

By: Senator(s) Ross

To: Finance

SENATE BILL NO. 2568

1 AN ACT TO PROVIDE FOR A TAX CREDIT AGAINST THE AMOUNT OF AD  
 2 VALOREM TAXES DUE DURING THE TAXABLE YEAR ON ANY MOTORCYCLE; TO  
 3 CREATE IN THE STATE TREASURY A SPECIAL FUND TO BE KNOWN AS THE  
 4 MOTORCYCLE AD VALOREM TAX REDUCTION FUND, WHICH SHALL BE USED FOR  
 5 THE PURPOSE OF MAKING PAYMENTS TO LOCAL TAXING DISTRICTS FOR THE  
 6 REDUCTION IN MOTOR VEHICLE AD VALOREM TAX REVENUES AS A RESULT OF  
 7 SUCH CREDIT; TO PROVIDE FOR THE MANNER IN WHICH THE PAYMENTS TO  
 8 LOCAL TAXING DISTRICTS ARE TO BE MADE; TO AMEND SECTION 27-65-75,  
 9 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A CERTAIN AMOUNT OF THE  
 10 REVENUE GENERATED BY THE SALES TAX ON SALES OF MOTORCYCLES SHALL  
 11 BE DEPOSITED INTO THE MOTORCYCLE AD VALOREM TAX REDUCTION FUND; TO  
 12 AMEND SECTION 27-67-31, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT  
 13 A CERTAIN AMOUNT OF THE USE TAX COLLECTED ON MOTORCYCLES SHALL BE  
 14 DEPOSITED INTO THE MOTORCYCLE AD VALOREM TAX REDUCTION FUND; AND  
 15 FOR RELATED PURPOSES.

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

17 **SECTION 1.** As used in Sections 1 through 4 of this act:

18 (a) "Motorcycle" means every vehicle designed to travel  
 19 on not more than three (3) wheels in contact with the ground and  
 20 upon which the owner is required to pay the annual highway  
 21 privilege tax levied in Section 27-19-5.

22 (b) "Local taxing district" means any county,  
 23 municipality, school district or other local entity that levies an  
 24 ad valorem tax or for which an ad valorem tax is levied, to fund  
 25 all or a portion of its budget.

26 (c) "State fiscal year" means the period beginning on  
 27 July 1 and ending on June 30 of the following year.

28 (d) "Commission" means the State Tax Commission.

29 **SECTION 2.** (1) From and after August 1, 2006, a taxpayer  
 30 shall be allowed as a credit against motor vehicle ad valorem  
 31 taxes due under Chapter 51, Title 27, Mississippi Code of 1972, on  
 32 any motorcycle owned by him, an amount as provided for in  
 33 subsection (2) of this section.

34           (2) (a) The amount of the credit that a taxpayer shall be  
35 allowed against motor vehicle ad valorem taxes due for motorcycles  
36 under Chapter 51, Title 27, Mississippi Code of 1972, shall be  
37 determined by the State Tax Commission for each fiscal year. The  
38 amount of the credit shall be promulgated by the commission on or  
39 before May 1 prior to each state fiscal year beginning with the  
40 state fiscal year beginning on July 1, 2006.

41           (b) In developing the credit, the commission shall  
42 establish credit amounts that provide for an equal percentage of  
43 dollar credit amounts for motorcycles in proportion to their  
44 assessed value, based on the projected amount of funds in the  
45 Motorcycle Ad Valorem Tax Reduction Fund that will be available  
46 for distribution in the state fiscal year. The commission may  
47 calculate the credit in such a manner so as to have surplus funds  
48 available in the Motorcycle Ad Valorem Tax Reduction Fund for cash  
49 flow needs and monthly shortfalls that might be incurred as a  
50 result of unexpected revenue fluctuations; however, in the  
51 calculation of the credit in order to make such surplus funds  
52 available, the commission shall attempt to create a balance in the  
53 Motorcycle Ad Valorem Tax Reduction Fund that does not exceed at  
54 the end of any state fiscal year five percent (5%) of the  
55 projected amount of funds that will be available in the Motorcycle  
56 Ad Valorem Tax Reduction Fund for distribution during the state  
57 fiscal year.

