duration of the project.  
3359 The business or industry must meet its job creation commitment  
3360 within twenty-four (24) months of the application approval.  
3361 However, if the qualified business or industry is applying for  
3362 incentive payments for an additional period under subsection (2)  
3363 of this section, the business or industry must comply with the  
3364 applicable job and wage requirements of subsection (2) of this  
3365 section.

3366 (5) The MDA shall determine if the applicant is qualified to  
3367 receive incentive payments. If the applicant is determined to be  
3368 qualified by the MDA, the MDA shall conduct a cost/benefit  
3369 analysis to determine the estimated net direct state benefits and  
3370 the net benefit rate applicable for a period not to exceed ten  
3371 (10) years and to estimate the amount of gross payroll for the  
3372 period. If the applicant is determined to be qualified to receive  
3373 incentive payments for an additional period under subsection (2)  
3374 of this section, the MDA shall conduct a cost/benefit analysis to  
3375 determine the estimated net direct state benefits and the net

3376 benefit rate applicable for the appropriate additional period and  
3377 to estimate the amount of gross payroll for the additional period.  
3378 In conducting such cost/benefit analysis, the MDA shall consider  
3379 quantitative factors, such as the anticipated level of new tax  
3380 revenues to the state along with the cost to the state of the  
3381 qualified business or industry, and such other criteria as deemed  
3382 appropriate by the MDA, including the adequacy of retirement  
3383 benefits that the business or industry provides to individuals it  
3384 employs in new direct jobs in this state. In no event shall  
3385 incentive payments, cumulatively, exceed the estimated net direct  
3386 state benefits. Once the qualified business or industry is  
3387 approved by the MDA, an agreement shall be deemed to exist between  
3388 the qualified business or industry and the State of Mississippi,  
3389 requiring the continued incentive payment to be made as long as  
3390 the qualified business or industry retains its eligibility.

3391 (6) Upon approval of such an application, the MDA shall  
3392 notify the State Tax Commission and shall provide it with a copy  
3393 of the approved application and the estimated net direct state  
3394 benefits. The State Tax Commission may require the qualified  
3395 business or industry to submit such additional information as may  
3396 be necessary to administer the provisions of this chapter. The  
3397 qualified business or industry shall report to the State Tax  
3398 Commission periodically to show its continued eligibility for  
3399 incentive payments. The qualified business or industry may be  
3400 audited by the State Tax Commission to verify such eligibility.

3401 **[For businesses or industries that apply for incentive**  
3402 **payments from and after July 1, 2005, this section shall read as**  
3403 **follows:]**

3404 57-62-9. (1) (a) Except as otherwise provided in this  
3405 section, a qualified business or industry that meets the  
3406 qualifications specified in the Mississippi Advantage Jobs Act may  
3407 receive quarterly incentive payments for a period not to exceed  
3408 ten (10) years from the State Tax Commission pursuant to the  
3409 provisions of the Mississippi Advantage Jobs Act in an amount  
3410 which shall be equal to the net benefit rate multiplied by the

3411 actual gross payroll of new direct jobs for a calendar quarter as  
3412 verified by the Mississippi Department of Employment Security, but  
3413 not to exceed:

3414 (i) Ninety percent (90%) of the amount of money  
3415 previously paid into the fund by the employer if the employer  
3416 provides an average annual salary, excluding benefits which are  
3417 not subject to Mississippi income taxes, of at least one hundred  
3418 seventy-five percent (175%) of the most recently published state  
3419 average annual wage or the most recently published average annual  
3420 wage of the county in which the qualified business or industry is  
3421 located as determined by the Mississippi Department of Employment  
3422 Security, whichever is the lesser;

3423 (ii) Eighty percent (80%) of the amount of money  
3424 previously paid into the fund by the employer if the employer  
3425 provides an average annual salary, excluding benefits which are  
3426 not subject to Mississippi income taxes, of at least one hundred  
3427 twenty-five percent (125%) but less than one hundred seventy-five  
3428 percent (175%) of the most recently published state average annual  
3429 wage or the most recently published average annual wage of the  
3430 county in which the qualified business or industry is located as  
3431 determined by the Mississippi Department of Employment Security,  
3432 whichever is the lesser; or

3433 (iii) Seventy percent (70%) of the amount of money  
3434 previously paid into the fund by the employer if the employer  
3435 provides an average annual salary, excluding benefits which are  
3436 not subject to Mississippi income taxes, of less than one hundred  
3437 twenty-five percent (125%) of the most recently published state  
3438 average annual wage or the most recently published average annual  
3439 wage of the county in which the qualified business or industry is  
3440 located as determined by the Mississippi Department of Employment  
3441 Security, whichever is the lesser.

3442 (b) A qualified business or industry that is a project  
3443 as defined in Section 57-75-5(f)(iv)1 may elect the date upon  
3444 which the ten-year period will begin. Such date may not be later

3445 than sixty (60) months after the date the business or industry  
3446 applied for incentive payments.

3447 (2) (a) A qualified business or industry that is a project  
3448 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to  
3449 receive incentive payments for an additional period not to exceed  
3450 five (5) years beyond the expiration date of the initial ten-year  
3451 period if:

3452 (i) The qualified business or industry creates at  
3453 least three thousand (3,000) new direct jobs within five (5) years  
3454 after the date the business or industry commences commercial  
3455 production;

3456 (ii) Within five (5) years after the date the  
3457 business or industry commences commercial production, the average  
3458 annual wage of the jobs is at least one hundred fifty percent  
3459 (150%) of the most recently published state average annual wage or  
3460 the most recently published average annual wage of the county in  
3461 which the qualified business or industry is located as determined  
3462 by the Mississippi Department of Employment Security, whichever is  
3463 the lesser. The criteria for the average annual wage requirement  
3464 shall be based upon the state average annual wage or the average  
3465 annual wage of the county whichever is appropriate, at the time of  
3466 creation of the minimum number of jobs, and the threshold  
3467 established at that time will remain constant for the duration of  
3468 the additional period; and

3469 (iii) The qualified business or industry meets and  
3470 maintains the job and wage requirements of subparagraphs (i) and  
3471 (ii) of this paragraph (a) for four (4) consecutive calendar  
3472 quarters.

3473 (b) A qualified business or industry that is a project  
3474 as defined in Section 57-75-5(f)(iv)1 and qualified to receive  
3475 incentive payments for the additional period provided in paragraph  
3476 (a) of this subsection (2) may apply to the MDA to receive  
3477 incentive payments for an additional period not to exceed ten (10)  
3478 years beyond the expiration date of the additional period provided  
3479 in paragraph (a) of this subsection (2) if:



3480                   (i) The qualified business or industry creates at  
3481 least four thousand (4,000) new direct jobs after qualifying for  
3482 the additional incentive period provided in paragraph (a) of this  
3483 subsection (2) but before the expiration of the additional period.  
3484 For purposes of determining whether the business or industry meets  
3485 the minimum jobs requirement of this subparagraph (i), the number  
3486 of jobs the business or industry created in order to meet the  
3487 minimum jobs requirement of paragraph (a) of this subsection (2)  
3488 shall be subtracted from the minimum jobs requirement of this  
3489 subparagraph (i);

3490                   (ii) The average annual wage of the jobs is at  
3491 least one hundred fifty percent (150%) of the most recently  
3492 published state average annual wage or the most recently published  
3493 average annual wage of the county in which the qualified business  
3494 or industry is located as determined by the Mississippi Department  
3495 of Employment Security, whichever is the lesser. The criteria for  
3496 the average annual wage requirement shall be based upon the state  
3497 average annual wage or the average annual wage of the county  
3498 whichever is appropriate, at the time of creation of the minimum  
3499 number of jobs, and the threshold established at that time will  
3500 remain constant for the duration of the additional period; and

3501                   (iii) The qualified business or industry meets and  
3502 maintains the job and wage requirements of subparagraphs (i) and  
3503 (ii) of this paragraph (b) for four (4) consecutive calendar  
3504 quarters.

3505           (3) In order to receive incentive payments, an establishment  
3506 shall apply to the MDA. The application shall be on a form  
3507 prescribed by the MDA and shall contain such information as may be  
3508 required by the MDA to determine if the applicant is qualified.

3509           (4) (a) In order to qualify to receive such payments, the  
3510 establishment applying shall be required to meet the definition of  
3511 the term "qualified business or industry";

3512                   (b) \* \* \* The criteria for the average annual salary  
3513 requirement shall be based upon the state average annual wage or  
3514 the average annual wage of the county whichever is appropriate, at

3515 the time of application, and the threshold established upon  
3516 application will remain constant for the duration of the project;

3517 (c) \* \* \* The business or industry must meet its job  
3518 creation commitment within twenty-four (24) months of the  
3519 application approval. However, if the qualified business or  
3520 industry is applying for incentive payments for an additional  
3521 period under subsection (2) of this section, the business or  
3522 industry must comply with the applicable job and wage requirements  
3523 of subsection (2) of this section.

3524 (5) (a) The MDA shall determine if the applicant is  
3525 qualified to receive incentive payments. If the applicant is  
3526 determined to be qualified by the MDA, the MDA shall:

3527 (i) Conduct a cost/benefit analysis to determine  
3528 the estimated net direct state benefits and the net benefit rate  
3529 applicable for a period not to exceed ten (10) years and to  
3530 estimate the amount of gross payroll for the period; and

3531 (ii) Require the applicant to execute a  
3532 performance agreement with the MDA that specifies the manner in  
3533 which the applicant will utilize the incentive payments made to it  
3534 under this chapter.

3535 (b) If the applicant is determined to be qualified to  
3536 receive incentive payments for an additional period under  
3537 subsection (2) of this section, the MDA shall conduct a  
3538 cost/benefit analysis to determine the estimated net direct state  
3539 benefits and the net benefit rate applicable for the appropriate  
3540 additional period and to estimate the amount of gross payroll for  
3541 the additional period. In conducting such cost/benefit analysis,  
3542 the MDA shall consider quantitative factors, such as the  
3543 anticipated level of new tax revenues to the state along with the  
3544 cost to the state of the qualified business or industry, and such  
3545 other criteria as deemed appropriate by the MDA, including the  
3546 adequacy of retirement benefits that the business or industry  
3547 provides to individuals it employs in new direct jobs in this  
3548 state. In no event shall incentive payments, cumulatively, exceed  
3549 the estimated net direct state benefits. Once the qualified

3550 business or industry is approved by the MDA, an agreement shall be  
3551 deemed to exist between the qualified business or industry and the  
3552 State of Mississippi, requiring the continued incentive payment to  
3553 be made as long as the qualified business or industry retains its  
3554 eligibility.

3555 (6) Upon approval of such an application, the MDA shall  
3556 notify the State Tax Commission and shall provide it with a copy  
3557 of the approved application and the estimated net direct state  
3558 benefits. The State Tax Commission may require the qualified  
3559 business or industry to submit such additional information as may  
3560 be necessary to administer the provisions of this chapter. The  
3561 qualified business or industry shall report to the State Tax  
3562 Commission periodically to show its continued eligibility for  
3563 incentive payments. The qualified business or industry may be  
3564 audited by the State Tax Commission to verify such eligibility.

