

By: Representative Reeves

To: Oil, Gas and Other
MineralsHOUSE BILL NO. 820
(As Passed the House)

1 AN ACT TO AMEND SECTION 27-25-506, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT BEGINNING WITH FISCAL YEAR 2009, ALL AMOUNTS OF
3 THE STATE'S SHARE OF OIL AND GAS SEVERANCE TAXES SHALL BE
4 DEPOSITED INTO THE EDUCATION IMPROVEMENT TRUST FUND; AND FOR
5 RELATED PURPOSES.

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

7 **SECTION 1.** Section 27-25-506, Mississippi Code of 1972, is
8 amended as follows:

9 27-25-506. There is created a special fund in the State
10 Treasury into which the state's share of proceeds collected under
11 Sections 27-25-505 and 27-25-705 shall be deposited.

12 The state's share of all oil and gas severance taxes derived
13 from oil and gas resources under state-owned lands or from severed
14 state-owned minerals shall be deposited into the State Treasury to
15 the credit of the trust fund created in Section 206A, Mississippi
16 Constitution of 1890. The following amounts of the remainder of
17 tax collections apportioned to the state shall be deposited to the
18 credit of the trust fund created in Section 206A, Mississippi
19 Constitution of 1890:

20 (a) For fiscal year 1994, all amounts collected in
21 excess of Thirty-five Million Dollars (\$35,000,000.00);

22 (b) For fiscal year 1995, all amounts collected in
23 excess of Thirty-two Million Five Hundred Thousand Dollars
24 (\$32,500,000.00);

25 (c) For fiscal year 1996, all amounts collected in
26 excess of Thirty Million Dollars (\$30,000,000.00);

27 (d) For fiscal year 1997, all amounts collected in
28 excess of Twenty-seven Million Five Hundred Thousand Dollars
29 (\$27,500,000.00);

30 (e) For fiscal year 1998, all amounts collected in
31 excess of Twenty-five Million Dollars (\$25,000,000.00);

32 (f) For fiscal year 1999, all amounts collected in
33 excess of Twenty Million Dollars (\$20,000,000.00);

34 (g) For fiscal year 2000, all amounts collected in
35 excess of Fifteen Million Dollars (\$15,000,000.00);

36 (h) For fiscal year 2001 through December 31, 2000, all
37 amounts collected and transferred in excess of Ten Million Dollars
38 (\$10,000,000.00); and

39 (i) For fiscal year 2005, all amounts collected in
40 excess of Ten Million Dollars (\$10,000,000.00); and

41 (j) For fiscal year 2009 and thereafter, an increase of
42 annual increments in the amount of Ten Million Dollars
43 (\$10,000,000.00) shall be deposited to the credit of the trust.
44 These annual increments shall occur until all such tax collections
45 apportioned to the state shall be deposited to the credit of the
46 trust fund.

47 The monies collected under paragraphs (a) through (i) of this
48 section that are not deposited into the trust fund shall be
49 deposited into the State General Fund. For fiscal year 2005, the
50 monies not deposited into the State General Fund shall be
51 deposited into the Budget Contingency Fund created in Section
52 27-103-301. * * *

53 **SECTION 2.** This act shall take effect and be in force from
54 and after its passage.