58           (3) Tax credits provided for by this section may be used  
59 against motorcycle ad valorem taxes due under Chapter 51, Title  
60 27, Mississippi Code of 1972, at the time that a taxpayer pays  
61 motor vehicle ad valorem taxes to the county tax collector.

62           (4) Each receipt for motorcycle ad valorem taxes shall  
63 clearly indicate that the credit provided for by this section is  
64 granted as a result of legislative action.

65           (5) A taxpayer who is delinquent in the payment of  
66 motorcycle ad valorem taxes to the extent that the penalty

67 assessed pursuant to Section 27-51-43, Mississippi Code of 1972,  
68 has reached twenty-five percent (25%) of the ad valorem taxes due  
69 shall not be eligible to receive the tax credit authorized  
70 pursuant to this section.

71 **SECTION 3.** (1) There is created in the State Treasury a  
72 special fund to be known as the Motorcycle Ad Valorem Tax  
73 Reduction Fund, into which shall be deposited the money specified  
74 in Section 27-65-75(20) and Section 27-67-31(e), other money as  
75 the Legislature may provide by appropriation and money otherwise  
76 required to be deposited into the fund. The monies in the fund  
77 shall be used for the purpose of making payments to counties for  
78 the reduction in motor vehicle ad valorem tax revenues incurred by  
79 local taxing districts in the county as a result of the ad valorem  
80 tax credit for motorcycles that is provided for by Section 2 of  
81 this act.

82 (2) The Motorcycle Ad Valorem Tax Reduction Fund shall be  
83 administered by the State Tax Commission, and monies in the fund  
84 shall be expended upon appropriation by the Legislature.  
85 Unexpended amounts remaining in the fund at the end of the state  
86 fiscal year shall not lapse into the State General Fund, and any  
87 interest earned on amounts in the fund shall be deposited to the  
88 credit of the fund.

89 **SECTION 4.** (1) On or before September 10, 2006, and the  
90 tenth day of each succeeding month thereafter, the State Tax  
91 Commission shall make payments from the Motorcycle Ad Valorem Tax  
92 Reduction Fund established in Section 3 of this act to the county  
93 tax collectors for distribution to the local taxing districts as  
94 reimbursement for motor vehicle ad valorem taxes that are lost  
95 during the preceding month as a result of the ad valorem tax  
96 credit for motorcycles that is provided for by Section 2 of this  
97 act. The amount that each local taxing district will receive for  
98 each month under this subsection shall be determined by the State

99 Tax Commission based on documentation provided by the tax  
100 collectors under guidelines established by the commission.

101 (2) On or before the twentieth day of the month that the  
102 payments from the commission under subsection (1) of this section  
103 are received, the county tax collectors shall remit the  
104 appropriate amount of such payments to the local taxing districts  
105 for which the county tax collector collects motor vehicle ad  
106 valorem taxes. When an ad valorem tax credit that is allowed to a  
107 taxpayer is not paid by the commission in the payment for the  
108 month in which such credit is allowed, the tax collector shall  
109 remit the payment for such credit to the local taxing authority on  
110 or before the twentieth day of the month that payment for such  
111 credit is received from the commission.

112 (3) Funds received by local taxing districts from the  
113 payments under subsection (1) of this section shall be considered  
114 to be, and shall be used in the same manner as, the proceeds of  
115 motor vehicle ad valorem taxes.

116 **SECTION 5.** Section 27-65-75, Mississippi Code of 1972, is  
117 amended as follows:

118 27-65-75. On or before the fifteenth day of each month, the  
119 revenue collected under the provisions of this chapter during the  
120 preceding month shall be paid and distributed as follows:

121 (1) On or before August 15, 1992, and each succeeding month  
122 thereafter through July 15, 1993, eighteen percent (18%) of the  
123 total sales tax revenue collected during the preceding month under  
124 the provisions of this chapter, except that collected under the  
125 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
126 business activities within a municipal corporation shall be  
127 allocated for distribution to the municipality and paid to the  
128 municipal corporation. On or before August 15, 1993, and each  
129 succeeding month thereafter, eighteen and one-half percent  
130 (18-1/2%) of the total sales tax revenue collected during the  
131 preceding month under the provisions of this chapter, except that

132 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
133 and 27-65-21, on business activities within a municipal  
134 corporation shall be allocated for distribution to the  
135 municipality and paid to the municipal corporation.