3565 **SECTION 72.** Section 57-62-13, Mississippi Code of 1972, is  
3566 amended as follows:

3567 57-62-13. (1) As soon as practicable after the end of a  
3568 calendar quarter for which a qualified business or industry has  
3569 qualified to receive an incentive payment, the qualified business  
3570 or industry shall file a claim for the payment with the State Tax  
3571 Commission and shall specify the actual number of new direct jobs  
3572 created and maintained by the business or industry for the  
3573 calendar quarter and the gross payroll thereof. The State Tax  
3574 Commission shall verify the actual number of new direct jobs  
3575 created and maintained by the business or industry and compliance  
3576 with the average annual wage requirements for such business or  
3577 industry under this chapter. If the qualified business or  
3578 industry files a claim for an incentive payment during an  
3579 additional incentive period provided under Section 57-62-9(2), the  
3580 State Tax Commission shall verify the actual number of new direct  
3581 jobs created and maintained by the business or industry and  
3582 compliance with the average annual wage requirements for such  
3583 business or industry under this chapter. If the State Tax  
3584 Commission is not able to provide such verification utilizing all

3585 available resources, the State Tax Commission may request such  
3586 additional information from the business or industry as may be  
3587 necessary.

3588 (2) (a) The business or industry must meet the salary and  
3589 job requirements of this chapter for four (4) consecutive calendar  
3590 quarters prior to payment of the first incentive payment. If the  
3591 business or industry does not maintain the salary or job  
3592 requirements of this chapter at any other time during the ten-year  
3593 period after the date the first payment was made, the incentive  
3594 payments shall not be made and shall not be resumed until such  
3595 time as the actual verified number of new direct jobs created and  
3596 maintained by the business or industry equals or exceeds the  
3597 requirements of this chapter for one (1) calendar quarter.

3598 (b) If the business or industry is qualified to receive  
3599 incentive payments for an additional period provided under Section  
3600 57-62-9(2), the business or industry must meet the wage and job  
3601 requirements of Section 57-62-9(2), for four (4) consecutive  
3602 calendar quarters prior to payment of the first incentive payment.  
3603 If the business or industry does not maintain the wage or job  
3604 requirements of Section 57-62-9(2), at any other time during the  
3605 appropriate additional period after the date the first payment was  
3606 made, the incentive payments shall not be made and shall not be  
3607 resumed until such time as the actual verified number of new  
3608 direct jobs created and maintained by the business or industry  
3609 equals or exceeds the amounts specified in Section 57-62-9(2), for  
3610 one (1) calendar quarter.

3611 (3) An establishment that has qualified pursuant to this  
3612 chapter may receive payments only in accordance with the provision  
3613 under which it initially applied and was approved. If an  
3614 establishment that is receiving incentive payments expands, it may  
3615 apply for additional incentive payments based on the new gross  
3616 payroll for new direct jobs anticipated from the expansion only,  
3617 pursuant to this chapter.

3618 (4) As soon as practicable after verification of the  
3619 qualified business or industry meeting the requirements of this

3620 chapter and all rules and regulations, the Department of Finance  
3621 and Administration, upon requisition of the State Tax Commission,  
3622 shall issue a warrant drawn on the Mississippi Advantage Jobs  
3623 Incentive Payment Fund to the establishment in the amount of the  
3624 net benefit rate multiplied by the actual gross payroll as  
3625 determined pursuant to subsection (1) of this section for the  
3626 calendar quarter.

3627       **SECTION 73.** There is created the Mississippi Development  
3628 Authority Legislative Oversight Committee to serve in an advisory  
3629 capacity to the Mississippi Development Authority ("MDA")  
3630 regarding matters under the jurisdiction of the MDA. The  
3631 oversight committee shall consist of the Speaker of the House of  
3632 Representatives, or his designee, the Lieutenant Governor, or his  
3633 designee, two (2) representatives appointed by the Speaker of the  
3634 House of Representatives, and two (2) senators appointed by the  
3635 Lieutenant Governor. The oversight committee shall have no  
3636 jurisdiction or vote on any matter within the jurisdiction of the  
3637 MDA. The members of the oversight committee shall receive per  
3638 diem and expenses for the actual performance of their duties which  
3639 shall be paid from the contingent expense funds of their  
3640 respective houses in the same amounts as provided for committee  
3641 meetings when the Legislature is not in session; however, no per  
3642 diem and expenses will be paid to members of the oversight  
3643 committee while the Legislature is in session. The terms of the  
3644 members of the oversight committee shall expire at the end of  
3645 their terms of office.

3646       **SECTION 74.** The authority is authorized, in its discretion,  
3647 to set aside not more than twenty percent (20%) of the funds made  
3648 available under House Bill No. 1720, 2005 Regular Session, for  
3649 expenditure with small business concerns owned and controlled by  
3650 socially and economically disadvantaged individuals. The term  
3651 "socially and economically disadvantaged individuals" shall have  
3652 the meaning ascribed to such term under Section 8(d) of the Small  
3653 Business Act (15 USCA, Section 637(d)) and relevant subcontracting  
3654 regulations promulgated pursuant thereto; except that women shall

3655 be presumed to be socially and economically disadvantaged  
3656 individuals for the purposes of this section.

3657         **SECTION 75.** Section 57-75-11, Mississippi Code of 1972, is  
3658 brought forward as follows:

3659         57-75-11. The authority, in addition to any and all powers  
3660 now or hereafter granted to it, is empowered and shall exercise  
3661 discretion and the use of these powers depending on the  
3662 circumstances of the project or projects:

3663                 (a) To maintain an office at a place or places within  
3664 the state.

3665                 (b) To employ or contract with architects, engineers,  
3666 attorneys, accountants, construction and financial experts and  
3667 such other advisors, consultants and agents as may be necessary in  
3668 its judgment and to fix and pay their compensation.

3669                 (c) To make such applications and enter into such  
3670 contracts for financial assistance as may be appropriate under  
3671 applicable federal or state law.

3672                 (d) To apply for, accept and utilize grants, gifts and  
3673 other funds or aid from any source for any purpose contemplated by  
3674 the act, and to comply, subject to the provisions of this act,  
3675 with the terms and conditions thereof.

3676                 (e) (i) To acquire by purchase, lease, gift, or in  
3677 other manner, including quick-take eminent domain, or obtain  
3678 options to acquire, and to own, maintain, use, operate and convey  
3679 any and all property of any kind, real, personal, or mixed, or any  
3680 interest or estate therein, within the project area, necessary for  
3681 the project or any facility related to the project. The  
3682 provisions of this paragraph that allow the acquisition of  
3683 property by quick-take eminent domain shall be repealed by  
3684 operation of law on July 1, 1994; and

3685                 (ii) Notwithstanding any other provision of this  
3686 paragraph (e), from and after November 6, 2000, to exercise the  
3687 right of immediate possession pursuant to the provisions of  
3688 Sections 11-27-81 through 11-27-89 for the purpose of acquiring  
3689 land, property and/or rights-of-way in the county in which a

3690 project as defined in Section 57-75-5(f)(iv)1 is located, that are  
3691 necessary for such project or any facility related to the project.

3692 (f) To acquire by purchase or lease any public lands  
3693 and public property, including sixteenth section lands and lieu  
3694 lands, within the project area, which are necessary for the  
3695 project. Sixteenth section lands or lieu lands acquired under  
3696 this act shall be deemed to be acquired for the purposes of  
3697 industrial development thereon and such acquisition will serve a  
3698 higher public interest in accordance with the purposes of this  
3699 act.

3700 (g) If the authority identifies any land owned by the  
3701 state as being necessary, for the location or use of the project,  
3702 or any facility related to the project, to recommend to the  
3703 Legislature the conveyance of such land or any interest therein,  
3704 as the Legislature deems appropriate.

3705 (h) To make or cause to be made such examinations and  
3706 surveys as may be necessary to the planning, design, construction  
3707 and operation of the project.

3708 (i) From and after the date of notification to the  
3709 authority by the enterprise that the state has been finally  
3710 selected as the site of the project, to acquire by condemnation  
3711 and to own, maintain, use, operate and convey or otherwise dispose  
3712 of any and all property of any kind, real, personal or mixed, or  
3713 any interest or estate therein, within the project area, necessary  
3714 for the project or any facility related to the project, with the  
3715 concurrence of the affected public agency, and the exercise of the  
3716 powers granted by this act, according to the procedures provided  
3717 by Chapter 27, Title 11, Mississippi Code of 1972, except as  
3718 modified by this act.

3719 (i) Except as otherwise provided in subparagraph  
3720 (iii) of this paragraph (i), in acquiring lands by condemnation,  
3721 the authority shall not acquire minerals or royalties in minerals  
3722 unless a competent registered professional engineer shall have  
3723 certified that the acquisition of such minerals and royalties in  
3724 minerals is necessary for purposes of the project; provided that

3725 limestone, clay, chalk, sand and gravel shall not be considered as  
3726 minerals for the purposes of subparagraphs (i) and (ii) of this  
3727 paragraph (i);

3728                   (ii) Unless minerals or royalties in minerals have  
3729 been acquired by condemnation or otherwise, no person or persons  
3730 owning the drilling rights or the right to share in production of  
3731 minerals shall be prevented from exploring, developing, or  
3732 producing oil or gas with necessary rights-of-way for ingress and  
3733 egress, pipelines and other means of transporting interests on any  
3734 land or interest therein of the authority held or used for the  
3735 purposes of this act; but any such activities shall be under such  
3736 reasonable regulation by the authority as will adequately protect  
3737 the project contemplated by this act as provided in paragraph (r)  
3738 of this section; and

3739                   (iii) In acquiring lands by condemnation,  
3740 including the exercise of immediate possession, for a project, as  
3741 defined in Section 57-75-5(f)(iv)1, the authority may acquire  
3742 minerals or royalties in minerals.

3743                   (j) To negotiate the necessary relocation or rerouting  
3744 of roads and highways, railroad, telephone and telegraph lines and  
3745 properties, electric power lines, pipelines and related  
3746 facilities, or to require the anchoring or other protection of any  
3747 of these, provided due compensation is paid to the owners thereof  
3748 or agreement is had with such owners regarding the payment of the  
3749 cost of such relocation, and to acquire by condemnation or  
3750 otherwise easements or rights-of-way for such relocation or  
3751 rerouting and to convey the same to the owners of the facilities  
3752 being relocated or rerouted in connection with the purposes of  
3753 this act.

3754                   (k) To negotiate the necessary relocation of graves and  
3755 cemeteries and to pay all reasonable costs thereof.

3756                   (l) To perform or have performed any and all acts and  
3757 make all payments necessary to comply with all applicable federal  
3758 laws, rules or regulations including, but not limited to, the  
3759 Uniform Relocation Assistance and Real Property Acquisition



3760 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651  
3761 to 4655) and relocation rules and regulations promulgated by any  
3762 agency or department of the federal government.

3763 (m) To construct, extend, improve, maintain, and  
3764 reconstruct, to cause to be constructed, extended, improved,  
3765 maintained, and reconstructed, and to use and operate any and all  
3766 components of the project or any facility related to the project,  
3767 with the concurrence of the affected public agency, within the  
3768 project area, necessary to the project and to the exercise of such  
3769 powers, rights, and privileges granted the authority.

3770 (n) To incur or defray any designated portion of the  
3771 cost of any component of the project or any facility related to  
3772 the project acquired or constructed by any public agency.

3773 (o) (i) To lease, sell or convey any or all property  
3774 acquired by the authority under the provisions of this act to the  
3775 enterprise, its successors or assigns, and in connection therewith  
3776 to pay the costs of title search, perfection of title, title  
3777 insurance and recording fees as may be required. The authority  
3778 may provide in the instrument conveying such property a provision  
3779 that such property shall revert to the authority if, as and when  
3780 the property is declared by the enterprise to be no longer needed.

