

By: The Entire Membership

To: Ways and Means

HOUSE BILL NO. 1773

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI
3 MAJOR ECONOMIC IMPACT ACT TO INCLUDE CERTAIN AUTOMOTIVE
4 MANUFACTURING AND ASSEMBLY PLANTS AND THEIR AFFILIATES WITH AN
5 INITIAL CAPITAL INVESTMENT FROM PRIVATE SOURCES OF NOT LESS THAN
6 \$500,000,000.00 WHICH WILL CREATE AT LEAST 1,500 JOBS MEETING
7 CRITERIA ESTABLISHED BY THE MISSISSIPPI MAJOR ECONOMIC IMPACT
8 AUTHORITY; TO AMEND SECTION 57-75-9, MISSISSIPPI CODE OF 1972, TO
9 PROVIDE THAT CONTRACTS BY THE MISSISSIPPI MAJOR ECONOMIC IMPACT
10 AUTHORITY OR A PUBLIC AGENCY FOR SITE PREPARATION OR FOR PUBLIC
11 WORKS FOR SUCH A PROJECT SHALL BE EXEMPT FROM THE PROVISIONS OF
12 SECTION 31-7-13 AND TO PROVIDE AN ALTERNATE PROCEDURE FOR THE
13 AWARD OF SUCH CONTRACTS; TO AMEND SECTION 57-75-11, MISSISSIPPI
14 CODE OF 1972, TO GRANT THE MISSISSIPPI MAJOR ECONOMIC IMPACT
15 AUTHORITY CERTAIN ADDITIONAL POWERS AND DUTIES WITH REGARD TO SUCH
16 PROJECTS; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO
17 AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS FOR SUCH
18 PROJECTS AND TIER ONE SUPPLIERS OF SUCH PROJECTS AND TO SPECIFY
19 THE PURPOSES FOR WHICH THE PROCEEDS OF SUCH BONDS MAY BE UTILIZED;
20 TO AMEND SECTION 57-75-33, MISSISSIPPI CODE OF 1972, TO PROVIDE
21 THAT THE BOARD OF SUPERVISORS OF A COUNTY OR THE GOVERNING
22 AUTHORITIES OF A MUNICIPALITY MAY EACH ENTER INTO AN AGREEMENT
23 WITH AN ENTERPRISE OPERATING SUCH A PROJECT PROVIDING THAT THE
24 COUNTY OR MUNICIPALITY WILL NOT LEVY ANY TAXES, FEES OR
25 ASSESSMENTS UPON THE ENTERPRISE OTHER THAN TAXES, FEES OR
26 ASSESSMENTS THAT ARE GENERALLY LEVIED UPON ALL TAXPAYERS AND THE
27 BOARD OF SUPERVISORS OR THE GOVERNING AUTHORITIES ALSO MAY EACH
28 ENTER INTO A FEE-IN-LIEU AGREEMENT; TO AMEND SECTION 21-1-59,
29 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE GOVERNING
30 AUTHORITIES OF A MUNICIPALITY MAY ENTER INTO AN AGREEMENT WITH AN
31 ENTERPRISE OPERATING SUCH A PROJECT PROVIDING THAT THE
32 MUNICIPALITY SHALL NOT CHANGE ITS BOUNDARIES SO AS TO INCLUDE
33 WITHIN THE LIMITS OF SUCH MUNICIPALITY THE PROJECT SITE OF SUCH A
34 PROJECT UNLESS CONSENT THERETO SHALL BE OBTAINED IN WRITING FROM
35 THE ENTERPRISE OPERATING THE PROJECT; TO AMEND SECTION 27-19-309,
36 MISSISSIPPI CODE OF 1972, TO AUTHORIZE A MOTOR VEHICLE
37 MANUFACTURER OPERATING SUCH A PROJECT TO OBTAIN DISTINGUISHING
38 TAGS FOR CERTAIN MOTOR VEHICLES OWNED BY THE MANUFACTURER; TO
39 AMEND SECTION 27-31-1, MISSISSIPPI CODE OF 1972, TO PROVIDE AN AD
40 VALOREM TAX EXEMPTION FOR SUCH A PROJECT IF MUNICIPAL BOUNDARIES
41 ARE EXPANDED TO INCLUDE THE PROJECT; TO AMEND SECTIONS 63-17-55
42 AND 63-17-103, MISSISSIPPI CODE OF 1972, TO EXEMPT CERTAIN SALES
43 MADE BY MANUFACTURERS OPERATING SUCH A PROJECT FROM THE PROVISIONS
44 OF THE MISSISSIPPI MOTOR VEHICLE COMMISSION LAW; TO AMEND SECTION
45 11-27-81, MISSISSIPPI CODE OF 1972, TO AUTHORIZE REGIONAL ECONOMIC
46 DEVELOPMENT ALLIANCES CREATED UNDER THE REGIONAL ECONOMIC
47 DEVELOPMENT ACT TO EXERCISE THE RIGHT OF IMMEDIATE POSSESSION WITH
48 REGARD TO CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC
49 IMPACT ACT; TO AMEND SECTION 11-27-85, MISSISSIPPI CODE OF 1972,
50 TO AUTHORIZE REGIONAL ECONOMIC DEVELOPMENT ALLIANCES CREATED UNDER
51 THE REGIONAL ECONOMIC DEVELOPMENT ACT TO EXERCISE THE RIGHT OF
52 IMMEDIATE TITLE AND POSSESSION WITH REGARD TO CERTAIN PROJECTS

53 UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION
54 57-64-19, MISSISSIPPI CODE OF 1972, TO GRANT REGIONAL ECONOMIC
55 DEVELOPMENT ALLIANCES CREATED UNDER THE REGIONAL ECONOMIC
56 DEVELOPMENT ACT CERTAIN POWERS WITH REGARD TO CERTAIN PROJECTS
57 UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO PROVIDE THAT A
58 QUALIFIED BUSINESS OR INDUSTRY SHALL BE EXEMPT FROM INCOME
59 TAXATION ON INCOME ARISING FROM CERTAIN PROJECTS DEVELOPED UNDER
60 THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION
61 27-65-101, MISSISSIPPI CODE OF 1972, TO REVISE THE EXEMPTION FROM
62 SALES TAXATION FOR SALES TO CERTAIN MANUFACTURERS OF MOTOR
63 VEHICLES OF MACHINERY AND CERTAIN SPECIAL TOOLS OR REPAIR PARTS
64 THEREFOR, FUEL AND SUPPLIES USED DIRECTLY IN THE MANUFACTURE OF
65 MOTOR VEHICLES OR MOTOR VEHICLE PARTS; TO REVISE THE EXEMPTION
66 FROM SALES TAXATION FOR THE SALE OF MATERIALS, MACHINERY AND
67 EQUIPMENT USED IN THE CONSTRUCTION OF A BUILDING, OR AN ADDITION
68 OR IMPROVEMENT THEREON TO AN ENTERPRISE OPERATING CERTAIN PROJECTS
69 DEFINED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND
70 SECTION 27-67-7, MISSISSIPPI CODE OF 1972, TO REVISE THE EXEMPTION
71 FROM USE TAXATION FOR CERTAIN PERSONAL PROPERTY USED BY A TAXPAYER
72 OTHER THAN THE MANUFACTURER, WHEN THE MANUFACTURER STILL HOLDS
73 TITLE TO THE GOODS AND THE ITEMS ARE PURCHASED AS PART OF CERTAIN
74 PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT
75 ACT; TO PROVIDE FOR INCENTIVE PAYMENTS TO QUALIFIED BUSINESSES FOR
76 A PERIOD OF NOT TO EXCEED TWENTY-FIVE YEARS; TO PROVIDE FOR THE
77 AMOUNT OF THE INCENTIVE PAYMENTS; TO PROVIDE THAT THE PAYMENTS
78 SHALL BE BASED ON THE WAGES AND TAXABLE BENEFITS OR THE AMOUNT OF
79 STATE INCOME TAX WITHHELD FOR QUALIFIED JOBS CREATED; TO PROVIDE
80 THAT IN ORDER TO QUALIFY FOR SUCH PAYMENTS, A CERTAIN NUMBER OF
81 JOBS MUST BE CREATED OR MAINTAINED; TO CREATE A SPECIAL FUND IN
82 THE STATE TREASURY INTO WHICH SHALL BE DEPOSITED A CERTAIN PORTION
83 OF THE WITHHOLDING TAXES PAID BY THE QUALIFIED BUSINESS; TO
84 PROVIDE THAT MONIES IN THE SPECIAL FUND SHALL BE USED TO MAKE THE
85 REQUIRED INCENTIVE PAYMENTS; TO PROVIDE THAT CLAIMS FOR INCENTIVE
86 PAYMENTS SHALL BE FILED WITH THE STATE TAX COMMISSION; TO PROVIDE
87 THAT THE STATE TAX COMMISSION SHALL VERIFY THE ELIGIBILITY OF THE
88 BUSINESS FOR THE INCENTIVE PAYMENTS; TO AMEND SECTION 27-7-312,
89 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO PROVIDE FOR
90 INCENTIVE PAYMENTS TO ENTITIES THAT INCUR CERTAIN COSTS FOR THE
91 PURPOSE OF LOCATING CERTAIN PROJECTS DEVELOPED UNDER THE
92 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT IN THIS STATE; TO PROVIDE
93 FOR THE AMOUNT OF THE INCENTIVE PAYMENTS; TO PROVIDE THAT THE
94 PAYMENTS SHALL BE BASED ON CERTAIN COSTS INCURRED; TO CREATE A
95 SPECIAL FUND IN THE STATE TREASURY INTO WHICH SHALL BE DEPOSITED A
96 PORTION OF THE STATE SALES TAX REVENUE; TO PROVIDE THAT MONIES IN
97 THE SPECIAL FUND SHALL BE USED TO MAKE THE REQUIRED INCENTIVE
98 PAYMENTS; TO PROVIDE THAT CLAIMS FOR INCENTIVE PAYMENTS SHALL BE
99 FILED WITH THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO AUTHORIZE THE
100 MISSISSIPPI DEVELOPMENT AUTHORITY TO DEVELOP AND ADMINISTER SUCH
101 INCENTIVE PROGRAM; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF
102 1972, IN CONFORMITY THERETO; TO AMEND SECTION 27-31-48,
103 MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM
104 "VENDOR TOOLING" FOR THE PURPOSES OF AN AD VALOREM TAX EXEMPTION
105 AUTHORIZED FOR VENDOR TOOLING; TO AMEND SECTION 27-31-104,
106 MISSISSIPPI CODE OF 1972, TO CLARIFY CERTAIN PROVISIONS REGARDING
107 THE MANNER OF DETERMINING THE AMOUNT OF A FEE-IN-LIEU OF AD
108 VALOREM TAXES FOR CERTAIN PROJECTS; TO REVISE CERTAIN PROVISIONS
109 REGARDING THE ALLOCATION OF ANY FEE-IN-LIEU OF AD VALOREM TAXES
110 ALLOWED FOR CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR
111 ECONOMIC IMPACT ACT; AND FOR RELATED PURPOSES.

