

By: Representative Fleming

To: Ways and Means

HOUSE BILL NO. 202

1 AN ACT TO PROVIDE FOR A REFUND OF A PORTION OF SALES TAXES
2 COLLECTED BY TAXPAYERS THAT COLLECT SALES TAX ON RETAIL SALES AND
3 EMPLOY PERSONS WITH FELONY CONVICTIONS; TO LIMIT THE AMOUNT OF THE
4 SALES TAX REFUND; TO PROVIDE THAT A TAXPAYER MUST PROVIDE THE
5 STATE TAX COMMISSION WITH CERTAIN INFORMATION IN ORDER TO RECEIVE
6 THE SALES TAX REFUND; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** (1) (a) Subject to the provisions of this
9 section, for a taxpayer that collects sales tax on retail sales
10 and employs persons with felony convictions, there shall be
11 allowed a refund of a portion of the sales tax collected and
12 remitted by the taxpayer under this chapter. For the purposes of
13 this section, the term "felony conviction" means any conviction of
14 an offense that constitutes a felony under the laws of this state,
15 any other state or the United States.

16 (b) The amount of sales taxes refunded to a taxpayer
17 under this section shall be as follows:

18 (i) For a taxpayer having twenty percent (20%) or
19 less of its employees who have felony convictions, the refund
20 shall be equal to one percent (1%) of the sales taxes collected
21 and remitted by the taxpayer.

22 (ii) For a taxpayer having more than twenty
23 percent (20%) but not more than forty percent (40%) of its
24 employees who have felony convictions, the refund shall be equal
25 to three percent (3%) of the sales taxes collected and remitted by
26 the taxpayer.

27 (iii) For a taxpayer having more than forty
28 percent (40%) of its employees who have felony convictions, the

29 refund shall be equal to five percent (5%) of the sales taxes
30 collected and remitted by the taxpayer.

31 (2) If a taxpayer desires to qualify for the sales tax
32 refund provided in this section, the taxpayer must provide the
33 State Tax Commission with documentation verifying the name and
34 conviction record of each employee for which the taxpayer claims
35 to eligible for the sales tax refund and any other information
36 required by the commission. The State Tax Commission shall
37 promulgate any rules and regulations necessary to carry out the
38 provisions of this section.

39 **SECTION 2.** This act shall take effect and be in force from
40 and after July 1, 2006.