3781 (ii) To lease, sell, transfer or convey on any  
3782 terms agreed upon by the authority any or all real and personal  
3783 property, improvements, leases, funds and contractual obligations  
3784 of a project as defined in Section 57-75-5(f)(vi) and conveyed to  
3785 the State of Mississippi by a Quitclaim Deed from the United  
3786 States of America dated February 23, 1996, filed of record at  
3787 pages 511 to 524, Deed Book Number B179, Chancery Clerk's Office,  
3788 Tishomingo County, Mississippi, to any governmental authority  
3789 located within the geographic boundaries of the county wherein  
3790 such project exists upon agreement of such governmental authority  
3791 to undertake and assume from the State of Mississippi all  
3792 obligations and responsibilities in connection with ownership and  
3793 operation of the project. Property leased, sold, transferred or

3794 otherwise conveyed by the authority under this paragraph (o) shall  
3795 be used only for economic development purposes.

3796 (p) To enter into contracts with any person or public  
3797 agency, including, but not limited to, contracts authorized by  
3798 Section 57-75-17, in furtherance of any of the purposes authorized  
3799 by this act upon such consideration as the authority and such  
3800 person or public agency may agree. Any such contract may extend  
3801 over any period of time, notwithstanding any rule of law to the  
3802 contrary, may be upon such terms as the parties thereto shall  
3803 agree, and may provide that it shall continue in effect until  
3804 bonds specified therein, refunding bonds issued in lieu of such  
3805 bonds, and all other obligations specified therein are paid or  
3806 terminated. Any such contract shall be binding upon the parties  
3807 thereto according to its terms. Such contracts may include an  
3808 agreement to reimburse the enterprise, its successors and assigns  
3809 for any assistance provided by the enterprise in the acquisition  
3810 of real property for the project or any facility related to the  
3811 project.

3812 (q) To establish and maintain reasonable rates and  
3813 charges for the use of any facility within the project area owned  
3814 or operated by the authority, and from time to time, to adjust  
3815 such rates and to impose penalties for failure to pay such rates  
3816 and charges when due.

3817 (r) To adopt and enforce with the concurrence of the  
3818 affected public agency all necessary and reasonable rules and  
3819 regulations to carry out and effectuate the implementation of the  
3820 project and any land use plan or zoning classification adopted for  
3821 the project area, including, but not limited to, rules,  
3822 regulations, and restrictions concerning mining, construction,  
3823 excavation or any other activity the occurrence of which may  
3824 endanger the structure or operation of the project. Such rules  
3825 may be enforced within the project area and without the project  
3826 area as necessary to protect the structure and operation of the  
3827 project. The authority is authorized to plan or replan, zone or  
3828 rezone, and make exceptions to any regulations, whether local or

3829 state, with the concurrence of the affected public agency which  
3830 are inconsistent with the design, planning, construction or  
3831 operation of the project and facilities related to the project.

3832 (s) To plan, design, coordinate and implement measures  
3833 and programs to mitigate impacts on the natural environment caused  
3834 by the project or any facility related to the project.

3835 (t) To develop plans for technology transfer activities  
3836 to ensure private sector conduits for exchange of information,  
3837 technology and expertise related to the project to generate  
3838 opportunities for commercial development within the state.

3839 (u) To consult with the State Department of Education  
3840 and other public agencies for the purpose of improving public  
3841 schools and curricula within the project area.

3842 (v) To consult with the State Board of Health and other  
3843 public agencies for the purpose of improving medical centers,  
3844 hospitals and public health centers in order to provide  
3845 appropriate health care facilities within the project area.

3846 (w) To consult with the Office of Minority Business  
3847 Enterprise Development and other public agencies for the purpose  
3848 of developing plans for technical assistance and loan programs to  
3849 maximize the economic impact related to the project for minority  
3850 business enterprises within the State of Mississippi.

3851 (x) To deposit into the "Yellow Creek Project Area  
3852 Fund" created pursuant to Section 57-75-31:

3853 (i) Any funds or aid received as authorized in  
3854 this section for the project described in Section 57-75-5(f)(vi),  
3855 and

3856 (ii) Any funds received from the sale or lease of  
3857 property from the project described in Section 57-75-5(f)(vi)  
3858 pursuant to the powers exercised under this section.

3859 (y) To manage and develop the project described in  
3860 Section 57-75-5(f)(vi).

3861 (z) To promulgate rules and regulations necessary to  
3862 effectuate the purposes of this act.

3863           (aa) To negotiate a fee-in-lieu with the owners of the  
3864 project.

3865           (bb) To enter into contractual agreements to warrant  
3866 any site work for a project defined in Section 57-75-5(f)(iv)1;  
3867 provided, however, that the aggregate amount of such warranties  
3868 shall not exceed Fifteen Million Dollars (\$15,000,000.00).

3869           (cc) To provide grant funds to an enterprise operating  
3870 a project defined in Section 57-75-5(f)(iv)1 in an amount not to  
3871 exceed Thirty-nine Million Dollars (\$39,000,000.00).

3872           (dd) (i) To own surface water transmission lines  
3873 constructed with the proceeds of bonds issued pursuant to this act  
3874 and in connection therewith to purchase and provide water to any  
3875 project defined in Section 57-75-5(f)(iv) and to certificated  
3876 water providers; and

3877           (ii) To lease such surface water transmission  
3878 lines to a public agency or public utility to provide water to  
3879 such project and to certificated water providers.

3880           (ee) To provide grant funds to an enterprise operating  
3881 a project defined in Section 57-75-5(f)(v) or, in connection with  
3882 a facility related to such a project, for job training, recruiting  
3883 and infrastructure.

3884           (ff) To enter into negotiations with persons proposing  
3885 projects defined in Section 57-75-5(f)(xi) and execute acquisition  
3886 options and conduct planning, design and environmental impact  
3887 studies with regard to such project.

3888           (gg) To establish such guidelines, rules and  
3889 regulations as the authority may deem necessary and appropriate  
3890 from time to time in its sole discretion, to promote the purposes  
3891 of this act.

3892           (hh) In connection with projects defined in Section  
3893 57-75-5(f)(ii):

3894           (i) To provide grant funds or loans to a public  
3895 agency or an enterprise owning, leasing or operating a project  
3896 defined in Section 57-75-5(f)(ii) in amounts not to exceed the  
3897 amount authorized in Section 57-75-15(3)(b);

3898 (ii) To supervise the use of all such grant funds  
3899 or loans; and

3900 (iii) To requisition money in the Mississippi  
3901 Major Economic Impact Authority Revolving Loan Fund in connection  
3902 with such loans.

3903 (ii) In connection with projects defined under Section  
3904 57-75-5(f)(xiv):

3905 (i) To provide grant funds or loans, or both, to  
3906 an enterprise owning, leasing or operating a project defined in  
3907 Section 57-75-5(f)(xiv); however:

3908 1. During fiscal year 2005, the amount of any  
3909 such loan under this paragraph (ii) shall not exceed Eight Million  
3910 Dollars (\$8,000,000.00) and the amount of any such grant under  
3911 this paragraph (ii) shall not exceed Two Million Dollars  
3912 (\$2,000,000.00); and

3913 2. During fiscal year 2006, the amount of any  
3914 such loan under this paragraph (ii) shall not exceed Eight Million  
3915 Dollars (\$8,000,000.00) and the amount of any such grant under  
3916 this paragraph (ii) shall not exceed Two Million Dollars  
3917 (\$2,000,000.00);

3918 (ii) To supervise the use of all such grant funds  
3919 or loans; and

3920 (iii) Notwithstanding any provision of this act to  
3921 the contrary, such loans shall be for a term not to exceed twenty  
3922 (20) years as may be determined by the authority, shall bear  
3923 interest at such rates as may be determined by the authority,  
3924 shall, in the sole discretion of the authority, be secured in an  
3925 amount and a manner as may be determined by the authority.

3926 **SECTION 76.** Section 57-75-15, Mississippi Code of 1972, is  
3927 amended as follows:

3928 57-75-15. (1) Upon notification to the authority by the  
3929 enterprise that the state has been finally selected as the site  
3930 for the project, the State Bond Commission shall have the power  
3931 and is hereby authorized and directed, upon receipt of a  
3932 declaration from the authority as hereinafter provided, to borrow

3933 money and issue general obligation bonds of the state in one or  
3934 more series for the purposes herein set out. Upon such  
3935 notification, the authority may thereafter from time to time  
3936 declare the necessity for the issuance of general obligation bonds  
3937 as authorized by this section and forward such declaration to the  
3938 State Bond Commission, provided that before such notification, the  
3939 authority may enter into agreements with the United States  
3940 government, private companies and others that will commit the  
3941 authority to direct the State Bond Commission to issue bonds for  
3942 eligible undertakings set out in subsection (4) of this section,  
3943 conditioned on the siting of the project in the state.

3944 (2) Upon receipt of any such declaration from the authority,  
3945 the State Bond Commission shall verify that the state has been  
3946 selected as the site of the project and shall act as the issuing  
3947 agent for the series of bonds directed to be issued in such  
3948 declaration pursuant to authority granted in this section.

3949 (3) (a) Bonds issued under the authority of this section  
3950 for projects as defined in Section 57-75-5(f)(i) shall not exceed  
3951 an aggregate principal amount in the sum of Sixty-seven Million  
3952 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

3953 (b) Bonds issued under the authority of this section  
3954 for projects as defined in Section 57-75-5(f)(ii) shall not exceed  
3955 Sixty-one Million Dollars (\$61,000,000.00). The authority, with  
3956 the express direction of the State Bond Commission, is authorized  
3957 to expend any remaining proceeds of bonds issued under the  
3958 authority of this act prior to January 1, 1998, for the purpose of  
3959 financing projects as then defined in Section 57-75-5(f)(ii) or  
3960 for any other projects as defined in Section 57-75-5(f)(ii), as it  
3961 may be amended from time to time. \* \* \* If there are any monetary  
3962 proceeds derived from the disposition of any improvements located  
3963 on real property in Kemper County purchased pursuant to this act  
3964 for projects related to the NAAS and if there are any monetary  
3965 proceeds derived from the disposition of any timber located on  
3966 real property in Kemper County purchased pursuant to this act for  
3967 projects related to the NAAS, all of such proceeds (both from the

3968 disposition of improvements and the disposition of timber)  
3969 commencing July 1, 1996, through June 30, 2010, shall be paid to  
3970 the Board of Education of Kemper County, Mississippi, for  
3971 expenditure by such board of education to benefit the public  
3972 schools of Kemper County. No bonds shall be issued under this  
3973 paragraph (b) until the State Bond Commission by resolution adopts  
3974 a finding that the issuance of such bonds will improve, expand or  
3975 otherwise enhance the military installation, its support areas or  
3976 military operations, or will provide employment opportunities to  
3977 replace those lost by closure or reductions in operations at the  
3978 military installation or will support critical studies or  
3979 investigations authorized by Section 57-75-5(f)(ii); however, not  
3980 more than One Million Dollars (\$1,000,000.00) in the aggregate  
3981 shall be authorized for such studies or investigations.

3982 (c) Bonds issued under the authority of this section  
3983 for projects as defined in Section 57-75-5(f)(iii) shall not  
3984 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be  
3985 issued under this paragraph after December 31, 1996.

3986 (d) Bonds issued under the authority of this section  
3987 for projects defined in Section 57-75-5(f)(iv) shall not exceed  
3988 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An  
3989 additional amount of bonds in an amount not to exceed Twelve  
3990 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be  
3991 issued under the authority of this section for the purpose of  
3992 defraying costs associated with the construction of surface water  
3993 transmission lines for a project defined in Section 57-75-5(f)(iv)  
3994 or for any facility related to the project. No bonds shall be  
3995 issued under this paragraph after June 30, 2005.

3996 (e) Bonds issued under the authority of this section  
3997 for projects defined in Section 57-75-5(f)(v) and for facilities  
3998 related to such projects shall not exceed Thirty-eight Million  
3999 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be  
4000 issued under this paragraph after December 31, 2005.