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

113 **SECTION 1.** Section 57-75-5, Mississippi Code of 1972, is
114 amended as follows:

115 57-75-5. Words and phrases used in this chapter shall have
116 meanings as follows, unless the context clearly indicates a
117 different meaning:

118 (a) "Act" means the Mississippi Major Economic Impact
119 Act as originally enacted or as hereafter amended.

120 (b) "Authority" means the Mississippi Major Economic
121 Impact Authority created pursuant to the act.

122 (c) "Bonds" means general obligation bonds, interim
123 notes and other evidences of debt of the State of Mississippi
124 issued pursuant to this chapter.

125 (d) "Facility related to the project" means and
126 includes any of the following, as the same may pertain to the
127 project within the project area: (i) facilities to provide
128 potable and industrial water supply systems, sewage and waste
129 disposal systems and water, natural gas and electric transmission
130 systems to the site of the project; (ii) airports, airfields and
131 air terminals; (iii) rail lines; (iv) port facilities; (v)
132 highways, streets and other roadways; (vi) public school
133 buildings, classrooms and instructional facilities, training
134 facilities and equipment, including any functionally related
135 facilities; (vii) parks, outdoor recreation facilities and
136 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
137 art centers, cultural centers, folklore centers and other public
138 facilities; (ix) health care facilities, public or private; and
139 (x) fire protection facilities, equipment and elevated water
140 tanks.

141 (e) "Person" means any natural person, corporation,
142 association, partnership, receiver, trustee, guardian, executor,
143 administrator, fiduciary, governmental unit, public agency,
144 political subdivision, or any other group acting as a unit, and
145 the plural as well as the singular.

146 (f) "Project" means:

147 (i) Any industrial, commercial, research and
148 development, warehousing, distribution, transportation,
149 processing, mining, United States government or tourism enterprise
150 together with all real property required for construction,
151 maintenance and operation of the enterprise with an initial
152 capital investment of not less than Three Hundred Million Dollars
153 (\$300,000,000.00) from private or United States government sources
154 together with all buildings, and other supporting land and
155 facilities, structures or improvements of whatever kind required
156 or useful for construction, maintenance and operation of the
157 enterprise; or with an initial capital investment of not less than
158 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
159 or United States government sources together with all buildings
160 and other supporting land and facilities, structures or
161 improvements of whatever kind required or useful for construction,
162 maintenance and operation of the enterprise and which creates at
163 least one thousand (1,000) net new full-time jobs; or which
164 creates at least one thousand (1,000) net new full-time jobs which
165 provides an average salary, excluding benefits which are not
166 subject to Mississippi income taxation, of at least one hundred
167 twenty-five percent (125%) of the most recently published average
168 annual wage of the state as determined by the Mississippi
169 Department of Employment Security. "Project" shall include any
170 addition to or expansion of an existing enterprise if such
171 addition or expansion has an initial capital investment of not
172 less than Three Hundred Million Dollars (\$300,000,000.00) from
173 private or United States government sources, or has an initial
174 capital investment of not less than One Hundred Fifty Million
175 Dollars (\$150,000,000.00) from private or United States government
176 sources together with all buildings and other supporting land and
177 facilities, structures or improvements of whatever kind required
178 or useful for construction, maintenance and operation of the
179 enterprise and which creates at least one thousand (1,000) net new

180 full-time jobs; or which creates at least one thousand (1,000) net
181 new full-time jobs which provides an average salary, excluding
182 benefits which are not subject to Mississippi income taxation, of
183 at least one hundred twenty-five percent (125%) of the most
184 recently published average annual wage of the state as determined
185 by the Mississippi Department of Employment Security. "Project"
186 shall also include any ancillary development or business resulting
187 from the enterprise, of which the authority is notified, within
188 three (3) years from the date that the enterprise entered into
189 commercial production, that the project area has been selected as
190 the site for the ancillary development or business.

191 (ii) 1. Any major capital project designed to
192 improve, expand or otherwise enhance any active duty or reserve
193 United States armed services bases and facilities or any major
194 Mississippi National Guard training installations, their support
195 areas or their military operations, upon designation by the
196 authority that any such base was or is at risk to be recommended
197 for closure or realignment pursuant to the Defense Base Closure
198 and Realignment Act of 1990, as amended, or other applicable
199 federal law; or any major development project determined by the
200 authority to be necessary to acquire or improve base properties
201 and to provide employment opportunities through construction of
202 projects as defined in Section 57-3-5, which shall be located on
203 or provide direct support service or access to such military
204 installation property in the event of closure or reduction of
205 military operations at the installation.

206 2. Any major study or investigation related
207 to such a facility, installation or base, upon a determination by
208 the authority that the study or investigation is critical to the
209 expansion, retention or reuse of the facility, installation or
210 base.

211 3. Any project as defined in Section 57-3-5,
212 any business or enterprise determined to be in the furtherance of

213 the public purposes of this act as determined by the authority or
214 any facility related to such project each of which shall be,
215 directly or indirectly, related to any military base or other
216 military-related facility no longer operated by the United States
217 armed services or the Mississippi National Guard.

218 (iii) Any enterprise to be maintained, improved or
219 constructed in Tishomingo County by or for a National Aeronautics
220 and Space Administration facility in such county.

221 (iv) 1. Any major capital project with an initial
222 capital investment from private sources of not less than Seven
223 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
224 at least three thousand (3,000) jobs meeting criteria established
225 by the Mississippi Development Authority.

226 2. "Project" shall also include any ancillary
227 development or business resulting from an enterprise operating a
228 project as defined in item 1 of this paragraph (f)(iv), of which
229 the authority is notified, within three (3) years from the date
230 that the enterprise entered into commercial production, that the
231 state has been selected as the site for the ancillary development
232 or business.

233 (v) Any manufacturing, processing or industrial
234 project determined by the authority, in its sole discretion, to
235 contribute uniquely and significantly to the economic growth and
236 development of the state, and which meets the following criteria:

237 1. The project shall create at least two
238 thousand (2,000) net new full-time jobs meeting criteria
239 established by the authority, which criteria shall include, but
240 not be limited to, the requirement that such jobs must be held by
241 persons eligible for employment in the United States under
242 applicable state and federal law.

243 2. The project and any facility related to
244 the project shall include a total investment from private sources
245 of not less than Sixty Million Dollars (\$60,000,000.00), or from

246 any combination of sources of not less than Eighty Million Dollars
247 (\$80,000,000.00).

248 (vi) Any real property owned or controlled by the
249 National Aeronautics and Space Administration, the United States
250 government, or any agency thereof, which is legally conveyed to
251 the State of Mississippi or to the State of Mississippi for the
252 benefit of the Mississippi Major Economic Impact Authority, its
253 successors and assigns pursuant to Section 212 of Public Law
254 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

255 (vii) Any major capital project related to the
256 establishment, improvement, expansion and/or other enhancement of
257 any active duty military installation and having a minimum capital
258 investment from any source or combination of sources other than
259 the State of Mississippi of at least Forty Million Dollars
260 (\$40,000,000.00), and which will create at least four hundred
261 (400) military installation related full-time jobs, which jobs may
262 be military jobs, civilian jobs or a combination of military and
263 civilian jobs. The authority shall require that binding
264 commitments be entered into requiring that the minimum
265 requirements for the project provided for in this subparagraph
266 shall be met not later than July 1, 2008.