136 A municipal corporation, for the purpose of distributing the  
137 tax under this subsection, shall mean and include all incorporated  
138 cities, towns and villages.

139 Monies allocated for distribution and credited to a municipal  
140 corporation under this subsection may be pledged as security for a  
141 loan if the distribution received by the municipal corporation is  
142 otherwise authorized or required by law to be pledged as security  
143 for such a loan.

144 In any county having a county seat that is not an  
145 incorporated municipality, the distribution provided under this  
146 subsection shall be made as though the county seat was an  
147 incorporated municipality; however, the distribution to the  
148 municipality shall be paid to the county treasury in which the  
149 municipality is located, and those funds shall be used for road,  
150 bridge and street construction or maintenance in the county.

151 (2) On or before September 15, 1987, and each succeeding  
152 month thereafter, from the revenue collected under this chapter  
153 during the preceding month, One Million One Hundred Twenty-five  
154 Thousand Dollars (\$1,125,000.00) shall be allocated for  
155 distribution to municipal corporations as defined under subsection  
156 (1) of this section in the proportion that the number of gallons  
157 of gasoline and diesel fuel sold by distributors to consumers and  
158 retailers in each such municipality during the preceding fiscal  
159 year bears to the total gallons of gasoline and diesel fuel sold  
160 by distributors to consumers and retailers in municipalities  
161 statewide during the preceding fiscal year. The State Tax  
162 Commission shall require all distributors of gasoline and diesel  
163 fuel to report to the commission monthly the total number of  
164 gallons of gasoline and diesel fuel sold by them to consumers and

165 retailers in each municipality during the preceding month. The  
166 State Tax Commission shall have the authority to promulgate such  
167 rules and regulations as is necessary to determine the number of  
168 gallons of gasoline and diesel fuel sold by distributors to  
169 consumers and retailers in each municipality. In determining the  
170 percentage allocation of funds under this subsection for the  
171 fiscal year beginning July 1, 1987, and ending June 30, 1988, the  
172 State Tax Commission may consider gallons of gasoline and diesel  
173 fuel sold for a period of less than one (1) fiscal year. For the  
174 purposes of this subsection, the term "fiscal year" means the  
175 fiscal year beginning July 1 of a year.

176 (3) On or before September 15, 1987, and on or before the  
177 fifteenth day of each succeeding month, until the date specified  
178 in Section 65-39-35, the proceeds derived from contractors' taxes  
179 levied under Section 27-65-21 on contracts for the construction or  
180 reconstruction of highways designated under the highway program  
181 created under Section 65-3-97 shall, except as otherwise provided  
182 in Section 31-17-127, be deposited into the State Treasury to the  
183 credit of the State Highway Fund to be used to fund that highway  
184 program. The Mississippi Department of Transportation shall  
185 provide to the State Tax Commission such information as is  
186 necessary to determine the amount of proceeds to be distributed  
187 under this subsection.

188 (4) On or before August 15, 1994, and on or before the  
189 fifteenth day of each succeeding month through July 15, 1999, from  
190 the proceeds of gasoline, diesel fuel or kerosene taxes as  
191 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
192 (\$4,000,000.00) shall be deposited in the State Treasury to the  
193 credit of a special fund designated as the "State Aid Road Fund,"  
194 created by Section 65-9-17. On or before August 15, 1999, and on  
195 or before the fifteenth day of each succeeding month, from the  
196 total amount of the proceeds of gasoline, diesel fuel or kerosene  
197 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million

198 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
199 one-fourth percent (23-1/4%) of those funds, whichever is the  
200 greater amount, shall be deposited in the State Treasury to the  
201 credit of the "State Aid Road Fund," created by Section 65-9-17.  
202 Those funds shall be pledged to pay the principal of and interest  
203 on state aid road bonds heretofore issued under Sections 19-9-51  
204 through 19-9-77, in lieu of and in substitution for the funds  
205 previously allocated to counties under this section. Those funds  
206 may not be pledged for the payment of any state aid road bonds  
207 issued after April 1, 1981; however, this prohibition against the  
208 pledging of any such funds for the payment of bonds shall not  
209 apply to any bonds for which intent to issue those bonds has been  
210 published, for the first time, as provided by law before March 29,  
211 1981. From the amount of taxes paid into the special fund under  
212 this subsection and subsection (9) of this section, there shall be  
213 first deducted and paid the amount necessary to pay the expenses  
214 of the Office of State Aid Road Construction, as authorized by the  
215 Legislature for all other general and special fund agencies. The  
216 remainder of the fund shall be allocated monthly to the several  
217 counties in accordance with the following formula:

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

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

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

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

231           The amount of funds allocated to any county under this  
232 subsection for any fiscal year after fiscal year 1994 shall not be  
233 less than the amount allocated to the county for fiscal year 1994.