4001 (f) Bonds issued under the authority of this section  
4002 for projects defined in Section 57-75-5(f)(vii) shall not exceed

4003 Five Million Dollars (\$5,000,000.00). No bonds shall be issued  
4004 under this paragraph after June 30, 2006.

4005 (g) Bonds issued under the authority of this section  
4006 for projects defined in Section 57-75-5(f)(viii) shall not exceed  
4007 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No  
4008 bonds shall be issued under this paragraph after June 30, 2007.

4009 (h) Bonds issued under the authority of this section  
4010 for projects defined in Section 57-75-5(f)(ix) shall not exceed  
4011 Five Million Dollars (\$5,000,000.00). No bonds shall be issued  
4012 under this paragraph after June 30, 2007.

4013 (i) Bonds issued under the authority of this section  
4014 for projects defined in Section 57-75-5(f)(x) shall not exceed  
4015 Five Million Dollars (\$5,000,000.00). No bonds shall be issued  
4016 under this paragraph after June 30, 2007.

4017 (j) Bonds issued under the authority of this section  
4018 for projects defined in Section 57-75-5(f)(xii) shall not exceed  
4019 Twenty-three Million Seven Hundred Thousand Dollars  
4020 (\$23,700,000.00). No bonds shall be issued under this paragraph  
4021 until local governments in or near the county in which the project  
4022 is located have irrevocably committed funds to the project in an  
4023 amount of not less than Two Million Five Hundred Thousand Dollars  
4024 (\$2,500,000.00) in the aggregate. No bonds shall be issued under  
4025 this paragraph after June 30, 2008.

4026 (k) Bonds issued under the authority of this section  
4027 for projects defined in Section 57-75-5(f)(xiii) shall not exceed  
4028 Three Million Dollars (\$3,000,000.00). No bonds shall be issued  
4029 under this paragraph after June 30, 2009.

4030 (l) Bonds issued under the authority of this section  
4031 for projects defined in Section 57-75-5(f)(xiv) shall not exceed  
4032 Twenty Million Dollars (\$20,000,000.00). No bonds shall be issued  
4033 under this paragraph until local governments in the county in  
4034 which the project is located have irrevocably committed funds to  
4035 the project in an amount of not less than Two Million Dollars  
4036 (\$2,000,000.00). No bonds shall be issued under this paragraph  
4037 after June 30, 2009.



4038 (m) Bonds issued under the authority of this section  
4039 for projects defined in Section 57-75-5(f)(xv) shall not exceed  
4040 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be  
4041 issued under this paragraph after June 30, 2009.

4042 (n) Bonds issued under the authority of this section  
4043 for projects defined in Section 57-75-5(f)(xvi) shall not exceed  
4044 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued  
4045 under this paragraph after June 30, 2009.

4046 (o) Bonds issued under the authority of this section  
4047 for projects defined in Section 57-75-5(f)(xvii) shall not exceed  
4048 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No  
4049 bonds shall be issued under this paragraph after June 30, 2009.

4050 (4) (a) The proceeds from the sale of the bonds issued  
4051 under this section may be applied for the following purposes:

4052 (i) Defraying all or any designated portion of the  
4053 costs incurred with respect to acquisition, planning, design,  
4054 construction, installation, rehabilitation, improvement,  
4055 relocation and with respect to state-owned property, operation and  
4056 maintenance of the project and any facility related to the project  
4057 located within the project area, including costs of design and  
4058 engineering, all costs incurred to provide land, easements and  
4059 rights-of-way, relocation costs with respect to the project and  
4060 with respect to any facility related to the project located within  
4061 the project area, and costs associated with mitigation of  
4062 environmental impacts and environmental impact studies;

4063 (ii) Defraying the cost of providing for the  
4064 recruitment, screening, selection, training or retraining of  
4065 employees, candidates for employment or replacement employees of  
4066 the project and any related activity;

4067 (iii) Reimbursing the Mississippi Development  
4068 Authority for expenses it incurred in regard to projects defined  
4069 in Section 57-75-5(f)(iv) prior to November 6, 2000. The  
4070 Mississippi Development Authority shall submit an itemized list of  
4071 expenses it incurred in regard to such projects to the Chairmen of  
4072 the Finance and Appropriations Committees of the Senate and the

4073 Chairmen of the Ways and Means and Appropriations Committees of  
4074 the House of Representatives;

4075                   (iv) Providing grants to enterprises operating  
4076 projects defined in Section 57-75-5(f)(iv)1;

4077                   (v) Paying any warranty made by the authority  
4078 regarding site work for a project defined in Section  
4079 57-75-5(f)(iv)1;

4080                   (vi) Defraying the cost of marketing and promotion  
4081 of a project as defined in Section 57-75-5(f)(iv)1. The authority  
4082 shall submit an itemized list of costs incurred for marketing and  
4083 promotion of such project to the Chairmen of the Finance and  
4084 Appropriations Committees of the Senate and the Chairmen of the  
4085 Ways and Means and Appropriations Committees of the House of  
4086 Representatives;

4087                   (vii) Providing for the payment of interest on the  
4088 bonds;

4089                   (viii) Providing debt service reserves;

4090                   (ix) Paying underwriters' discount, original issue  
4091 discount, accountants' fees, engineers' fees, attorneys' fees,  
4092 rating agency fees and other fees and expenses in connection with  
4093 the issuance of the bonds;

4094                   (x) For purposes authorized in paragraphs (b),  
4095 (c), (d), (e) and (f) of this subsection (4);

4096                   (xi) Providing grants to enterprises operating  
4097 projects defined in Section 57-75-5(f)(v), or, in connection with  
4098 a facility related to such a project, for any purposes deemed by  
4099 the authority in its sole discretion to be necessary and  
4100 appropriate;

4101                   (xii) Providing grant funds or loans to a public  
4102 agency or an enterprise owning, leasing or operating a project  
4103 defined in Section 57-75-5(f)(ii); and

4104                   (xiii) Providing grant funds or loans to an  
4105 enterprise owning, leasing or operating a project defined in  
4106 Section 57-75-5(f)(xiv).

4107           Such bonds shall be issued from time to time and in such  
4108 principal amounts as shall be designated by the authority, not to  
4109 exceed in aggregate principal amounts the amount authorized in  
4110 subsection (3) of this section. Proceeds from the sale of the  
4111 bonds issued under this section may be invested, subject to  
4112 federal limitations, pending their use, in such securities as may  
4113 be specified in the resolution authorizing the issuance of the  
4114 bonds or the trust indenture securing them, and the earning on  
4115 such investment applied as provided in such resolution or trust  
4116 indenture.

4117           (b) (i) The proceeds of bonds issued after June 21,  
4118 2002, under this section for projects described in Section  
4119 57-75-5(f)(iv) may be used to reimburse reasonable actual and  
4120 necessary costs incurred by the Mississippi Development Authority  
4121 in providing assistance related to a project for which funding is  
4122 provided from the use of proceeds of such bonds. The Mississippi  
4123 Development Authority shall maintain an accounting of actual costs  
4124 incurred for each project for which reimbursements are sought.  
4125 Reimbursements under this paragraph (b)(i) shall not exceed Three  
4126 Hundred Thousand Dollars (\$300,000.00) in the aggregate.  
4127 Reimbursements under this paragraph (b)(i) shall satisfy any  
4128 applicable federal tax law requirements.

4129           (ii) The proceeds of bonds issued after June 21,  
4130 2002, under this section for projects described in Section  
4131 57-75-5(f)(iv) may be used to reimburse reasonable actual and  
4132 necessary costs incurred by the Department of Audit in providing  
4133 services related to a project for which funding is provided from  
4134 the use of proceeds of such bonds. The Department of Audit shall  
4135 maintain an accounting of actual costs incurred for each project  
4136 for which reimbursements are sought. The Department of Audit may  
4137 escalate its budget and expend such funds in accordance with rules  
4138 and regulations of the Department of Finance and Administration in  
4139 a manner consistent with the escalation of federal funds.  
4140 Reimbursements under this paragraph (b)(ii) shall not exceed One  
4141 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

4142 Reimbursements under this paragraph (b)(ii) shall satisfy any  
4143 applicable federal tax law requirements.

4144 (c) (i) The proceeds of bonds issued under this  
4145 section for projects described in Section 57-75-5(f)(ix) may be  
4146 used to reimburse reasonable actual and necessary costs incurred  
4147 by the Mississippi Development Authority in providing assistance  
4148 related to a project for which funding is provided for the use of  
4149 proceeds of such bonds. The Mississippi Development Authority  
4150 shall maintain an accounting of actual costs incurred for each  
4151 project for which reimbursements are sought. Reimbursements under  
4152 this paragraph shall not exceed Twenty-five Thousand Dollars  
4153 (\$25,000.00) in the aggregate.

4154 (ii) The proceeds of bonds issued under this  
4155 section for projects described in Section 57-75-5(f)(ix) may be  
4156 used to reimburse reasonable actual and necessary costs incurred  
4157 by the Department of Audit in providing services related to a  
4158 project for which funding is provided from the use of proceeds of  
4159 such bonds. The Department of Audit shall maintain an accounting  
4160 of actual costs incurred for each project for which reimbursements  
4161 are sought. The Department of Audit may escalate its budget and  
4162 expend such funds in accordance with rules and regulations of the  
4163 Department of Finance and Administration in a manner consistent  
4164 with the escalation of federal funds. Reimbursements under this  
4165 paragraph shall not exceed Twenty-five Thousand Dollars  
4166 (\$25,000.00) in the aggregate. Reimbursements under this  
4167 paragraph shall satisfy any applicable federal tax law  
4168 requirements.

4169 (d) (i) The proceeds of bonds issued under this  
4170 section for projects described in Section 57-75-5(f)(x) may be  
4171 used to reimburse reasonable actual and necessary costs incurred  
4172 by the Mississippi Development Authority in providing assistance  
4173 related to a project for which funding is provided for the use of  
4174 proceeds of such bonds. The Mississippi Development Authority  
4175 shall maintain an accounting of actual costs incurred for each  
4176 project for which reimbursements are sought. Reimbursements under

4177 this paragraph shall not exceed Twenty-five Thousand Dollars  
4178 (\$25,000.00) in the aggregate.

4179 (ii) The proceeds of bonds issued under this  
4180 section for projects described in Section 57-75-5(f)(x) may be  
4181 used to reimburse reasonable actual and necessary costs incurred  
4182 by the Department of Audit in providing services related to a  
4183 project for which funding is provided from the use of proceeds of  
4184 such bonds. The Department of Audit shall maintain an accounting  
4185 of actual costs incurred for each project for which reimbursements  
4186 are sought. The Department of Audit may escalate its budget and  
4187 expend such funds in accordance with rules and regulations of the  
4188 Department of Finance and Administration in a manner consistent  
4189 with the escalation of federal funds. Reimbursements under this  
4190 paragraph shall not exceed Twenty-five Thousand Dollars  
4191 (\$25,000.00) in the aggregate. Reimbursements under this  
4192 paragraph shall satisfy any applicable federal tax law  
4193 requirements.

4194 (e) (i) The proceeds of bonds issued under this  
4195 section for projects described in Section 57-75-5(f)(xii) may be  
4196 used to reimburse reasonable actual and necessary costs incurred  
4197 by the Mississippi Development Authority in providing assistance  
4198 related to a project for which funding is provided from the use of  
4199 proceeds of such bonds. The Mississippi Development Authority  
4200 shall maintain an accounting of actual costs incurred for each  
4201 project for which reimbursements are sought. Reimbursements under  
4202 this paragraph (e)(i) shall not exceed Twenty-five Thousand  
4203 Dollars (\$25,000.00) in the aggregate.