267 (viii) Any major capital project with an initial
268 capital investment from any source or combination of sources of
269 not less than Ten Million Dollars (\$10,000,000.00) which will
270 create at least eighty (80) full-time jobs which provide an
271 average annual salary, excluding benefits which are not subject to
272 Mississippi income taxes, of at least one hundred thirty-five
273 percent (135%) of the most recently published average annual wage
274 of the state or the most recently published average annual wage of
275 the county in which the project is located as determined by the
276 Mississippi Department of Employment Security, whichever is the
277 lesser. The authority shall require that binding commitments be
278 entered into requiring that:

279 1. The minimum requirements for the project
280 provided for in this subparagraph shall be met; and

281 2. That if such commitments are not met, all
282 or a portion of the funds provided by the state for the project as
283 determined by the authority shall be repaid.

284 (ix) Any regional retail shopping mall with an
285 initial capital investment from private sources in excess of One
286 Hundred Fifty Million Dollars (\$150,000,000.00), with a square
287 footage in excess of eight hundred thousand (800,000) square feet,
288 which will create at least seven hundred (700) full-time jobs with
289 an average hourly wage of Eleven Dollars (\$11.00) per hour. The
290 authority shall require that binding commitments be entered into
291 requiring that:

292 1. The minimum requirements for the project
293 provided for in this subparagraph shall be met; and

294 2. That if such commitments are not met, all
295 or a portion of the funds provided by the state for the project as
296 determined by the authority shall be repaid.

297 (x) Any major capital project with an initial
298 capital investment from any source or combination of sources of
299 not less than Seventy-five Million Dollars (\$75,000,000.00) which
300 will create at least one hundred twenty-five (125) full-time jobs
301 which provide an average annual salary, excluding benefits which
302 are not subject to Mississippi income taxes, of at least one
303 hundred thirty-five percent (135%) of the most recently published
304 average annual wage of the state or the most recently published
305 average annual wage of the county in which the project is located
306 as determined by the Mississippi Department of Employment
307 Security, whichever is the greater. The authority shall require
308 that binding commitments be entered into requiring that:

309 1. The minimum requirements for the project
310 provided for in this subparagraph shall be met; and

311 2. That if such commitments are not met, all
312 or a portion of the funds provided by the state for the project as
313 determined by the authority shall be repaid.

314 (xi) Any potential major capital project that the
315 authority has determined is feasible to recruit.

316 (xii) Any project built according to the
317 specifications and federal provisions set forth by the National
318 Aeronautics and Space Administration Center Operations Directorate
319 at Stennis Space Center for the purpose of consolidating common
320 services from National Aeronautics and Space Administration
321 centers in human resources, procurement, financial management and
322 information technology located on land owned or controlled by the
323 National Aeronautics and Space Administration, which will create
324 at least four hundred seventy (470) full-time jobs.

325 (xiii) Any major capital project with an initial
326 capital investment from any source or combination of sources of
327 not less than Ten Million Dollars (\$10,000,000.00) which will
328 create at least two hundred fifty (250) full-time jobs. The
329 authority shall require that binding commitments be entered into
330 requiring that:

331 1. The minimum requirements for the project
332 provided for in this subparagraph shall be met; and

333 2. That if such commitments are not met, all
334 or a portion of the funds provided by the state for the project as
335 determined by the authority shall be repaid.

336 (xiv) Any major pharmaceutical facility with a
337 capital investment of not less than Fifty Million Dollars
338 (\$50,000,000.00) made after July 1, 2002, through four (4) years
339 after the initial date of any loan or grant made by the authority
340 for such project, which will maintain at least seven hundred fifty
341 (750) full-time employees. The authority shall require that
342 binding commitments be entered into requiring that:

343 1. The minimum requirements for the project
344 provided for in this subparagraph shall be met; and

345 2. That if such commitments are not met, all
346 or a portion of the funds provided by the state for the project as
347 determined by the authority shall be repaid.

348 (xv) Any pharmaceutical manufacturing, packaging
349 and distribution facility with an initial capital investment from
350 any local or federal sources of not less than Five Hundred
351 Thousand Dollars (\$500,000.00) which will create at least ninety
352 (90) full-time jobs. The authority shall require that binding
353 commitments be entered into requiring that:

354 1. The minimum requirements for the project
355 provided for in this subparagraph shall be met; and

356 2. That if such commitments are not met, all
357 or a portion of the funds provided by the state for the project as
358 determined by the authority shall be repaid.

359 (xvi) Any major industrial wood processing
360 facility with an initial capital investment of not less than One
361 Hundred Million Dollars (\$100,000,000.00) which will create at
362 least one hundred twenty-five (125) full-time jobs which provide
363 an average annual salary, excluding benefits which are not subject
364 to Mississippi income taxes, of at least Thirty Thousand Dollars
365 (\$30,000.00). The authority shall require that binding
366 commitments be entered into requiring that:

367 1. The minimum requirements for the project
368 provided for in this subparagraph shall be met; and

369 2. That if such commitments are not met, all
370 or a portion of the funds provided by the state for the project as
371 determined by the authority shall be repaid.

372 (xvii) Any technical, engineering,
373 manufacturing-logistic service provider with an initial capital
374 investment of not less than One Million Dollars (\$1,000,000.00)
375 which will create at least ninety (90) full-time jobs. The

376 authority shall require that binding commitments be entered into
377 requiring that:

378 1. The minimum requirements for the project
379 provided for in this subparagraph shall be met; and

380 2. That if such commitments are not met, all
381 or a portion of the funds provided by the state for the project as
382 determined by the authority shall be repaid.

383 (xviii) Any major capital project with an initial
384 capital investment from any source or combination of sources other
385 than the State of Mississippi of not less than Six Hundred Million
386 Dollars (\$600,000,000.00) which will create at least four hundred
387 fifty (450) full-time jobs with an average annual salary,
388 excluding benefits which are not subject to Mississippi income
389 taxes, of at least Seventy Thousand Dollars (\$70,000.00). The
390 authority shall require that binding commitments be entered into
391 requiring that:

392 1. The minimum requirements for the project
393 provided for in this subparagraph shall be met; and

394 2. That if such commitments are not met, all
395 or a portion of the funds provided by the state for the project as
396 determined by the authority shall be repaid.

397 (xix) Any major coal and/or petroleum coke
398 gasification project with an initial capital investment from any
399 source or combination of sources other than the State of
400 Mississippi of not less than Eight Hundred Million Dollars
401 (\$800,000,000.00), which will create at least two hundred (200)
402 full-time jobs with an average annual salary, excluding benefits
403 which are not subject to Mississippi income taxes, of at least
404 Forty-five Thousand Dollars (\$45,000.00). The authority shall
405 require that binding commitments be entered into requiring that:

406 1. The minimum requirements for the project
407 provided for in this subparagraph shall be met; and

408 2. That if such commitments are not met, all
409 or a portion of the funds provided by the state for the project as
410 determined by the authority shall be repaid.

411 (xx) Any planned mixed use development located on
412 not less than four thousand (4,000) acres of land that will
413 consist of commercial, recreational, resort, tourism and
414 residential development with a capital investment from private
415 sources of not less than Four Hundred Seventy-five Million Dollars
416 (\$475,000,000.00) in the aggregate in any one (1) or any
417 combination of tourism projects that will create at least three
418 thousand five hundred (3,500) jobs in the aggregate. For the
419 purposes of this paragraph (f)(xx), the term "tourism project"
420 means and has the same definition as that term has in Section
421 57-28-1. In order to meet the minimum capital investment required
422 under this paragraph (f)(xx), at least Two Hundred Thirty-seven
423 Million Five Hundred Thousand Dollars (\$237,500,000.00) of such
424 investment must be made not later than three (3) years after the
425 date that construction for the initial phase of development of the
426 project begins, or June 1, 2010, whichever date is earlier; and
427 the remainder of the minimum capital investment must be made not
428 later than five (5) years after the date that construction for the
429 initial phase of development of the project begins, or June 1,
430 2012, whichever date is earlier. In order to meet the minimum
431 number of jobs required to be created under this paragraph
432 (f)(xx), at least one thousand seven hundred fifty (1,750) of such
433 jobs must be created not later than three (3) years after the date
434 that construction for the initial phase of development of the
435 project begins, or June 1, 2010, whichever date is earlier; and
436 the remainder of the jobs must be created not later than five (5)
437 years after the date that construction for the initial phase of
438 development of the project begins, or June 1, 2012, whichever date
439 is earlier. The authority shall require that binding commitments
440 be entered into requiring that:

441 1. The minimum requirements for the project
442 provided for in this subparagraph shall be met; and

443 2. That if such commitments are not met, all
444 or a portion of the funds provided by the state for the project as
445 determined by the authority shall be repaid.