234           Any reference in the general laws of this state or the  
235 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
236 construed to refer and apply to subsection (4) of Section  
237 27-65-75.

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

244           (6) An amount each month beginning August 15, 1983, through  
245 November 15, 1986, as specified in Section 6 of Chapter 542, Laws  
246 of 1983, shall be paid into the special fund known as the  
247 Correctional Facilities Construction Fund created in Section 6 of  
248 Chapter 542, Laws of 1983.

249           (7) On or before August 15, 1992, and each succeeding month  
250 thereafter through July 15, 2000, two and two hundred sixty-six  
251 one-thousandths percent (2.266%) of the total sales tax revenue  
252 collected during the preceding month under the provisions of this  
253 chapter, except that collected under the provisions of Section  
254 27-65-17(2) shall be deposited by the commission into the School  
255 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
256 or before August 15, 2000, and each succeeding month thereafter,  
257 two and two hundred sixty-six one-thousandths percent (2.266%) of  
258 the total sales tax revenue collected during the preceding month  
259 under the provisions of this chapter, except that collected under  
260 the provisions of Section 27-65-17(2), shall be deposited into the  
261 School Ad Valorem Tax Reduction Fund created under Section  
262 37-61-35 until such time that the total amount deposited into the  
263 fund during a fiscal year equals Forty-two Million Dollars



264 (\$42,000,000.00). Thereafter, the amounts diverted under this  
265 subsection (7) during the fiscal year in excess of Forty-two  
266 Million Dollars (\$42,000,000.00) shall be deposited into the  
267 Education Enhancement Fund created under Section 37-61-33 for  
268 appropriation by the Legislature as other education needs and  
269 shall not be subject to the percentage appropriation requirements  
270 set forth in Section 37-61-33.

271 (8) On or before August 15, 1992, and each succeeding month  
272 thereafter, nine and seventy-three one-thousandths percent  
273 (9.073%) of the total sales tax revenue collected during the  
274 preceding month under the provisions of this chapter, except that  
275 collected under the provisions of Section 27-65-17(2), shall be  
276 deposited into the Education Enhancement Fund created under  
277 Section 37-61-33.

278 (9) On or before August 15, 1994, and each succeeding month  
279 thereafter, from the revenue collected under this chapter during  
280 the preceding month, Two Hundred Fifty Thousand Dollars  
281 (\$250,000.00) shall be paid into the State Aid Road Fund.

282 (10) On or before August 15, 1994, and each succeeding month  
283 thereafter through August 15, 1995, from the revenue collected  
284 under this chapter during the preceding month, Two Million Dollars  
285 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
286 Valorem Tax Reduction Fund established in Section 27-51-105.

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

296 (12) Notwithstanding any other provision of this section to  
297 the contrary, on or before August 15, 1995, and each succeeding  
298 month thereafter, the sales tax revenue collected during the  
299 preceding month under the provisions of Section 27-65-17(1) on  
300 retail sales of private carriers of passengers and light carriers  
301 of property, as defined in Section 27-51-101 and the corresponding  
302 levy in Section 27-65-23 on the rental or lease of these vehicles,  
303 shall be deposited, after diversion, into the Motor Vehicle Ad  
304 Valorem Tax Reduction Fund established in Section 27-51-105.

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

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

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

327 (16) On or before August 15, 2000, and each succeeding month  
328 thereafter, the sales tax revenue collected during the preceding

329 month under the provisions of this chapter on the gross proceeds  
330 of sales of a project as defined in Section 57-30-1 shall be  
331 deposited, after all diversions except the diversion provided for  
332 in subsection (1) of this section, into the Sales Tax Incentive  
333 Fund created in Section 57-30-3.

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

341 (18) On or before August 15, 2007, and each succeeding month  
342 thereafter through July 15, 2008, from the sales tax revenue  
343 collected during the preceding month under the provisions of this  
344 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)  
345 shall be deposited into the Special Funds Transfer Fund created in  
346 Section 4 of Chapter 556, Laws of 2003.