4204 (ii) The proceeds of bonds issued under this  
4205 section for projects described in Section 57-75-5(f)(xii) may be  
4206 used to reimburse reasonable actual and necessary costs incurred  
4207 by the Department of Audit in providing services related to a  
4208 project for which funding is provided from the use of proceeds of  
4209 such bonds. The Department of Audit shall maintain an accounting  
4210 of actual costs incurred for each project for which reimbursements  
4211 are sought. The Department of Audit may escalate its budget and

4212 expend such funds in accordance with rules and regulations of the  
4213 Department of Finance and Administration in a manner consistent  
4214 with the escalation of federal funds. Reimbursements under this  
4215 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars  
4216 (\$25,000.00) in the aggregate. Reimbursements under this  
4217 paragraph (e)(ii) shall satisfy any applicable federal tax law  
4218 requirements.

4219 (f) (i) The proceeds of bonds issued under this  
4220 section for projects described in Section 57-75-5(f)(xiii),  
4221 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse  
4222 reasonable actual and necessary costs incurred by the Mississippi  
4223 Development Authority in providing assistance related to a project  
4224 for which funding is provided from the use of proceeds of such  
4225 bonds. The Mississippi Development Authority shall maintain an  
4226 accounting of actual costs incurred for each project for which  
4227 reimbursements are sought. Reimbursements under this paragraph  
4228 (f)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)  
4229 for each project.

4230 (ii) The proceeds of bonds issued under this  
4231 section for projects described in Section 57-75-5(f)(xiii),  
4232 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse  
4233 reasonable actual and necessary costs incurred by the Department  
4234 of Audit in providing services related to a project for which  
4235 funding is provided from the use of proceeds of such bonds. The  
4236 Department of Audit shall maintain an accounting of actual costs  
4237 incurred for each project for which reimbursements are sought.  
4238 The Department of Audit may escalate its budget and expend such  
4239 funds in accordance with rules and regulations of the Department  
4240 of Finance and Administration in a manner consistent with the  
4241 escalation of federal funds. Reimbursements under this paragraph  
4242 (f)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)  
4243 for each project. Reimbursements under this paragraph (f)(ii)  
4244 shall satisfy any applicable federal tax law requirements.

4245 (5) The principal of and the interest on the bonds shall be  
4246 payable in the manner hereinafter set forth. The bonds shall bear

4247 date or dates; be in such denomination or denominations; bear  
4248 interest at such rate or rates; be payable at such place or places  
4249 within or without the state; mature absolutely at such time or  
4250 times; be redeemable before maturity at such time or times and  
4251 upon such terms, with or without premium; bear such registration  
4252 privileges; and be substantially in such form; all as shall be  
4253 determined by resolution of the State Bond Commission except that  
4254 such bonds shall mature or otherwise be retired in annual  
4255 installments beginning not more than five (5) years from the date  
4256 thereof and extending not more than twenty-five (25) years from  
4257 the date thereof. The bonds shall be signed by the Chairman of  
4258 the State Bond Commission, or by his facsimile signature, and the  
4259 official seal of the State Bond Commission shall be imprinted on  
4260 or affixed thereto, attested by the manual or facsimile signature  
4261 of the Secretary of the State Bond Commission. Whenever any such  
4262 bonds have been signed by the officials herein designated to sign  
4263 the bonds, who were in office at the time of such signing but who  
4264 may have ceased to be such officers before the sale and delivery  
4265 of such bonds, or who may not have been in office on the date such  
4266 bonds may bear, the signatures of such officers upon such bonds  
4267 shall nevertheless be valid and sufficient for all purposes and  
4268 have the same effect as if the person so officially signing such  
4269 bonds had remained in office until the delivery of the same to the  
4270 purchaser, or had been in office on the date such bonds may bear.

4271 (6) All bonds issued under the provisions of this section  
4272 shall be and are hereby declared to have all the qualities and  
4273 incidents of negotiable instruments under the provisions of the  
4274 Uniform Commercial Code and in exercising the powers granted by  
4275 this chapter, the State Bond Commission shall not be required to  
4276 and need not comply with the provisions of the Uniform Commercial  
4277 Code.

4278 (7) The State Bond Commission shall sell the bonds on sealed  
4279 bids at public sale, and for such price as it may determine to be  
4280 for the best interest of the State of Mississippi, but no such  
4281 sale shall be made at a price less than par plus accrued interest

4282 to date of delivery of the bonds to the purchaser. The bonds  
4283 shall bear interest at such rate or rates not exceeding the limits  
4284 set forth in Section 75-17-101 as shall be fixed by the State Bond  
4285 Commission. All interest accruing on such bonds so issued shall  
4286 be payable semiannually or annually; provided that the first  
4287 interest payment may be for any period of not more than one (1)  
4288 year.

4289 Notice of the sale of any bonds shall be published at least  
4290 one time, the first of which shall be made not less than ten (10)  
4291 days prior to the date of sale, and shall be so published in one  
4292 or more newspapers having a general circulation in the City of  
4293 Jackson and in one or more other newspapers or financial journals  
4294 with a large national circulation, to be selected by the State  
4295 Bond Commission.

4296 The State Bond Commission, when issuing any bonds under the  
4297 authority of this section, may provide that the bonds, at the  
4298 option of the state, may be called in for payment and redemption  
4299 at the call price named therein and accrued interest on such date  
4300 or dates named therein.

4301 (8) State bonds issued under the provisions of this section  
4302 shall be the general obligations of the state and backed by the  
4303 full faith and credit of the state. The Legislature shall  
4304 appropriate annually an amount sufficient to pay the principal of  
4305 and the interest on such bonds as they become due. All bonds  
4306 shall contain recitals on their faces substantially covering the  
4307 foregoing provisions of this section.

4308 (9) The State Treasurer is authorized to certify to the  
4309 Department of Finance and Administration the necessity for  
4310 warrants, and the Department of Finance and Administration is  
4311 authorized and directed to issue such warrants payable out of any  
4312 funds appropriated by the Legislature under this section for such  
4313 purpose, in such amounts as may be necessary to pay when due the  
4314 principal of and interest on all bonds issued under the provisions  
4315 of this section. The State Treasurer shall forward the necessary  
4316 amount to the designated place or places of payment of such bonds



4317 in ample time to discharge such bonds, or the interest thereon, on  
4318 the due dates thereof.

4319 (10) The bonds may be issued without any other proceedings  
4320 or the happening of any other conditions or things other than  
4321 those proceedings, conditions and things which are specified or  
4322 required by this chapter. Any resolution providing for the  
4323 issuance of general obligation bonds under the provisions of this  
4324 section shall become effective immediately upon its adoption by  
4325 the State Bond Commission, and any such resolution may be adopted  
4326 at any regular or special meeting of the State Bond Commission by  
4327 a majority of its members.

4328 (11) In anticipation of the issuance of bonds hereunder, the  
4329 State Bond Commission is authorized to negotiate and enter into  
4330 any purchase, loan, credit or other agreement with any bank, trust  
4331 company or other lending institution or to issue and sell interim  
4332 notes for the purpose of making any payments authorized under this  
4333 section. All borrowings made under this provision shall be  
4334 evidenced by notes of the state which shall be issued from time to  
4335 time, for such amounts not exceeding the amount of bonds  
4336 authorized herein, in such form and in such denomination and  
4337 subject to such terms and conditions of sale and issuance,  
4338 prepayment or redemption and maturity, rate or rates of interest  
4339 not to exceed the maximum rate authorized herein for bonds, and  
4340 time of payment of interest as the State Bond Commission shall  
4341 agree to in such agreement. Such notes shall constitute general  
4342 obligations of the state and shall be backed by the full faith and  
4343 credit of the state. Such notes may also be issued for the  
4344 purpose of refunding previously issued notes. No note shall  
4345 mature more than three (3) years following the date of its  
4346 issuance. The State Bond Commission is authorized to provide for  
4347 the compensation of any purchaser of the notes by payment of a  
4348 fixed fee or commission and for all other costs and expenses of  
4349 issuance and service, including paying agent costs. Such costs  
4350 and expenses may be paid from the proceeds of the notes.

4351           (12) The bonds and interim notes authorized under the  
4352 authority of this section may be validated in the First Judicial  
4353 District of the Chancery Court of Hinds County, Mississippi, in  
4354 the manner and with the force and effect provided now or hereafter  
4355 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
4356 validation of county, municipal, school district and other bonds.  
4357 The necessary papers for such validation proceedings shall be  
4358 transmitted to the State Bond Attorney, and the required notice  
4359 shall be published in a newspaper published in the City of  
4360 Jackson, Mississippi.

4361           (13) Any bonds or interim notes issued under the provisions  
4362 of this chapter, a transaction relating to the sale or securing of  
4363 such bonds or interim notes, their transfer and the income  
4364 therefrom shall at all times be free from taxation by the state or  
4365 any local unit or political subdivision or other instrumentality  
4366 of the state, excepting inheritance and gift taxes.

4367           (14) All bonds issued under this chapter shall be legal  
4368 investments for trustees, other fiduciaries, savings banks, trust  
4369 companies and insurance companies organized under the laws of the  
4370 State of Mississippi; and such bonds shall be legal securities  
4371 which may be deposited with and shall be received by all public  
4372 officers and bodies of the state and all municipalities and other  
4373 political subdivisions thereof for the purpose of securing the  
4374 deposit of public funds.

4375           (15) The Attorney General of the State of Mississippi shall  
4376 represent the State Bond Commission in issuing, selling and  
4377 validating bonds herein provided for, and the Bond Commission is  
4378 hereby authorized and empowered to expend from the proceeds  
4379 derived from the sale of the bonds authorized hereunder all  
4380 necessary administrative, legal and other expenses incidental and  
4381 related to the issuance of bonds authorized under this chapter.

4382           (16) There is hereby created a special fund in the State  
4383 Treasury to be known as the Mississippi Major Economic Impact  
4384 Authority Fund wherein shall be deposited the proceeds of the  
4385 bonds issued under this chapter and all monies received by the

4386 authority to carry out the purposes of this chapter. Expenditures  
4387 authorized herein shall be paid by the State Treasurer upon  
4388 warrants drawn from the fund, and the Department of Finance and  
4389 Administration shall issue warrants upon requisitions signed by  
4390 the director of the authority.

4391 (17) (a) There is hereby created the Mississippi Economic  
4392 Impact Authority Sinking Fund from which the principal of and  
4393 interest on such bonds shall be paid by appropriation. All monies  
4394 paid into the sinking fund not appropriated to pay accruing bonds  
4395 and interest shall be invested by the State Treasurer in such  
4396 securities as are provided by law for the investment of the  
4397 sinking funds of the state.

4398 (b) In the event that all or any part of the bonds and  
4399 notes are purchased, they shall be cancelled and returned to the  
4400 loan and transfer agent as cancelled and paid bonds and notes and  
4401 thereafter all payments of interest thereon shall cease and the  
4402 cancelled bonds, notes and coupons, together with any other  
4403 cancelled bonds, notes and coupons, shall be destroyed as promptly  
4404 as possible after cancellation but not later than two (2) years  
4405 after cancellation. A certificate evidencing the destruction of  
4406 the cancelled bonds, notes and coupons shall be provided by the  
4407 loan and transfer agent to the seller.

4408 (c) The State Treasurer shall determine and report to  
4409 the Department of Finance and Administration and Legislative  
4410 Budget Office by September 1 of each year the amount of money  
4411 necessary for the payment of the principal of and interest on  
4412 outstanding obligations for the following fiscal year and the  
4413 times and amounts of the payments. It shall be the duty of the  
4414 Governor to include in every executive budget submitted to the  
4415 Legislature full information relating to the issuance of bonds and  
4416 notes under the provisions of this chapter and the status of the  
4417 sinking fund for the payment of the principal of and interest on  
4418 the bonds and notes.