446 (xxi) Any enterprise owing or operating an
447 automotive manufacturing and assembly plant and its affiliates for
448 which construction begins after the effective date of House Bill
449 No. ____, 2007 Regular Session, and not later than December 1,
450 2007, with an initial capital investment from private sources of
451 not less than Five Hundred Million Dollars (\$500,000,000.00) which
452 will create at least one thousand five hundred (1,500) jobs
453 meeting criteria established by the authority, which criteria
454 shall include, but not be limited to, the requirement that such
455 jobs must be held by persons eligible for employment in the United
456 States under applicable state and federal law. The authority
457 shall require that binding commitments be entered into requiring
458 that:

459 1. The minimum requirements for the project
460 provided for in this subparagraph shall be met; and

461 2. That if such commitments are not met, all
462 or a portion of the funds provided by the state for the project as
463 determined by the authority shall be repaid.

464 (g) (i) "Project area" means the project site,
465 together with any area or territory within the state lying within
466 sixty-five (65) miles of any portion of the project site whether
467 or not such area or territory be contiguous; however, for the
468 project defined in paragraph (f)(iv) of this section the term
469 "project area" means any area or territory within the state. The
470 project area shall also include all territory within a county if
471 any portion of such county lies within sixty-five (65) miles of
472 any portion of the project site. "Project site" means the real
473 property on which the principal facilities of the enterprise will

474 operate. The provisions of this subparagraph (i) shall not apply
475 to a project as defined in paragraph (f)(xxi) of this section.

476 (ii) For the purposes of a project as defined in
477 paragraph (f)(xxi) of this section, the term "project area" means
478 the acreage authorized in the certificate of convenience and
479 necessity issued by the Mississippi Development Authority to a
480 regional economic development alliance under Section 57-64-1 et
481 seq.

482 (h) "Public agency" means:

483 (i) Any department, board, commission, institution
484 or other agency or instrumentality of the state;

485 (ii) Any city, town, county, political
486 subdivision, school district or other district created or existing
487 under the laws of the state or any public agency of any such city,
488 town, county, political subdivision or district or any other
489 public entity created or existing under local and private
490 legislation;

491 (iii) Any department, commission, agency or
492 instrumentality of the United States of America; and

493 (iv) Any other state of the United States of
494 America which may be cooperating with respect to location of the
495 project within the state, or any agency thereof.

496 (i) "State" means State of Mississippi.

497 (j) "Fee-in-lieu" means a negotiated fee to be paid by
498 the project in lieu of any franchise taxes imposed on the project
499 by Chapter 13, Title 27, Mississippi Code of 1972. The
500 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
501 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
502 enterprise operating an existing project defined in Section
503 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
504 for other existing enterprises that fall within the definition of
505 the term "project."

506 (k) "Affiliate" means a subsidiary or related business
507 entity which shares a common direct or indirect ownership with the
508 enterprise owning or operating a project as defined in Section
509 57-75-5(f)(xxi). The subsidiary or related business must provide
510 services directly related to the core activities of the project.

511 (l) "Tier One supplier" means a supplier of a project
512 as defined in Section 57-75-5(f)(xxi) that is certified by the
513 enterprise owning the project and creates a minimum of fifty (50)
514 new full-time jobs.

515 **SECTION 2.** Section 57-75-9, Mississippi Code of 1972, is
516 amended as follows:

517 57-75-9. (1) The authority is hereby designated and
518 empowered to act on behalf of the state in submitting a siting
519 proposal for any project eligible for assistance under this act.
520 The authority is empowered to take all steps appropriate or
521 necessary to effect the siting, development, and operation of the
522 project within the state, including the negotiation of a
523 fee-in-lieu. If the state is selected as the preferred site for
524 the project, the authority is hereby designated and empowered to
525 act on behalf of the state and to represent the state in the
526 planning, financing, development, construction and operation of
527 the project or any facility related to the project, with the
528 concurrence of the affected public agency. The authority may take
529 affirmative steps to coordinate fully all aspects of the
530 submission of a siting proposal for the project and, if the state
531 is selected as the preferred site, to coordinate fully, with the
532 concurrence of the affected public agency, the development of the
533 project or any facility related to the project with private
534 business, the United States government and other public agencies.
535 All public agencies are encouraged to cooperate to the fullest
536 extent possible to effectuate the duties of the authority;
537 however, the development of the project or any facility related to

538 the project by the authority may be done only with the concurrence
539 of the affected public agency.

540 (2) (a) Contracts, by the authority or a public agency,
541 including, but not limited to, design and construction contracts,
542 for the acquisition, purchase, construction or installation of a
543 project defined in Section 57-75-5(f)(iv)1 or any facility related
544 to the project shall be exempt from the provisions of Section
545 31-7-13 if:

546 (i) The authority finds and records such finding
547 on its minutes, that because of availability or the particular
548 nature of a project, it would not be in the public interest or
549 would less effectively achieve the purposes of this chapter to
550 enter into such contracts on the basis of Section 31-7-13; and

551 (ii) The enterprise that is involved in the
552 project concurs in such finding.

553 (b) When the requirements of paragraph (a) of this
554 subsection are met:

555 (i) The requirements of Section 31-7-13 shall not
556 apply to such contracts; and

557 (ii) The contracts may be entered into on the
558 basis of negotiation.

559 (c) The enterprise involved with the project may, upon
560 approval of the authority, negotiate such contracts in the name of
561 the authority.

562 (d) The provisions of this subsection (2) shall not
563 apply to contracts by the authority for excavation, fill dirt and
564 compaction for the preparation of the site of a project as defined
565 in Section 57-75-5(f)(iv)1 and such contracts may be entered into
566 pursuant to subsection (3) of this section.

567 (3) (a) Contracts by the authority for excavation, fill
568 dirt and compaction for the preparation of the site of a project
569 defined in Section 57-75-5(f)(iv)1 shall be exempt from the

570 provisions of Section 31-7-13 and the following procedure shall be
571 followed in the award of such contracts:

572 (i) The authority shall advertise for a period of
573 time to be set by the authority, but in no event less than one (1)
574 business day, the date, time and place of a meeting with the
575 authority to receive specifications on a request for proposals on
576 excavation, fill dirt and compaction for the preparation of the
577 site of the project defined in Section 57-75-5(f)(iv)1.

578 (ii) The authority shall set the minimum
579 qualifications necessary to be considered for award of the
580 contract and the advertisement shall set forth such minimum
581 qualifications.

582 (iii) Following the meeting the authority shall,
583 in its discretion, select one or more of the qualified contractors
584 with whom to negotiate or award the contract. The decision of the
585 authority concerning the selection of the contractor shall be
586 final.

587 (b) Contracts by the authority or a public agency for
588 site preparation or for public works for a project defined in
589 Section 57-75-5(f)(xxi) shall be exempt from the provisions of
590 Section 31-7-13 and the following procedure shall be followed in
591 the award of such contracts:

592 (i) The authority or the public agency shall
593 advertise for a period of time to be set by the authority or the
594 public agency, but in no event less than one (1) nor more than
595 five (5) calendar days, the date, time and place of a meeting with
596 the authority or the public agency to receive specifications on
597 the preparation of the site of the project defined in Section
598 57-75-5(f)(xxi).

599 (ii) The authority or the public agency shall set
600 the minimum qualifications necessary to be considered for award of
601 the contract and the advertisement shall set forth such minimum
602 qualifications.

603 (iii) Following the meeting the authority or the
604 public agency shall, in its discretion, select one or more of the
605 qualified contractors with whom to negotiate or award the
606 contract. The decision of the authority or the public agency
607 concerning the selection of the contractor shall be final.

608 **SECTION 3.** Section 57-75-11, Mississippi Code of 1972, is
609 amended as follows:

610 57-75-11. The authority, in addition to any and all powers
611 now or hereafter granted to it, is empowered and shall exercise
612 discretion and the use of these powers depending on the
613 circumstances of the project or projects:

614 (a) To maintain an office at a place or places within
615 the state.

616 (b) To employ or contract with architects, engineers,
617 attorneys, accountants, construction and financial experts and
618 such other advisors, consultants and agents as may be necessary in
619 its judgment and to fix and pay their compensation.

620 (c) To make such applications and enter into such
621 contracts for financial assistance as may be appropriate under
622 applicable federal or state law.

623 (d) To apply for, accept and utilize grants, gifts and
624 other funds or aid from any source for any purpose contemplated by
625 the act, and to comply, subject to the provisions of this act,
626 with the terms and conditions thereof.

627 (e) (i) To acquire by purchase, lease, gift, or in
628 other manner, including quick-take eminent domain, or obtain
629 options to acquire, and to own, maintain, use, operate and convey
630 any and all property of any kind, real, personal, or mixed, or any
631 interest or estate therein, within the project area, necessary for
632 the project or any facility related to the project. The
633 provisions of this paragraph that allow the acquisition of
634 property by quick-take eminent domain shall be repealed by
635 operation of law on July 1, 1994; and

636 (ii) Notwithstanding any other provision of this
637 paragraph (e), from and after November 6, 2000, to exercise the
638 right of immediate possession pursuant to the provisions of
639 Sections 11-27-81 through 11-27-89 for the purpose of acquiring
640 land, property and/or rights-of-way in the county in which a
641 project as defined in Section 57-75-5(f)(iv)1 is located, that are
642 necessary for such project or any facility related to the project.

643 (f) To acquire by purchase or lease any public lands
644 and public property, including sixteenth section lands and lieu
645 lands, within the project area, which are necessary for the
646 project. Sixteenth section lands or lieu lands acquired under
647 this act shall be deemed to be acquired for the purposes of
648 industrial development thereon and such acquisition will serve a
649 higher public interest in accordance with the purposes of this
650 act.

