

By: Representative Moak

To: Gaming; Ways and Means

HOUSE BILL NO. 1737

1 AN ACT TO AMEND SECTION 27-65-18, MISSISSIPPI CODE OF 1972,
2 TO CONFORM THE SALES TAX RATE IMPOSED ON SALES RELATED TO THE
3 PERFORMANCE OF CONSTRUCTION ACTIVITY ON CERTAIN CRUISE VESSELS TO
4 THE RATE IMPOSED FOR THE SAME ACTIVITIES ON CERTAIN FLOATING
5 STRUCTURES; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 27-65-18, Mississippi Code of 1972, is
8 amended as follows:

9 27-65-18. (1) There is levied, assessed and shall be
10 collected a tax of three and one-half percent (3-1/2%) upon the
11 gross proceeds of sales or gross receipts of sales of every person
12 engaging or continuing within this state in the business of
13 selling any tangible personal property or performing any
14 construction activity upon (a) any floating structure that is
15 normally moored and not normally engaged in the business of
16 transporting people or property, and that is located in the waters
17 within the State of Mississippi, and (b) any cruise vessel. Such
18 structures include, but are not limited to, casinos, floating
19 restaurants, floating hotels and similar property, regardless of
20 whether the property is self-propelled. The tax imposed under
21 this subsection (1) shall not apply to tangible personal property
22 that is not a component part of the structure.

23 (2) If the owner of a structure described in subsection (1)
24 of this section holds a direct pay permit issued by the State Tax
25 Commission under Section 27-65-93, the owner shall furnish the
26 permit to the seller or person performing the construction
27 activity unless the holder of the direct pay permit is given
28 written instructions or written authority to do otherwise by the

29 commissioner. After being furnished the direct pay permit, the
30 seller or person performing the construction activity shall be
31 relieved of the duty to collect the tax imposed under subsection
32 (1) of this section. The commissioner may assign a distinctive
33 number to a structure and issue the distinctive number to the
34 owner. The owner of the structure may furnish the distinctive
35 number to persons performing construction activity in order to
36 allow such persons to purchase component materials and parts for
37 use in the construction activity without the requirement of paying
38 sales tax on the purchases.

39 **SECTION 2.** Nothing in this act shall affect or defeat any
40 claim, assessment, appeal, suit, right or cause of action for
41 taxes due or accrued under the sales tax laws before the date on
42 which this act becomes effective, whether such claims,
43 assessments, appeals, suits or actions have been begun before the
44 date on which this act becomes effective or are begun thereafter;
45 and the provisions of the sales tax laws are expressly continued
46 in full force, effect and operation for the purpose of the
47 assessment, collection and enrollment of liens for any taxes due
48 or accrued and the execution of any warrant under such laws before
49 the date on which this act becomes effective, and for the
50 imposition of any penalties, forfeitures or claims for failure to
51 comply with such laws.

52 **SECTION 3.** This act shall take effect and be in force from
53 and after its passage.