4419 (d) Any monies repaid to the state from loans  
4420 authorized in Section 57-75-11(hh) shall be deposited into the

4421 Mississippi Major Economic Impact Authority Sinking Fund unless  
4422 the State Bond Commission, at the request of the authority, shall  
4423 determine that such loan repayments are needed to provide  
4424 additional loans as authorized under Section 57-75-11(hh). For  
4425 purposes of providing additional loans, there is hereby created  
4426 the Mississippi Major Economic Impact Authority Revolving Loan  
4427 Fund and loan repayments shall be deposited into the fund. The  
4428 fund shall be maintained for such period as determined by the  
4429 State Bond Commission for the sole purpose of making additional  
4430 loans as authorized by Section 57-75-11(hh). Unexpended amounts  
4431 remaining in the fund at the end of a fiscal year shall not lapse  
4432 into the State General Fund and any interest earned on amounts in  
4433 such fund shall be deposited to the credit of the fund.

4434 (e) Any monies repaid to the state from loans  
4435 authorized in Section 57-75-11(ii) shall be deposited into the  
4436 Mississippi Major Economic Impact Authority Sinking Fund.

4437 (18) (a) Upon receipt of a declaration by the authority  
4438 that it has determined that the state is a potential site for a  
4439 project, the State Bond Commission is authorized and directed to  
4440 authorize the State Treasurer to borrow money from any special  
4441 fund in the State Treasury not otherwise appropriated to be  
4442 utilized by the authority for the purposes provided for in this  
4443 subsection.

4444 (b) The proceeds of the money borrowed under this  
4445 subsection may be utilized by the authority for the purpose of  
4446 defraying all or a portion of the costs incurred by the authority  
4447 with respect to acquisition options and planning, design and  
4448 environmental impact studies with respect to a project defined in  
4449 Section 57-75-5(f)(xi). The authority may escalate its budget and  
4450 expend the proceeds of the money borrowed under this subsection in  
4451 accordance with rules and regulations of the Department of Finance  
4452 and Administration in a manner consistent with the escalation of  
4453 federal funds.

4454 (c) The authority shall request an appropriation or  
4455 additional authority to issue general obligation bonds to repay

4456 the borrowed funds and establish a date for the repayment of the  
4457 funds so borrowed.

4458 (d) Borrowings made under the provisions of this  
4459 subsection shall not exceed Five Hundred Thousand Dollars  
4460 (\$500,000.00) at any one time.

4461 **SECTION 77.** As used in Sections 77 through 95 of this act,  
4462 the following words shall have the meanings ascribed herein unless  
4463 the context clearly requires otherwise:

4464 (a) "Accreted value" of any bonds means, as of any date  
4465 of computation, an amount equal to the sum of (i) the stated  
4466 initial value of such bonds, plus (ii) the interest accrued  
4467 thereon from the issue date to the date of computation at the  
4468 rate, compounded semiannually, that is necessary to produce the  
4469 approximate yield to maturity shown for bonds of the same  
4470 maturity.

4471 (b) "Act" means Sections 77 through 95 of this act.

4472 (c) "Commission" means the State Bond Commission.

4473 (d) "State shipyard" means the shipyard property owned  
4474 by the state and located in Jackson County, Mississippi.

4475 (e) "State" means the State of Mississippi.

4476 (f) "Authority" means the Mississippi Development  
4477 Authority.

4478 **SECTION 78.** (1) The authority may use the proceeds from  
4479 general obligation bonds issued under this act for the purpose of  
4480 such capital improvements at the state shipyard as it considers  
4481 necessary to modernize the facility and keep it competitive with  
4482 other shipyards.

4483 (2) The authority, in its discretion, may set aside for  
4484 minority businesses not more than twenty percent (20%) of its  
4485 contracts for making such capital improvements at the state  
4486 shipyard. For the purposes of this subsection (2), the term  
4487 "minority business" means a business which is owned by a majority  
4488 of persons who are United States citizens or permanent resident  
4489 aliens (as defined by the Immigration and Naturalization Service)

4490 of the United States, and who are Asian, Black, Hispanic or Native  
4491 American, according to the following definitions:

4492 (a) "Asian" means persons having origins in any of the  
4493 original people of the Far East, Southeast Asia, the Indian  
4494 subcontinent, or the Pacific Islands.

4495 (b) "Black" means persons having origins in any black  
4496 racial group of Africa.

4497 (c) "Hispanic" means persons of Spanish or Portuguese  
4498 culture with origins in Mexico, South or Central America, or the  
4499 Caribbean Islands, regardless of race.

4500 (d) "Native American" means persons having origins in  
4501 any of the original people of North America, including American  
4502 Indians, Eskimos and Aleuts.

4503 **SECTION 79.** (1) (a) A special fund, to be designated as  
4504 the "2005 State Shipyard Improvement Fund," is created within the  
4505 State Treasury. The fund shall be maintained by the State  
4506 Treasurer as a separate and special fund, separate and apart from  
4507 the General Fund of the state. Unexpended amounts remaining in  
4508 the fund at the end of a fiscal year shall not lapse into the  
4509 State General Fund, and any interest earned or investment earnings  
4510 on amounts in the fund shall be deposited into such fund.

4511 (b) Monies deposited into the fund shall be disbursed,  
4512 in the discretion of the authority, to pay the costs incurred by  
4513 the authority in making capital improvements to the state  
4514 shipyard.

4515 (c) Monies in the special fund may be used to reimburse  
4516 reasonable actual and necessary costs incurred by the authority in  
4517 providing assistance related to a project for which funding is  
4518 provided under this act. The authority shall maintain an  
4519 accounting of actual costs incurred for each project for which  
4520 reimbursements are sought. Reimbursements under this paragraph  
4521 (c) shall not exceed Three Hundred Thousand Dollars (\$300,000.00)  
4522 in the aggregate. Reimbursements under this paragraph (c) shall  
4523 satisfy any applicable federal tax law requirements.

4524 (d) Monies in the special fund may be used to reimburse  
4525 reasonable actual and necessary costs incurred by the Department  
4526 of Audit in providing services related to a project for which  
4527 funding is provided under this act. The Department of Audit shall  
4528 maintain an accounting of actual costs incurred for each project  
4529 for which reimbursements are sought. The Department of Audit may  
4530 escalate its budget and expend such funds in accordance with rules  
4531 and regulations of the Department of Finance and Administration in  
4532 a manner consistent with the escalation of federal funds.  
4533 Reimbursements under this paragraph (d) shall not exceed One  
4534 Hundred Thousand Dollars (\$100,000.00) in the aggregate.  
4535 Reimbursements under this paragraph (d) shall satisfy any  
4536 applicable federal tax law requirements.

4537 (2) Amounts deposited into such special fund shall be  
4538 disbursed to pay the costs of the projects described in subsection  
4539 (1) of this section. If any monies in the special fund are not  
4540 used within four (4) years after the date the proceeds of the  
4541 bonds authorized under this act are deposited into such fund, then  
4542 the authority shall provide an accounting of such unused monies to  
4543 the commission. Promptly after the commission has certified, by  
4544 resolution duly adopted, that the projects described in subsection  
4545 (1) of this section shall have been completed, abandoned, or  
4546 cannot be completed in a timely fashion, any amounts remaining in  
4547 such special fund shall be applied to pay debt service on the  
4548 bonds issued under this act, in accordance with the proceedings  
4549 authorizing the issuance of such bonds and as directed by the  
4550 commission. Before monies in the special fund may be used for the  
4551 projects described in subsection (1) of this section, the  
4552 authority shall require that the lessee of the shipyard enter into  
4553 binding commitments regarding at least the following:

4554 (a) That such lessee shall create a certain minimum  
4555 number of jobs over a certain period of time as determined by the  
4556 authority (which jobs must be held by persons eligible for  
4557 employment in the United States under applicable state and federal  
4558 law); and

4559           (b) That if such lessee fails to satisfy any such  
4560 commitments, the lessee must repay an amount equal to all or a  
4561 portion of the funds provided by the state under this act as  
4562 determined by the authority.

4563           **SECTION 80.** (1) The commission, at one time, or from time  
4564 to time, may declare by resolution the necessity for issuance of  
4565 general obligation bonds of the State of Mississippi to provide  
4566 funds for all costs incurred or to be incurred for the purposes  
4567 described in Section 79 of this act. No bonds shall be issued  
4568 under this act until the authority is provided proof that the  
4569 lessee of the shipyard has incurred debt or has otherwise  
4570 irrevocably dedicated funds or a combination of debt and funds in  
4571 the amount of not less than One Hundred Twelve Million Dollars  
4572 (\$112,000,000.00) used by the lessee in calendar year 2003, or  
4573 thereafter, for capital improvements, capital investments or  
4574 capital upgrades at shipyards in Mississippi owned or leased by  
4575 the lessee. The debt or dedication of funds or combination of  
4576 debt and funds required of the lessee under this section shall be  
4577 in addition to any debt or funds required of the lessee under  
4578 Section 4 of Chapter 501, Laws of 2003, and Section 4 of Chapter  
4579 1, Laws of 2004 Third Extraordinary Session. Upon the adoption of  
4580 a resolution by the authority, declaring that the lessee has  
4581 incurred the required amount of debt and/or irrevocable dedication  
4582 of funds and declaring the necessity for the issuance of any part  
4583 or all of the general obligation bonds authorized by this section,  
4584 the authority shall deliver a certified copy of its resolution or  
4585 resolutions to the commission. Upon receipt of such resolution,  
4586 the commission, in its discretion, may act as the issuing agent,  
4587 prescribe the form of the bonds, advertise for and accept bids,  
4588 issue and sell the bonds so authorized to be sold and do any and  
4589 all other things necessary and advisable in connection with the  
4590 issuance and sale of such bonds. The total amount of bonds issued  
4591 under this act shall not exceed Fifty-six Million Dollars  
4592 (\$56,000,000.00). No bonds shall be issued under this act after  
4593 July 1, 2008.



4594 (2) Any investment earnings on amounts deposited into the  
4595 special fund created in Section 79 of this act shall be used to  
4596 pay debt service on bonds issued under this act, in accordance  
4597 with the proceedings authorizing issuance of such bonds.

4598 **SECTION 81.** The principal of and interest on the bonds  
4599 authorized under this act shall be payable in the manner provided  
4600 in this section. Such bonds shall bear such date or dates, be in  
4601 such denomination or denominations, bear interest at such rate or  
4602 rates (not to exceed the limits set forth in Section 75-17-101,  
4603 Mississippi Code of 1972), be payable at such place or places  
4604 within or without the State of Mississippi, shall mature  
4605 absolutely at such time or times not to exceed twenty (20) years  
4606 from date of issue, be redeemable before maturity at such time or  
4607 times and upon such terms, with or without premium, shall bear  
4608 such registration privileges, and shall be substantially in such  
4609 form, all as shall be determined by resolution of the commission.

4610 **SECTION 82.** The bonds authorized by this act shall be signed  
4611 by the chairman of the commission, or by his facsimile signature,  
4612 and the official seal of the commission shall be affixed thereto,  
4613 attested by the secretary of the commission. The interest  
4614 coupons, if any, to be attached to such bonds may be executed by  
4615 the facsimile signatures of such officers. Whenever any such  
4616 bonds shall have been signed by the officials designated to sign  
4617 the bonds who were in office at the time of such signing but who  
4618 may have ceased to be such officers before the sale and delivery  
4619 of such bonds, or who may not have been in office on the date such  
4620 bonds may bear, the signatures of such officers upon such bonds  
4621 and coupons shall nevertheless be valid and sufficient for all  
4622 purposes and have the same effect as if the person so officially  
4623 signing such bonds had remained in office until their delivery to  
4624 the purchaser, or had been in office on the date such bonds may  
4625 bear. However, notwithstanding anything herein to the contrary,  
4626 such bonds may be issued as provided in the Registered Bond Act of  
4627 the State of Mississippi.