651 (g) If the authority identifies any land owned by the
652 state as being necessary, for the location or use of the project,
653 or any facility related to the project, to recommend to the
654 Legislature the conveyance of such land or any interest therein,
655 as the Legislature deems appropriate.

656 (h) To make or cause to be made such examinations and
657 surveys as may be necessary to the planning, design, construction
658 and operation of the project.

659 (i) From and after the date of notification to the
660 authority by the enterprise that the state has been finally
661 selected as the site of the project, to acquire by condemnation
662 and to own, maintain, use, operate and convey or otherwise dispose
663 of any and all property of any kind, real, personal or mixed, or
664 any interest or estate therein, within the project area, necessary
665 for the project or any facility related to the project, with the
666 concurrence of the affected public agency, and the exercise of the
667 powers granted by this act, according to the procedures provided

668 by Chapter 27, Title 11, Mississippi Code of 1972, except as
669 modified by this act.

670 (i) Except as otherwise provided in subparagraph
671 (iii) of this paragraph (i), in acquiring lands by condemnation,
672 the authority shall not acquire minerals or royalties in minerals
673 unless a competent registered professional engineer shall have
674 certified that the acquisition of such minerals and royalties in
675 minerals is necessary for purposes of the project; provided that
676 limestone, clay, chalk, sand and gravel shall not be considered as
677 minerals for the purposes of subparagraphs (i) and (ii) of this
678 paragraph (i);

679 (ii) Unless minerals or royalties in minerals have
680 been acquired by condemnation or otherwise, no person or persons
681 owning the drilling rights or the right to share in production of
682 minerals shall be prevented from exploring, developing, or
683 producing oil or gas with necessary rights-of-way for ingress and
684 egress, pipelines and other means of transporting interests on any
685 land or interest therein of the authority held or used for the
686 purposes of this act; but any such activities shall be under such
687 reasonable regulation by the authority as will adequately protect
688 the project contemplated by this act as provided in paragraph (r)
689 of this section; and

690 (iii) In acquiring lands by condemnation,
691 including the exercise of immediate possession, for a project, as
692 defined in Section 57-75-5(f)(iv)1, the authority may acquire
693 minerals or royalties in minerals.

694 (j) To negotiate the necessary relocation or rerouting
695 of roads and highways, railroad, telephone and telegraph lines and
696 properties, electric power lines, pipelines and related
697 facilities, or to require the anchoring or other protection of any
698 of these, provided due compensation is paid to the owners thereof
699 or agreement is had with such owners regarding the payment of the
700 cost of such relocation, and to acquire by condemnation or

701 otherwise easements or rights-of-way for such relocation or
702 rerouting and to convey the same to the owners of the facilities
703 being relocated or rerouted in connection with the purposes of
704 this act.

705 (k) To negotiate the necessary relocation of graves and
706 cemeteries and to pay all reasonable costs thereof.

707 (l) To perform or have performed any and all acts and
708 make all payments necessary to comply with all applicable federal
709 laws, rules or regulations including, but not limited to, the
710 Uniform Relocation Assistance and Real Property Acquisition
711 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
712 to 4655) and relocation rules and regulations promulgated by any
713 agency or department of the federal government.

714 (m) To construct, extend, improve, maintain, and
715 reconstruct, to cause to be constructed, extended, improved,
716 maintained, and reconstructed, and to use and operate any and all
717 components of the project or any facility related to the project,
718 with the concurrence of the affected public agency, within the
719 project area, necessary to the project and to the exercise of such
720 powers, rights, and privileges granted the authority.

721 (n) To incur or defray any designated portion of the
722 cost of any component of the project or any facility related to
723 the project acquired or constructed by any public agency.

724 (o) (i) To lease, sell or convey any or all property
725 acquired by the authority under the provisions of this act to the
726 enterprise, its successors or assigns, and in connection therewith
727 to pay the costs of title search, perfection of title, title
728 insurance and recording fees as may be required. The authority
729 may provide in the instrument conveying such property a provision
730 that such property shall revert to the authority if, as and when
731 the property is declared by the enterprise to be no longer needed.

732 (ii) To lease, sell, transfer or convey on any
733 terms agreed upon by the authority any or all real and personal

734 property, improvements, leases, funds and contractual obligations
735 of a project as defined in Section 57-75-5(f)(vi) and conveyed to
736 the State of Mississippi by a Quitclaim Deed from the United
737 States of America dated February 23, 1996, filed of record at
738 pages 511 to 524, Deed Book Number B179, Chancery Clerk's Office,
739 Tishomingo County, Mississippi, to any governmental authority
740 located within the geographic boundaries of the county wherein
741 such project exists upon agreement of such governmental authority
742 to undertake and assume from the State of Mississippi all
743 obligations and responsibilities in connection with ownership and
744 operation of the project. Property leased, sold, transferred or
745 otherwise conveyed by the authority under this paragraph (o) shall
746 be used only for economic development purposes.

747 (p) To enter into contracts with any person or public
748 agency, including, but not limited to, contracts authorized by
749 Section 57-75-17, in furtherance of any of the purposes authorized
750 by this act upon such consideration as the authority and such
751 person or public agency may agree. Any such contract may extend
752 over any period of time, notwithstanding any rule of law to the
753 contrary, may be upon such terms as the parties thereto shall
754 agree, and may provide that it shall continue in effect until
755 bonds specified therein, refunding bonds issued in lieu of such
756 bonds, and all other obligations specified therein are paid or
757 terminated. Any such contract shall be binding upon the parties
758 thereto according to its terms. Such contracts may include an
759 agreement to reimburse the enterprise, its successors and assigns
760 for any assistance provided by the enterprise in the acquisition
761 of real property for the project or any facility related to the
762 project.

763 (q) To establish and maintain reasonable rates and
764 charges for the use of any facility within the project area owned
765 or operated by the authority, and from time to time, to adjust

766 such rates and to impose penalties for failure to pay such rates
767 and charges when due.

768 (r) To adopt and enforce with the concurrence of the
769 affected public agency all necessary and reasonable rules and
770 regulations to carry out and effectuate the implementation of the
771 project and any land use plan or zoning classification adopted for
772 the project area, including, but not limited to, rules,
773 regulations, and restrictions concerning mining, construction,
774 excavation or any other activity the occurrence of which may
775 endanger the structure or operation of the project. Such rules
776 may be enforced within the project area and without the project
777 area as necessary to protect the structure and operation of the
778 project. The authority is authorized to plan or replan, zone or
779 rezone, and make exceptions to any regulations, whether local or
780 state, with the concurrence of the affected public agency which
781 are inconsistent with the design, planning, construction or
782 operation of the project and facilities related to the project.

783 (s) To plan, design, coordinate and implement measures
784 and programs to mitigate impacts on the natural environment caused
785 by the project or any facility related to the project.

786 (t) To develop plans for technology transfer activities
787 to ensure private sector conduits for exchange of information,
788 technology and expertise related to the project to generate
789 opportunities for commercial development within the state.

790 (u) To consult with the State Department of Education
791 and other public agencies for the purpose of improving public
792 schools and curricula within the project area.

793 (v) To consult with the State Board of Health and other
794 public agencies for the purpose of improving medical centers,
795 hospitals and public health centers in order to provide
796 appropriate health care facilities within the project area.

797 (w) To consult with the Office of Minority Business
798 Enterprise Development and other public agencies for the purpose

799 of developing plans for technical assistance and loan programs to
800 maximize the economic impact related to the project for minority
801 business enterprises within the State of Mississippi.

802 (x) To deposit into the "Yellow Creek Project Area
803 Fund" created pursuant to Section 57-75-31:

804 (i) Any funds or aid received as authorized in
805 this section for the project described in Section 57-75-5(f)(vi),
806 and

807 (ii) Any funds received from the sale or lease of
808 property from the project described in Section 57-75-5(f)(vi)
809 pursuant to the powers exercised under this section.

810 (y) To manage and develop the project described in
811 Section 57-75-5(f)(vi).

812 (z) To promulgate rules and regulations necessary to
813 effectuate the purposes of this act.

814 (aa) To negotiate a fee-in-lieu with the owners of the
815 project.

816 (bb) To enter into contractual agreements to warrant
817 any site work for a project defined in Section 57-75-5(f)(iv)1;
818 provided, however, that the aggregate amount of such warranties
819 shall not exceed Fifteen Million Dollars (\$15,000,000.00).

820 (cc) To provide grant funds to an enterprise operating
821 a project defined in Section 57-75-5(f)(iv)1 in an amount not to
822 exceed Thirty-nine Million Dollars (\$39,000,000.00).

823 (dd) (i) To own surface water transmission lines
824 constructed with the proceeds of bonds issued pursuant to this act
825 and in connection therewith to purchase and provide water to any
826 project defined in Section 57-75-5(f)(iv) and to certificated
827 water providers; and

828 (ii) To lease such surface water transmission
829 lines to a public agency or public utility to provide water to
830 such project and to certificated water providers.