347 (19) (a) On or before August 15, 2005, and each succeeding  
348 month thereafter, the sales tax revenue collected during the  
349 preceding month under the provisions of this chapter on the gross  
350 proceeds of sales of a business enterprise located within a  
351 redevelopment project area under the provisions of Sections  
352 57-91-1 through 57-91-11, and the revenue collected on the gross  
353 proceeds of sales from sales made to a business enterprise located  
354 in a redevelopment project area under the provisions of Sections  
355 57-91-1 through 57-91-11 (provided that such sales made to a  
356 business enterprise are made on the premises of the business  
357 enterprise), shall, except as otherwise provided in this  
358 subsection (19), be deposited, after all diversions, into the  
359 Redevelopment Project Incentive Fund as created in Section  
360 57-91-9.

361 (b) For a municipality participating in the Economic  
362 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
363 the diversion provided for in subsection (1) of this section  
364 attributable to the gross proceeds of sales of a business  
365 enterprise located within a redevelopment project area under the  
366 provisions of Sections 57-91-1 through 57-91-11, and attributable  
367 to the gross proceeds of sales from sales made to a business  
368 enterprise located in a redevelopment project area under the  
369 provisions of Sections 57-91-1 through 57-91-11 (provided that  
370 such sales made to a business enterprise are made on the premises  
371 of the business enterprise), shall be deposited into the  
372 Redevelopment Project Incentive Fund as created in Section  
373 57-91-9, as follows:

374 (i) For the first six (6) years in which payments  
375 are made to a developer from the Redevelopment Project Incentive  
376 Fund, one hundred percent (100%) of the diversion shall be  
377 deposited into the fund;

378 (ii) For the seventh year in which such payments  
379 are made to a developer from the Redevelopment Project Incentive  
380 Fund, eighty percent (80%) of the diversion shall be deposited  
381 into the fund;

382 (iii) For the eighth year in which such payments  
383 are made to a developer from the Redevelopment Project Incentive  
384 Fund, seventy percent (70%) of the diversion shall be deposited  
385 into the fund;

386 (iv) For the ninth year in which such payments are  
387 made to a developer from the Redevelopment Project Incentive Fund,  
388 sixty percent (60%) of the diversion shall be deposited into the  
389 fund; and

390 (v) For the tenth year in which such payments are  
391 made to a developer from the Redevelopment Project Incentive Fund,  
392 fifty percent (50%) of the funds shall be deposited into the fund.

393           (20) Notwithstanding any other provision of this section to  
394 the contrary, on or before August 15, 2006, and each succeeding  
395 month thereafter, an amount equal to seventy-one percent (71%) of  
396 the sales tax revenue collected during the preceding month under  
397 the provisions of Section 27-65-17 on retail sales of motorcycles,  
398 as defined in Section 1 of Senate Bill No. 2568, 2006 Regular  
399 Session, and the corresponding levy in Section 27-65-23 on the  
400 rental or lease of these vehicles, shall be deposited, after  
401 diversion, into the Motorcycle Ad Valorem Tax Reduction Fund  
402 established in Section 3 of Senate Bill No. 2568, 2006 Regular  
403 Session.

404           (21) The remainder of the amounts collected under the  
405 provisions of this chapter shall be paid into the State Treasury  
406 to the credit of the General Fund.

407           (22) It shall be the duty of the municipal officials of any  
408 municipality that expands its limits, or of any community that  
409 incorporates as a municipality, to notify the commissioner of that  
410 action thirty (30) days before the effective date. Failure to so  
411 notify the commissioner shall cause the municipality to forfeit  
412 the revenue that it would have been entitled to receive during  
413 this period of time when the commissioner had no knowledge of the  
414 action. If any funds have been erroneously disbursed to any  
415 municipality or any overpayment of tax is recovered by the  
416 taxpayer, the commissioner may make correction and adjust the  
417 error or overpayment with the municipality by withholding the  
418 necessary funds from any later payment to be made to the  
419 municipality.