4628           **SECTION 83.** All bonds and interest coupons issued under the  
4629 provisions of this act shall have all the qualities and incidents  
4630 of negotiable instruments under the provisions of the Uniform  
4631 Commercial Code, and in exercising the powers granted by this act,  
4632 the commission shall not be required to and need not comply with  
4633 the provisions of the Uniform Commercial Code.

4634           **SECTION 84.** The commission shall act as the issuing agent  
4635 for the bonds authorized under this act, prescribe the form of the  
4636 bonds, advertise for and accept bids, issue and sell the bonds so  
4637 authorized to be sold, pay all fees and costs incurred in such  
4638 issuance and sale, and do any and all other things necessary and  
4639 advisable in connection with the issuance and sale of such bonds.  
4640 The commission is authorized and empowered to pay the costs that  
4641 are incident to the sale, issuance and delivery of the bonds  
4642 authorized under this act from the proceeds derived from the sale  
4643 of such bonds. The commission shall sell such bonds on sealed  
4644 bids at public sale, and for such price as it may determine to be  
4645 for the best interest of the State of Mississippi, but no such  
4646 sale shall be made at a price less than par plus accrued interest  
4647 to the date of delivery of the bonds to the purchaser. All  
4648 interest accruing on such bonds so issued shall be payable  
4649 semiannually or annually; however, the first interest payment may  
4650 be for any period of not more than one (1) year.

4651           Notice of the sale of any such bonds shall be published at  
4652 least one time, not less than ten (10) days before the date of  
4653 sale, and shall be so published in one or more newspapers  
4654 published or having a general circulation in the City of Jackson,  
4655 Mississippi, and in one or more other newspapers or financial  
4656 journals with a national circulation, to be selected by the  
4657 commission.

4658           The commission, when issuing any bonds under the authority of  
4659 this act, may provide that bonds, at the option of the State of  
4660 Mississippi, may be called in for payment and redemption at the  
4661 call price named therein and accrued interest on such date or  
4662 dates named therein.

4663           **SECTION 85.** The bonds issued under the provisions of this  
4664 act are general obligations of the State of Mississippi, and for  
4665 the payment thereof the full faith and credit of the State of  
4666 Mississippi is irrevocably pledged. If the funds appropriated by  
4667 the Legislature for such purposes are insufficient to pay the  
4668 principal of and the interest on such bonds as they become due,  
4669 then the deficiency shall be paid by the State Treasurer from any  
4670 funds in the State Treasury not otherwise appropriated. All such  
4671 bonds shall contain recitals on their faces substantially covering  
4672 the provisions of this section.

4673           **SECTION 86.** Upon the issuance and sale of bonds under the  
4674 provisions of this act, the commission shall transfer the proceeds  
4675 of any such sale or sales to the special fund created in Section  
4676 79 of this act. The proceeds of such bonds shall be disbursed  
4677 solely upon the order of the authority under such restrictions, if  
4678 any, as may be contained in the resolution providing for the  
4679 issuance of the bonds.

4680           **SECTION 87.** The bonds authorized under this act may be  
4681 issued without any other proceedings or the happening of any other  
4682 conditions or things other than those proceedings, conditions and  
4683 things which are specified or required by this act. Any  
4684 resolution providing for the issuance of bonds under the  
4685 provisions of this act shall become effective immediately upon its  
4686 adoption by the commission, and any such resolution may be adopted  
4687 at any regular or special meeting of the commission by a majority  
4688 of its members.

4689           **SECTION 88.** The bonds authorized under the authority of this  
4690 act may be validated in the Chancery Court of the First Judicial  
4691 District of Hinds County, Mississippi, in the manner and with the  
4692 force and effect provided by Chapter 13, Title 31, Mississippi  
4693 Code of 1972, for the validation of county, municipal, school  
4694 district and other bonds. The notice to taxpayers required by  
4695 such statutes shall be published in a newspaper published or  
4696 having a general circulation in the City of Jackson, Mississippi.

4697           **SECTION 89.** Any holder of bonds issued under the provisions  
4698 of this act or of any of the interest coupons pertaining thereto  
4699 may, either at law or in equity, by suit, action, mandamus or  
4700 other proceeding, protect and enforce any and all rights granted  
4701 under this act, or under such resolution, and may enforce and  
4702 compel performance of all duties required by this act to be  
4703 performed, in order to provide for the payment of bonds and  
4704 interest thereon.

4705           **SECTION 90.** All bonds issued under the provisions of this  
4706 act shall be legal investments for trustees and other fiduciaries,  
4707 and for savings banks, trust companies and insurance companies  
4708 organized under the laws of the State of Mississippi, and such  
4709 bonds shall be legal securities which may be deposited with and  
4710 shall be received by all public officers and bodies of this state  
4711 and all municipalities and political subdivisions for the purpose  
4712 of securing the deposit of public funds.

4713           **SECTION 91.** Bonds issued under the provisions of this act  
4714 and income therefrom shall be exempt from all taxation in the  
4715 State of Mississippi.

4716           **SECTION 92.** The proceeds of the bonds issued under this act  
4717 shall be used solely for the purposes provided in this act,  
4718 including the costs incident to the issuance and sale of such  
4719 bonds.

4720           **SECTION 93.** The State Treasurer is authorized, without  
4721 further process of law, to certify to the Department of Finance  
4722 and Administration the necessity for warrants, and the Department  
4723 of Finance and Administration is authorized and directed to issue  
4724 such warrants, in such amounts as may be necessary to pay when due  
4725 the principal of, premium, if any, and interest on, or the  
4726 accreted value of, all bonds issued under this act; and the State  
4727 Treasurer shall forward the necessary amount to the designated  
4728 place or places of payment of such bonds in ample time to  
4729 discharge such bonds, or the interest thereon, on the due dates  
4730 thereof.

4731           **SECTION 94.** All improvements made to the state shipyard with  
4732 the proceeds of bonds issued pursuant to this act shall, as  
4733 state-owned property, be exempt from ad valorem taxation, except  
4734 ad valorem taxation for school district purposes.

4735           **SECTION 95.** This act shall be deemed to be full and complete  
4736 authority for the exercise of the powers herein granted, but this  
4737 act shall not be deemed to repeal or to be in derogation of any  
4738 existing law of this state.

4739           **SECTION 96.** Section 39 of this act shall take effect and be  
4740 in force from and after January 1, 2005, and the remainder of this  
4741 act shall take effect and be in force from and after July 1, 2005.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1           AN ACT TO CREATE THE MISSISSIPPI EXISTING INDUSTRY  
2 PRODUCTIVITY LOAN PROGRAM TO BE ADMINISTERED BY THE MISSISSIPPI  
3 DEVELOPMENT AUTHORITY FOR THE PURPOSE OF PROVIDING LOANS TO  
4 CERTAIN INDUSTRIES THAT HAVE BEEN OPERATING IN THIS STATE FOR NOT  
5 LESS THAN TWO YEARS; TO PROVIDE THAT THE LOANS SHALL BE UTILIZED  
6 BY INDUSTRIES TO DEPLOY LONG-TERM FIXED ASSETS THAT THROUGH NEW  
7 TECHNOLOGY WILL IMPROVE PRODUCTIVITY AND COMPETITIVENESS; TO  
8 CREATE THE MISSISSIPPI EXISTING INDUSTRY PRODUCTIVITY LOAN FUND TO  
9 BE ADMINISTERED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO  
10 AUTHORIZE THE ISSUANCE OF \$6,000,000.00 IN STATE GENERAL  
11 OBLIGATION BONDS TO PROVIDE FUNDS FOR THE MISSISSIPPI EXISTING  
12 INDUSTRY PRODUCTIVITY LOAN FUND; TO AUTHORIZE THE ISSUANCE OF  
13 \$8,000,000.00 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS  
14 FOR THE ACE FUND; TO AMEND SECTION 57-1-16, MISSISSIPPI CODE OF  
15 1972, TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO  
16 UTILIZE THE PROCEEDS OF GENERAL OBLIGATION BONDS ISSUED FOR THE  
17 ACE FUND TO REIMBURSE THE AUTHORITY FOR REASONABLE ACTUAL AND  
18 NECESSARY COSTS INCURRED IN PROVIDING ASSISTANCE FROM THE ACE  
19 FUND; TO LIMIT THE AMOUNT OF SUCH REIMBURSEMENTS TO AN AMOUNT NOT  
20 TO EXCEED 3% OF THE GENERAL OBLIGATION BONDS ISSUED FOR GRANTS; TO  
21 REQUIRE THAT BUSINESSES OR INDUSTRIES SEEKING ASSISTANCE FROM THE  
22 ACE FUND PROVIDE CERTAIN INFORMATION AND ENTER INTO CERTAIN  
23 AGREEMENTS; TO AMEND SECTION 57-1-307, MISSISSIPPI CODE OF 1972,  
24 TO INCREASE FROM \$95,000,000.00 TO \$97,000,000.00 THE AMOUNT OF  
25 STATE GENERAL OBLIGATION BONDS THAT MAY BE ISSUED FOR THE LOCAL  
26 GOVERNMENTS CAPITAL IMPROVEMENTS REVOLVING LOAN FUND; TO AMEND  
27 SECTION 57-61-25, MISSISSIPPI CODE OF 1972, TO INCREASE FROM  
28 \$292,000,000.00 TO \$308,000,000.00 THE AMOUNT OF GENERAL  
29 OBLIGATION BONDS THAT MAY BE ISSUED UNDER THE MISSISSIPPI BUSINESS  
30 INVESTMENT ACT; TO AMEND SECTION 57-61-34, MISSISSIPPI CODE OF  
31 1972, TO INCREASE FROM \$9,000,000.00 TO \$19,000,000.00 THE AMOUNT  
32 OF BOND PROCEEDS THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY MAY  
33 UTILIZE UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT FOR  
34 INTEREST-BEARING LOANS TO MUNICIPALITIES OR PRIVATE COMPANIES TO  
35 AID IN THE ESTABLISHMENT OF BUSINESS INCUBATION CENTERS AND THE  
36 CREATION OF NEW AND EXPANDING RESEARCH AND DEVELOPMENT AND  
37 TECHNOLOGY-BASED BUSINESS AND INDUSTRY; TO AMEND SECTION 57-61-36,  
38 MISSISSIPPI CODE OF 1972, TO INCREASE FROM \$10,500,000.00 TO  
39 \$16,500,000.00 THE AMOUNT OF BOND PROCEEDS THAT THE MISSISSIPPI  
40 DEVELOPMENT AUTHORITY MAY UTILIZE UNDER THE MISSISSIPPI BUSINESS  
41 INVESTMENT ACT TO MAKE GRANTS OR LOANS TO COUNTIES AND  
42 MUNICIPALITIES THROUGH AN EQUIPMENT AND PUBLIC FACILITIES GRANT