831 (ee) To provide grant funds to an enterprise operating
832 a project defined in Section 57-75-5(f)(v) or, in connection with
833 a facility related to such a project, for job training, recruiting
834 and infrastructure.

835 (ff) To enter into negotiations with persons proposing
836 projects defined in Section 57-75-5(f)(xi) and execute acquisition
837 options and conduct planning, design and environmental impact
838 studies with regard to such project.

839 (gg) To establish such guidelines, rules and
840 regulations as the authority may deem necessary and appropriate
841 from time to time in its sole discretion, to promote the purposes
842 of this act.

843 (hh) In connection with projects defined in Section
844 57-75-5(f)(ii):

845 (i) To provide grant funds or loans to a public
846 agency or an enterprise owning, leasing or operating a project
847 defined in Section 57-75-5(f)(ii) in amounts not to exceed the
848 amount authorized in Section 57-75-15(3)(b);

849 (ii) To supervise the use of all such grant funds
850 or loans; and

851 (iii) To requisition money in the Mississippi
852 Major Economic Impact Authority Revolving Loan Fund in connection
853 with such loans.

854 (ii) In connection with projects defined under Section
855 57-75-5(f)(xiv):

856 (i) To provide grant funds or loans to an
857 enterprise owning, leasing or operating a project defined in
858 Section 57-75-5(f)(xiv); however, the aggregate amount of any such
859 loans under this paragraph (ii) shall not exceed Eighteen Million
860 Dollars (\$18,000,000.00) and the aggregate amount of any such
861 grants under this paragraph (ii) shall not exceed Six Million
862 Dollars (\$6,000,000.00);

863 (ii) To supervise the use of all such grant funds
864 or loans; and

865 (iii) Notwithstanding any provision of this act to
866 the contrary, such loans shall be for a term not to exceed twenty
867 (20) years as may be determined by the authority, shall bear
868 interest at such rates as may be determined by the authority,
869 shall, in the sole discretion of the authority, be secured in an
870 amount and a manner as may be determined by the authority.

871 (jj) In connection with projects defined under Section
872 57-75-5(f)(xviii):

873 (i) To provide grant funds of Twenty-five Million
874 Dollars (\$25,000,000.00) to an enterprise owning or operating a
875 project defined in Section 57-75-5(f)(xviii) to be used for real
876 estate improvements and which may be disbursed as determined by
877 the authority;

878 (ii) To provide loans to an enterprise owning or
879 operating a project defined in Section 57-75-5(f)(xviii) or make
880 payments to a lender providing financing to the enterprise;
881 subject to the following provisions:

882 1. Not more than Ten Million Dollars
883 (\$10,000,000.00) may be loaned to such an enterprise for the
884 purpose of defraying costs incurred by the enterprise for site
885 preparation and real property improvements during the construction
886 of the project in excess of budgeted costs; however, the amount of
887 any such loan shall not exceed fifty percent (50%) of such excess
888 costs;

889 2. Not more than Sixty Million Dollars
890 (\$60,000,000.00) may be loaned to such an enterprise or paid to a
891 lender providing financing to the enterprise for purposes
892 determined appropriate by the authority, and the enterprise shall
893 be obligated to repay the amount of the loan or payment plus any
894 expenses incurred by the state as a result of the issuance of
895 bonds pursuant to Section 57-75-15(3)(p); however, no such loan or

896 payment may be made before the beginning of the fifth year after
897 issuance by the enterprise of debt in like amount the proceeds of
898 which are to be used in connection with the project;

899 (iii) To supervise the use of all such loan funds;

900 (iv) Loans under this paragraph (jj) may be for
901 any term determined appropriate by the authority provided that the
902 payments on any loan must be in an amount sufficient to pay the
903 state's debt service on bonds issued for the purpose of providing
904 funds for such a loan; and

905 (v) The repayment obligation of the enterprise for
906 any loan or payment authorized under this paragraph (jj) shall, in
907 the discretion of the authority, be secured in an amount and a
908 manner as may be determined by the authority.

909 (kk) In connection with projects defined in Section
910 57-75-5(f)(xxi) or a facility related to such a project:

911 (i) To provide grant funds to reimburse public
912 agencies, Itawamba Community College, Northeast Mississippi
913 Community College, East Mississippi Community College and/or the
914 Mississippi Corridor Consortium, public or private nonprofits or
915 an enterprise owning or operating a project as defined in Section
916 57-75-5(f)(xxi) for site preparation, real estate improvements,
917 utilities, railroads, roads, infrastructure, job training,
918 recruiting and any other expenses approved by the authority in
919 amounts not to exceed the amount authorized in Section
920 57-75-15(3)(s);

921 (ii) To supervise the use of all such grant funds
922 so reimbursed; and

923 (iii) To enter into contractual agreements to
924 warrant site preparation and availability for a project defined in
925 Section 57-75-5(f)(xxi).

926 (ll) In connection with a project related to a Tier One
927 supplier:

928 (i) To provide grant funds to reimburse public
929 agencies, public or private nonprofits and Tier One suppliers for
930 site preparation, real estate improvements, utilities, railroads,
931 roads, infrastructure, job training, recruiting and any other
932 expenses approved by the authority in amounts not to exceed the
933 amount authorized in Section 57-75-15(3)(t);

934 (ii) To supervise the use of all such grant funds
935 so reimbursed.

936 (mm) It is the policy of the authority and the
937 authority is authorized to accommodate and support any enterprise
938 owning or operating a project defined in Section 57-75-5(f)(xviii)
939 or 57-75-5(f)(xxi), or an enterprise developing or owning a
940 project defined in Section 57-75-5(f)(xx), that wishes to have a
941 program of diversity in contracting, and/or that wishes to do
942 business with or cause its prime contractor to do business with
943 Mississippi companies, including those companies that are small
944 business concerns owned and controlled by socially and
945 economically disadvantaged individuals. The term "socially and
946 economically disadvantaged individuals" shall have the meaning
947 ascribed to such term under Section 8(d) of the Small Business Act
948 (15 USCS 637(d)) and relevant subcontracting regulations
949 promulgated pursuant thereto; except that women shall be presumed
950 to be socially and economically disadvantaged individuals for the
951 purposes of this paragraph.

952 (nn) To provide grant funds to an enterprise developing
953 or owning a project defined in Section 57-75-5(f)(xx) for
954 reimbursement of costs incurred by such enterprise for
955 infrastructure improvements in the initial phase of development of
956 the project, upon dedication of such improvements to the
957 appropriate public agency.

958 (oo) (i) In addition to any other requirements or
959 conditions under this chapter, the authority shall require that

960 any application for assistance regarding a project under this
961 chapter include, at a minimum:

962 1. A two-year business plan (which shall
963 include pro forma balance sheets, income statements and monthly
964 cash flow statements);

965 2. Financial statements or tax returns for
966 the three (3) years immediately prior to the application (if the
967 project is a new company or enterprise, personal financial
968 statements or tax returns will be required);

969 3. Credit reports on all persons or entities
970 with a twenty percent (20%) or greater interest in the project;

971 4. Data supporting the expertise of the
972 project's principals;

973 5. A cost benefit analysis of the project
974 performed by a state institution of higher learning or other
975 entity selected by the authority; and

976 6. Any other information required by the
977 authority.

978 (ii) The authority shall require that binding
979 commitments be entered into requiring that:

980 1. The applicable minimum requirements of
981 this chapter and such other requirements as the authority
982 considers proper shall be met; and

983 2. If the agreed upon commitments are not
984 met, all or a portion of the funds provided under this chapter as
985 determined by the authority shall be repaid.

986 (iii) Where appropriate, in the discretion of the
987 authority, the authority shall acquire a security interest in or
988 other lien upon any applicable collateral.

989 **SECTION 4.** Section 57-75-15, Mississippi Code of 1972, is
990 amended as follows:

991 57-75-15. (1) Upon notification to the authority by the
992 enterprise that the state has been finally selected as the site

993 for the project, the State Bond Commission shall have the power
994 and is hereby authorized and directed, upon receipt of a
995 declaration from the authority as hereinafter provided, to borrow
996 money and issue general obligation bonds of the state in one or
997 more series for the purposes herein set out. Upon such
998 notification, the authority may thereafter from time to time
999 declare the necessity for the issuance of general obligation bonds
1000 as authorized by this section and forward such declaration to the
1001 State Bond Commission, provided that before such notification, the
1002 authority may enter into agreements with the United States
1003 government, private companies and others that will commit the
1004 authority to direct the State Bond Commission to issue bonds for
1005 eligible undertakings set out in subsection (4) of this section,
1006 conditioned on the siting of the project in the state.

1007 (2) Upon receipt of any such declaration from the authority,
1008 the State Bond Commission shall verify that the state has been
1009 selected as the site of the project and shall act as the issuing
1010 agent for the series of bonds directed to be issued in such
1011 declaration pursuant to authority granted in this section.

