

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1720

BY: Committee

**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.