43 AND LOAN FUND TO AID IN INFRASTRUCTURE-RELATED IMPROVEMENTS, THE  
44 PURCHASE OF EQUIPMENT AND IN THE PURCHASE, CONSTRUCTION OR REPAIR  
45 AND RENOVATION OF PUBLIC FACILITIES; TO ESTABLISH AN INCOME TAX  
46 CREDIT FOR MANUFACTURING ENTERPRISES THAT HAVE OPERATED IN THIS  
47 STATE FOR NOT LESS THAN TWO YEARS IN AN AMOUNT EQUAL TO A CERTAIN  
48 PERCENTAGE OF THE ENTERPRISE'S INVESTMENT IN BUILDINGS OR  
49 EQUIPMENT; TO PROVIDE THAT ANY SUCH TAX CREDIT CLAIMED BUT NOT  
50 USED IN ANY TAXABLE YEAR MAY BE CARRIED FORWARD FOR FIVE YEARS  
51 FROM THE CLOSE OF THE TAX YEAR IN WHICH THE ELIGIBLE INVESTMENT  
52 WAS MADE; TO PROVIDE THAT THE CREDIT TAKEN IN ANY ONE TAX YEAR IS  
53 LIMITED TO AN AMOUNT NOT GREATER THAN 50% OF THE TAXPAYER'S STATE  
54 INCOME TAX LIABILITY WHICH IS ATTRIBUTABLE TO INCOME DERIVED FROM  
55 OPERATIONS IN THE STATE FOR THAT YEAR; TO PROVIDE THAT THE  
56 MANUFACTURING ENTERPRISE MUST INVEST AT LEAST \$1,000,000.00 TO BE  
57 ELIGIBLE FOR THE CREDIT; TO PROVIDE THAT THE MAXIMUM CUMULATIVE  
58 CREDIT THAT MAY BE CLAIMED BY A TAXPAYER FOR ANY ONE PROJECT IS  
59 LIMITED TO \$1,000,000.00; TO PROVIDE FOR RECAPTURE OF THE CREDIT  
60 UNDER CERTAIN CIRCUMSTANCES; TO AMEND SECTION 27-31-101,  
61 MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE BOARD OF SUPERVISORS OF  
62 COUNTIES AND THE GOVERNING AUTHORITIES OF MUNICIPALITIES TO GRANT  
63 CERTAIN AD VALOREM TAX EXEMPTIONS TO DATA/INFORMATION PROCESSING  
64 ENTERPRISES AND TECHNOLOGY INTENSIVE ENTERPRISES MEETING MINIMUM  
65 CRITERIA ESTABLISHED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO  
66 AMEND SECTION 27-65-17, MISSISSIPPI CODE OF 1972, TO IMPOSE THE  
67 SALES TAX AT A REDUCED RATE ON CERTAIN SALES OF MACHINERY AND  
68 MACHINE PARTS TO A TECHNOLOGY INTENSIVE BUSINESS FOR PLANT USE; TO  
69 AMEND SECTION 27-65-19, MISSISSIPPI CODE OF 1972, TO REDUCE THE  
70 SALES TAX ON CERTAIN FUELS SOLD TO OR USED BY TECHNOLOGY INTENSIVE  
71 ENTERPRISES; TO AMEND SECTION 27-65-101, MISSISSIPPI CODE OF 1972,  
72 TO EXEMPT FROM SALES TAXATION SALES OF COMPONENT MATERIALS USED IN  
73 THE CONSTRUCTION OF A FACILITY, OR ANY ADDITION OR IMPROVEMENT TO  
74 SUCH FACILITY, AND SALES OR LEASES OF MACHINERY AND EQUIPMENT TO  
75 BE USED IN SUCH FACILITIES, ADDITIONS OR IMPROVEMENTS, TO  
76 PERMANENT BUSINESS ENTERPRISES OPERATING A DATA/INFORMATION  
77 ENTERPRISE IN A TIER THREE AREA MEETING MINIMUM CRITERIA  
78 ESTABLISHED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO EXEMPT  
79 FROM SALES TAXATION SALES OF COMPONENT MATERIALS USED IN THE  
80 CONSTRUCTION OF A FACILITY, OR ANY ADDITION OR IMPROVEMENT TO SUCH  
81 FACILITY, AND SALES OF MACHINERY AND EQUIPMENT TO BE USED IN SUCH  
82 FACILITIES, ADDITIONS OR IMPROVEMENTS, TO TECHNOLOGY INTENSIVE  
83 ENTERPRISES FOR INDUSTRIAL PURPOSES IN A TIER THREE AREA; TO  
84 REDUCE THE SALES TAXATION ON SALES OF COMPONENT MATERIALS USED IN  
85 THE CONSTRUCTION OF A FACILITY, OR ANY ADDITION OR IMPROVEMENT TO  
86 SUCH BUILDING, AND SALES OR LEASES OF MACHINERY AND EQUIPMENT TO  
87 BE USED IN SUCH BUILDINGS, ADDITIONS OR IMPROVEMENTS, TO PERMANENT  
88 BUSINESS ENTERPRISES OPERATING A DATA/INFORMATION ENTERPRISE IN A  
89 TIER ONE OR TIER TWO AREA MEETING MINIMUM CRITERIA ESTABLISHED BY  
90 THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO REDUCE THE SALES  
91 TAXATION ON SALES OF COMPONENT MATERIALS USED IN THE CONSTRUCTION  
92 OF A FACILITY, OR ANY ADDITION OR IMPROVEMENT TO SUCH FACILITY,  
93 AND SALES OF MACHINERY AND EQUIPMENT, TO TECHNOLOGY INTENSIVE  
94 ENTERPRISES FOR INDUSTRIAL PURPOSES IN A TIER ONE OR TIER TWO  
95 AREA; TO AMEND SECTION 57-73-21, MISSISSIPPI CODE OF 1972, TO  
96 REVISE THE AMOUNT OF THE JOB TAX CREDIT FOR CERTAIN PERMANENT  
97 BUSINESS ENTERPRISES TO PROVIDE THAT THE AMOUNT OF THE CREDIT  
98 SHALL BE A CERTAIN PERCENTAGE OF SUCH ENTERPRISE'S PAYROLL; TO  
99 REENACT SECTIONS 57-10-401 THROUGH 57-10-445, MISSISSIPPI CODE OF  
100 1972, WHICH PROVIDE FOR THE ISSUANCE OF BONDS BY THE MISSISSIPPI  
101 BUSINESS FINANCE CORPORATION TO FINANCE ECONOMIC DEVELOPMENT  
102 PROJECTS IN ORDER TO INDUCE THE LOCATION OR EXPANSION OF CERTAIN  
103 BUSINESSES WITHIN THIS STATE; TO REENACT SECTION 27-7-22.3,  
104 MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR A CREDIT AGAINST  
105 STATE INCOME TAXES FOR CERTAIN COMPANIES FOR DEBT SERVICE PAID BY  
106 SUCH COMPANIES UNDER FINANCING AGREEMENTS ENTERED INTO WITH THE  
107 MISSISSIPPI BUSINESS FINANCE CORPORATION UNDER SECTION 57-10-409,  
108 MISSISSIPPI CODE OF 1972; TO AMEND SECTION 57-10-401, MISSISSIPPI  
109 CODE OF 1972, TO INCLUDE CERTAIN INFORMATION PROCESSING  
110 BUSINESSES, NATIONAL OR REGIONAL HEADQUARTERS, RESEARCH AND  
111 DEVELOPMENT FACILITIES AND TECHNOLOGY INTENSIVE ENTERPRISES OR  
112 FACILITIES WITHIN THE DEFINITION OF THE TERM "ELIGIBLE COMPANY";

113 TO AMEND SECTION 57-10-449, MISSISSIPPI CODE OF 1972, TO EXTEND  
114 UNTIL OCTOBER 1, 2006, THE REPEAL DATE ON SECTIONS 57-10-401  
115 THROUGH 57-10-445 AND 27-7-22.3, MISSISSIPPI CODE OF 1972; TO  
116 AMEND SECTIONS 57-62-5 AND 57-62-9, MISSISSIPPI CODE OF 1972, TO  
117 REVISE THE DEFINITION OF THE TERM "QUALIFIED BUSINESS OR INDUSTRY"  
118 UNDER THE MISSISSIPPI ADVANTAGE JOBS ACT TO ALLOW A BUSINESS TO BE  
119 ELIGIBLE FOR THE INCENTIVE PAYMENT UNDER THE ACT IF IT IS A  
120 DATA/INFORMATION PROCESSING ENTERPRISE, MANUFACTURING OR  
121 DISTRIBUTION ENTERPRISE OR A RESEARCH AND DEVELOPMENT OR  
122 TECHNOLOGY INTENSIVE ENTERPRISE THAT MEETS CERTAIN CRITERIA; TO  
123 REQUIRE APPLICANTS FOR THE INCENTIVE PAYMENTS UNDER THE ACT TO  
124 EXECUTE A PERFORMANCE AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT  
125 AUTHORITY THAT SPECIFIES THE MANNER IN WHICH THE APPLICANT WILL  
126 UTILIZE THE INCENTIVE PAYMENT; TO AMEND SECTION 57-62-13,  
127 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO CREATE THE  
128 MISSISSIPPI DEVELOPMENT AUTHORITY LEGISLATIVE OVERSIGHT COMMITTEE  
129 TO SERVE IN AN ADVISORY CAPACITY TO THE MISSISSIPPI DEVELOPMENT  
130 AUTHORITY REGARDING MATTERS UNDER THE JURISDICTION OF THE  
131 MISSISSIPPI DEVELOPMENT AUTHORITY; TO PROVIDE THAT THE OVERSIGHT  
132 COMMITTEE WILL CONSIST OF THE SPEAKER OF THE HOUSE OF  
133 REPRESENTATIVES, OR HIS DESIGNEE, THE LIEUTENANT GOVERNOR, OR HIS  
134 DESIGNEE, TWO REPRESENTATIVES APPOINTED BY THE SPEAKER OF THE  
135 HOUSE OF REPRESENTATIVES, AND TWO SENATORS APPOINTED BY THE  
136 LIEUTENANT GOVERNOR; TO PROVIDE THAT THE OVERSIGHT COMMITTEE SHALL  
137 HAVE NO JURISDICTION OR VOTE ON ANY MATTER WITHIN THE JURISDICTION  
138 OF THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO AMEND SECTION  
139 57-75-11, MISSISSIPPI CODE OF 1972, TO REVISE THE AMOUNT OF  
140 ASSISTANCE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY MAY  
141 PROVIDE THROUGH GRANT AND LOAN FUNDS TO ENTERPRISES OWNING OR  
142 OPERATING CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC  
143 IMPACT ACT; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972,  
144 TO REMOVE PROVISIONS IN BASE REALIGNMENT AND CLOSURE PROVISIONS OF  
145 THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT THAT REQUIRE THE CITY OF  
146 MERIDIAN TO REPAY BOND PROCEEDS UNDER CERTAIN CIRCUMSTANCES; TO  
147 INCREASE THE AMOUNT OF BONDS THAT MAY BE ISSUED FOR CERTAIN  
148 PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO  
149 AUTHORIZE THE ISSUANCE OF \$56,000,000.00 IN STATE GENERAL  
150 OBLIGATION BONDS TO PROVIDE FUNDS FOR CAPITAL IMPROVEMENTS AT THE  
151 STATE-OWNED SHIPYARD LOCATED IN JACKSON COUNTY, MISSISSIPPI; TO  
152 PROVIDE THAT THE ISSUANCE OF SUCH BONDS SHALL BE CONDITIONED ON  
153 THE LESSEE INCURRING A CERTAIN AMOUNT OF DEBT FOR CAPITAL  
154 IMPROVEMENTS, CAPITAL INVESTMENTS OR CAPITAL UPGRADES TO SHIPYARDS  
155 IN MISSISSIPPI OWNED OR LEASED BY SUCH LESSEE; AND FOR RELATED  
156 PURPOSES.

SS26\HB1720A.J

John O. Gilbert  
Secretary of the Senate