1012 (3) (a) Bonds issued under the authority of this section
1013 for projects as defined in Section 57-75-5(f)(i) shall not exceed
1014 an aggregate principal amount in the sum of Sixty-seven Million
1015 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

1016 (b) Bonds issued under the authority of this section
1017 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
1018 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
1019 the express direction of the State Bond Commission, is authorized
1020 to expend any remaining proceeds of bonds issued under the
1021 authority of this act prior to January 1, 1998, for the purpose of
1022 financing projects as then defined in Section 57-75-5(f)(ii) or
1023 for any other projects as defined in Section 57-75-5(f)(ii), as it
1024 may be amended from time to time. If there are any monetary
1025 proceeds derived from the disposition of any improvements located

1026 on real property in Kemper County purchased pursuant to this act
1027 for projects related to the NAAS and if there are any monetary
1028 proceeds derived from the disposition of any timber located on
1029 real property in Kemper County purchased pursuant to this act for
1030 projects related to the NAAS, all of such proceeds (both from the
1031 disposition of improvements and the disposition of timber)
1032 commencing July 1, 1996, through June 30, 2010, shall be paid to
1033 the Board of Education of Kemper County, Mississippi, for
1034 expenditure by such board of education to benefit the public
1035 schools of Kemper County. No bonds shall be issued under this
1036 paragraph (b) until the State Bond Commission by resolution adopts
1037 a finding that the issuance of such bonds will improve, expand or
1038 otherwise enhance the military installation, its support areas or
1039 military operations, or will provide employment opportunities to
1040 replace those lost by closure or reductions in operations at the
1041 military installation or will support critical studies or
1042 investigations authorized by Section 57-75-5(f)(ii).

1043 (c) Bonds issued under the authority of this section
1044 for projects as defined in Section 57-75-5(f)(iii) shall not
1045 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
1046 issued under this paragraph after December 31, 1996.

1047 (d) Bonds issued under the authority of this section
1048 for projects defined in Section 57-75-5(f)(iv) shall not exceed
1049 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
1050 additional amount of bonds in an amount not to exceed Twelve
1051 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
1052 issued under the authority of this section for the purpose of
1053 defraying costs associated with the construction of surface water
1054 transmission lines for a project defined in Section 57-75-5(f)(iv)
1055 or for any facility related to the project. No bonds shall be
1056 issued under this paragraph after June 30, 2005.

1057 (e) Bonds issued under the authority of this section
1058 for projects defined in Section 57-75-5(f)(v) and for facilities

1059 related to such projects shall not exceed Thirty-eight Million
1060 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
1061 issued under this paragraph after April 1, 2005.

1062 (f) Bonds issued under the authority of this section
1063 for projects defined in Section 57-75-5(f)(vii) shall not exceed
1064 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1065 under this paragraph after June 30, 2006.

1066 (g) Bonds issued under the authority of this section
1067 for projects defined in Section 57-75-5(f)(viii) shall not exceed
1068 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
1069 bonds shall be issued under this paragraph after June 30, 2007.

1070 (h) Bonds issued under the authority of this section
1071 for projects defined in Section 57-75-5(f)(ix) shall not exceed
1072 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1073 under this paragraph after June 30, 2007.

1074 (i) Bonds issued under the authority of this section
1075 for projects defined in Section 57-75-5(f)(x) shall not exceed
1076 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1077 under this paragraph after April 1, 2005.

1078 (j) Bonds issued under the authority of this section
1079 for projects defined in Section 57-75-5(f)(xii) shall not exceed
1080 Thirty-three Million Dollars (\$33,000,000.00). The amount of
1081 bonds that may be issued under this paragraph for projects defined
1082 in Section 57-75-5(f)(xii) may be reduced by the amount of any
1083 federal or local funds made available for such projects. No bonds
1084 shall be issued under this paragraph until local governments in or
1085 near the county in which the project is located have irrevocably
1086 committed funds to the project in an amount of not less than Two
1087 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
1088 aggregate; however, this irrevocable commitment requirement may be
1089 waived by the authority upon a finding that due to the unforeseen
1090 circumstances created by Hurricane Katrina, the local governments

1091 are unable to comply with such commitment. No bonds shall be
1092 issued under this paragraph after June 30, 2008.

1093 (k) Bonds issued under the authority of this section
1094 for projects defined in Section 57-75-5(f)(xiii) shall not exceed
1095 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
1096 under this paragraph after June 30, 2009.

1097 (l) Bonds issued under the authority of this section
1098 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
1099 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
1100 issued under this paragraph until local governments in the county
1101 in which the project is located have irrevocably committed funds
1102 to the project in an amount of not less than Two Million Dollars
1103 (\$2,000,000.00). No bonds shall be issued under this paragraph
1104 after June 30, 2009.

1105 (m) Bonds issued under the authority of this section
1106 for projects defined in Section 57-75-5(f)(xv) shall not exceed
1107 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
1108 issued under this paragraph after June 30, 2009.

1109 (n) Bonds issued under the authority of this section
1110 for projects defined in Section 57-75-5(f)(xvi) shall not exceed
1111 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
1112 under this paragraph after June 30, 2009.

1113 (o) Bonds issued under the authority of this section
1114 for projects defined in Section 57-75-5(f)(xvii) shall not exceed
1115 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
1116 bonds shall be issued under this paragraph after June 30, 2009.

1117 (p) Bonds issued under the authority of this section
1118 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
1119 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
1120 issued under this paragraph after June 30, 2016.

1121 (q) Bonds issued under the authority of this section
1122 for projects defined in Section 57-75-5(f)(xix) shall not exceed

1123 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
1124 issued under this paragraph after June 30, 2010.

1125 (r) Bonds issued under the authority of this section
1126 for projects defined in Section 57-75-5(f)(xx) shall not exceed
1127 Twenty-three Million Dollars (\$23,000,000.00). No bonds shall be
1128 issued under this paragraph after June 30, 2010.

1129 (s) Bonds issued under the authority of this section
1130 for projects defined in Section 57-75-5(f)(xxi) shall not exceed
1131 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
1132 (\$293,900,000.00). No bonds shall be issued under this paragraph
1133 after July 1, 2020.

1134 (t) Bonds issued under the authority of this section
1135 for Tier One suppliers shall not exceed Thirty Million Dollars
1136 (\$30,000,000.00). No bonds shall be issued under this paragraph
1137 after July 1, 2020.

1138 (4) (a) The proceeds from the sale of the bonds issued
1139 under this section may be applied for the following purposes:

1140 (i) Defraying all or any designated portion of the
1141 costs incurred with respect to acquisition, planning, design,
1142 construction, installation, rehabilitation, improvement,
1143 relocation and with respect to state-owned property, operation and
1144 maintenance of the project and any facility related to the project
1145 located within the project area, including costs of design and
1146 engineering, all costs incurred to provide land, easements and
1147 rights-of-way, relocation costs with respect to the project and
1148 with respect to any facility related to the project located within
1149 the project area, and costs associated with mitigation of
1150 environmental impacts and environmental impact studies;

1151 (ii) Defraying the cost of providing for the
1152 recruitment, screening, selection, training or retraining of
1153 employees, candidates for employment or replacement employees of
1154 the project and any related activity;

1155 (iii) Reimbursing the Mississippi Development
1156 Authority for expenses it incurred in regard to projects defined
1157 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
1158 Mississippi Development Authority shall submit an itemized list of
1159 expenses it incurred in regard to such projects to the Chairmen of
1160 the Finance and Appropriations Committees of the Senate and the
1161 Chairmen of the Ways and Means and Appropriations Committees of
1162 the House of Representatives;

1163 (iv) Providing grants to enterprises operating
1164 projects defined in Section 57-75-5(f)(iv)1;

1165 (v) Paying any warranty made by the authority
1166 regarding site work for a project defined in Section
1167 57-75-5(f)(iv)1;

1168 (vi) Defraying the cost of marketing and promotion
1169 of a project as defined in Section 57-75-5(f)(iv)1 or Section
1170 57-75-5(f)(xxi). The authority shall submit an itemized list of
1171 costs incurred for marketing and promotion of such project to the
1172 Chairmen of the Finance and Appropriations Committees of the
1173 Senate and the Chairmen of the Ways and Means and Appropriations
1174 Committees of the House of Representatives;

1175 (vii) Providing for the payment of interest on the
1176 bonds;

1177 (viii) Providing debt service reserves;

1178 (ix) Paying underwriters' discount, original issue
1179 discount, accountants' fees, engineers' fees, attorneys' fees,
1180 rating agency fees and other fees and expenses in connection with
1181 the issuance of the bonds;

1182 (x) For purposes authorized in paragraphs (b),
1183 (c), (d), (e) and (f) of this subsection (4);

1184 (xi) Providing grants to enterprises operating
1185 projects defined in Section 57-75-5(f)(v), or, in connection with
1186 a facility related to such a project, for any purposes deemed by

1187 the authority in its sole discretion to be necessary and
1188 appropriate;

1189 (xii) Providing grant funds or loans to a public
1190 agency or an enterprise owning, leasing or operating a project
1191 defined in Section 57-75-5(f)(ii);

1192 (xiii) Providing grant funds or loans to an
1193 enterprise owning, leasing or operating a project defined in
1194 Section 57-75-5(f)(xiv);

1195 (xiv) Providing grants, loans and payments to or
1196 for the benefit of an enterprise owning or operating a project
1197 defined in Section 57-75-5(f)(xviii);

1198 (xv) Purchasing equipment for a project defined in
1199 Section 57-75-5(f)(viii) subject to such terms and conditions as
1200 the authority considers necessary and appropriate; * * *

1201 (xvi) Providing grant funds to an enterprise
1202 developing or owning a project defined in Section 57-75-5(f)(xx);
1203 and

1204 (xvii) Providing grants for projects as authorized
1205 in Section 57-75-11(kk) and (ll), or, in connection with a
1206 facility related to such a project, for any purposes deemed by the
1207 authority in its sole discretion to be necessary and appropriate.