420           **SECTION 6.** Section 27-67-31, Mississippi Code of 1972, is  
421 amended as follows:

422           27-67-31. All administrative provisions of the sales tax  
423 law, and amendments thereto, including those which fix damages,  
424 penalties and interest for failure to comply with the provisions  
425 of said sales tax law, and all other requirements and duties

426 imposed upon taxpayer, shall apply to all persons liable for use  
427 taxes under the provisions of this article. The commissioner  
428 shall exercise all power and authority and perform all duties with  
429 respect to taxpayers under this article as are provided in said  
430 sales tax law, except where there is conflict, then the provisions  
431 of this article shall control.

432 The commissioner may require transportation companies to  
433 permit the examination of waybills, freight bills, or other  
434 documents covering shipments of tangible personal property into  
435 this state.

436 On or before the fifteenth day of each month, the amount  
437 received from taxes, damages and interest under the provisions of  
438 this article during the preceding month shall be paid and  
439 distributed as follows:

440 (a) On or before July 15, 1994, through July 15, 2000,  
441 and each succeeding month thereafter, two and two hundred  
442 sixty-six one-thousandths percent (2.266%) of the total use tax  
443 revenue collected during the preceding month under the provisions  
444 of this article shall be deposited in the School Ad Valorem Tax  
445 Reduction Fund created pursuant to Section 37-61-35. On or before  
446 August 15, 2000, and each succeeding month thereafter, two and two  
447 hundred sixty-six one-thousandths percent (2.266%) of the total  
448 use tax revenue collected during the preceding month under the  
449 provisions of this chapter shall be deposited into the School Ad  
450 Valorem Tax Reduction Fund created under Section 37-61-35 until  
451 such time that the total amount deposited into the fund during a  
452 fiscal year equals Four Million Dollars (\$4,000,000.00).  
453 Thereafter, the amounts diverted under this paragraph (a) during  
454 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)  
455 shall be deposited into the Education Enhancement Fund created  
456 under Section 37-61-33 for appropriation by the Legislature as  
457 other education needs and shall not be subject to the percentage  
458 appropriation requirements set forth in Section 37-61-33.

459           (b) On or before July 15, 1994, and each succeeding  
460 month thereafter, nine and seventy-three one-thousandths percent  
461 (9.073%) of the total use tax revenue collected during the  
462 preceding month under the provisions of this article shall be  
463 deposited into the Education Enhancement Fund created pursuant to  
464 Section 37-61-33.

465           (c) On or before July 15, 1997, and on or before the  
466 fifteenth day of each succeeding month thereafter, the revenue  
467 collected under the provisions of this article imposed and levied  
468 as a result of Section 27-65-17(2) and the corresponding levy in  
469 Section 27-65-23 on the rental or lease of private carriers of  
470 passengers and light carriers of property as defined in Section  
471 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax  
472 Reduction Fund created pursuant to Section 27-51-105.

473           (d) On or before July 15, 1997, and on or before the  
474 fifteenth day of each succeeding month thereafter and after the  
475 deposits required by paragraphs (a) and (b) of this section are  
476 made, the remaining revenue collected under the provisions of this  
477 article imposed and levied as a result of Section 27-65-17(1) and  
478 the corresponding levy in Section 27-65-23 on the rental or lease  
479 of private carriers of passengers and light carriers of property  
480 as defined in Section 27-51-101 shall be deposited into the Motor  
481 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section  
482 27-51-105.

483           (e) On or before August 15, 2006, and on or before the  
484 fifteenth day of each succeeding month thereafter and after the  
485 deposits required by paragraphs (a) and (b) of this section are  
486 made, seventy-one percent (71%) of the remaining revenue collected  
487 under the provisions of this article imposed and levied on  
488 motorcycles as defined in Section 1 of Senate Bill No. 2568, 2006  
489 Regular Session, as a result of Section 27-65-17 and the  
490 corresponding levy in Section 27-65-23 on the rental or lease of  
491 motorcycles as defined in Section 1 of Senate Bill No. 2568, 2006

492 Regular Session, shall be deposited into the Motorcycle Ad Valorem  
493 Tax Reduction Fund created pursuant to Section 3 of Senate Bill  
494 No. 2568, 2006 Regular Session.

495           (f) The remainder of the amount received from taxes,  
496 damages and interest under the provisions of this article shall be  
497 paid into the General Fund of the State Treasury by the  
498 commissioner.

499           **SECTION 7.** This act shall take effect and be in force from  
500 and after its passage.