1208 Such bonds shall be issued from time to time and in such
1209 principal amounts as shall be designated by the authority, not to
1210 exceed in aggregate principal amounts the amount authorized in
1211 subsection (3) of this section. Proceeds from the sale of the
1212 bonds issued under this section may be invested, subject to
1213 federal limitations, pending their use, in such securities as may
1214 be specified in the resolution authorizing the issuance of the
1215 bonds or the trust indenture securing them, and the earning on
1216 such investment applied as provided in such resolution or trust
1217 indenture.

1218 (b) (i) The proceeds of bonds issued after June 21,
1219 2002, under this section for projects described in Section

1220 57-75-5(f)(iv) may be used to reimburse reasonable actual and
1221 necessary costs incurred by the Mississippi Development Authority
1222 in providing assistance related to a project for which funding is
1223 provided from the use of proceeds of such bonds. The Mississippi
1224 Development Authority shall maintain an accounting of actual costs
1225 incurred for each project for which reimbursements are sought.
1226 Reimbursements under this paragraph (b)(i) shall not exceed Three
1227 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
1228 Reimbursements under this paragraph (b)(i) shall satisfy any
1229 applicable federal tax law requirements.

1230 (ii) The proceeds of bonds issued after June 21,
1231 2002, under this section for projects described in Section
1232 57-75-5(f)(iv) may be used to reimburse reasonable actual and
1233 necessary costs incurred by the Department of Audit in providing
1234 services related to a project for which funding is provided from
1235 the use of proceeds of such bonds. The Department of Audit shall
1236 maintain an accounting of actual costs incurred for each project
1237 for which reimbursements are sought. The Department of Audit may
1238 escalate its budget and expend such funds in accordance with rules
1239 and regulations of the Department of Finance and Administration in
1240 a manner consistent with the escalation of federal funds.
1241 Reimbursements under this paragraph (b)(ii) shall not exceed One
1242 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
1243 Reimbursements under this paragraph (b)(ii) shall satisfy any
1244 applicable federal tax law requirements.

1245 (c) (i) The proceeds of bonds issued under this
1246 section for projects described in Section 57-75-5(f)(ix) may be
1247 used to reimburse reasonable actual and necessary costs incurred
1248 by the Mississippi Development Authority in providing assistance
1249 related to a project for which funding is provided for the use of
1250 proceeds of such bonds. The Mississippi Development Authority
1251 shall maintain an accounting of actual costs incurred for each
1252 project for which reimbursements are sought. Reimbursements under

1253 this paragraph shall not exceed Twenty-five Thousand Dollars
1254 (\$25,000.00) in the aggregate.

1255 (ii) The proceeds of bonds issued under this
1256 section for projects described in Section 57-75-5(f)(ix) may be
1257 used to reimburse reasonable actual and necessary costs incurred
1258 by the Department of Audit in providing services related to a
1259 project for which funding is provided from the use of proceeds of
1260 such bonds. The Department of Audit shall maintain an accounting
1261 of actual costs incurred for each project for which reimbursements
1262 are sought. The Department of Audit may escalate its budget and
1263 expend such funds in accordance with rules and regulations of the
1264 Department of Finance and Administration in a manner consistent
1265 with the escalation of federal funds. Reimbursements under this
1266 paragraph shall not exceed Twenty-five Thousand Dollars
1267 (\$25,000.00) in the aggregate. Reimbursements under this
1268 paragraph shall satisfy any applicable federal tax law
1269 requirements.

1270 (d) (i) The proceeds of bonds issued under this
1271 section for projects described in Section 57-75-5(f)(x) may be
1272 used to reimburse reasonable actual and necessary costs incurred
1273 by the Mississippi Development Authority in providing assistance
1274 related to a project for which funding is provided for the use of
1275 proceeds of such bonds. The Mississippi Development Authority
1276 shall maintain an accounting of actual costs incurred for each
1277 project for which reimbursements are sought. Reimbursements under
1278 this paragraph shall not exceed Twenty-five Thousand Dollars
1279 (\$25,000.00) in the aggregate.

1280 (ii) The proceeds of bonds issued under this
1281 section for projects described in Section 57-75-5(f)(x) may be
1282 used to reimburse reasonable actual and necessary costs incurred
1283 by the Department of Audit in providing services related to a
1284 project for which funding is provided from the use of proceeds of
1285 such bonds. The Department of Audit shall maintain an accounting

1286 of actual costs incurred for each project for which reimbursements
1287 are sought. The Department of Audit may escalate its budget and
1288 expend such funds in accordance with rules and regulations of the
1289 Department of Finance and Administration in a manner consistent
1290 with the escalation of federal funds. Reimbursements under this
1291 paragraph shall not exceed Twenty-five Thousand Dollars
1292 (\$25,000.00) in the aggregate. Reimbursements under this
1293 paragraph shall satisfy any applicable federal tax law
1294 requirements.

1295 (e) (i) The proceeds of bonds issued under this
1296 section for projects described in Section 57-75-5(f)(xii) may be
1297 used to reimburse reasonable actual and necessary costs incurred
1298 by the Mississippi Development Authority in providing assistance
1299 related to a project for which funding is provided from the use of
1300 proceeds of such bonds. The Mississippi Development Authority
1301 shall maintain an accounting of actual costs incurred for each
1302 project for which reimbursements are sought. Reimbursements under
1303 this paragraph (e)(i) shall not exceed Twenty-five Thousand
1304 Dollars (\$25,000.00) in the aggregate.

1305 (ii) The proceeds of bonds issued under this
1306 section for projects described in Section 57-75-5(f)(xii) may be
1307 used to reimburse reasonable actual and necessary costs incurred
1308 by the Department of Audit in providing services related to a
1309 project for which funding is provided from the use of proceeds of
1310 such bonds. The Department of Audit shall maintain an accounting
1311 of actual costs incurred for each project for which reimbursements
1312 are sought. The Department of Audit may escalate its budget and
1313 expend such funds in accordance with rules and regulations of the
1314 Department of Finance and Administration in a manner consistent
1315 with the escalation of federal funds. Reimbursements under this
1316 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
1317 (\$25,000.00) in the aggregate. Reimbursements under this

1318 paragraph (e)(ii) shall satisfy any applicable federal tax law
1319 requirements.

1320 (f) (i) The proceeds of bonds issued under this
1321 section for projects described in Section 57-75-5(f)(xiii),
1322 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii), (f)(xviii) and (f)(xx) may
1323 be used to reimburse reasonable actual and necessary costs
1324 incurred by the Mississippi Development Authority in providing
1325 assistance related to a project for which funding is provided from
1326 the use of proceeds of such bonds. The Mississippi Development
1327 Authority shall maintain an accounting of actual costs incurred
1328 for each project for which reimbursements are sought.

1329 Reimbursements under this paragraph (f)(i) shall not exceed
1330 Twenty-five Thousand Dollars (\$25,000.00) for each project.

1331 (ii) The proceeds of bonds issued under this
1332 section for projects described in Section 57-75-5(f)(xiii),
1333 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii), (f)(xviii) and (f)(xx) may
1334 be used to reimburse reasonable actual and necessary costs
1335 incurred by the Department of Audit in providing services related
1336 to a project for which funding is provided from the use of
1337 proceeds of such bonds. The Department of Audit shall maintain an
1338 accounting of actual costs incurred for each project for which
1339 reimbursements are sought. The Department of Audit may escalate
1340 its budget and expend such funds in accordance with rules and
1341 regulations of the Department of Finance and Administration in a
1342 manner consistent with the escalation of federal funds.

1343 Reimbursements under this paragraph (f)(ii) shall not exceed
1344 Twenty-five Thousand Dollars (\$25,000.00) for each project.

1345 Reimbursements under this paragraph (f)(ii) shall satisfy any
1346 applicable federal tax law requirements.

1347 (g) (i) The proceeds of bonds issued under this
1348 section for projects described in Section 57-75-5(f)(xxi) or
1349 projects for a Tier One supplier may be used to reimburse
1350 reasonable actual and necessary costs incurred by the Mississippi

1351 Development Authority in providing assistance related to a project
1352 for which funding is provided from the use of proceeds of such
1353 bonds. The Mississippi Development Authority shall maintain an
1354 accounting of actual costs incurred for each project for which
1355 reimbursements are sought. Reimbursements under this paragraph
1356 (g)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
1357 in the aggregate.

1358 (ii) The proceeds of bonds issued under this
1359 section for projects described in Section 57-75-5(f)(xxi) or
1360 projects for a Tier One supplier may be used to reimburse
1361 reasonable actual and necessary costs incurred by the Department
1362 of Audit in providing services related to a project for which
1363 funding is provided from the use of proceeds of such bonds. The
1364 Department of Audit shall maintain an accounting of actual costs
1365 incurred for each project for which reimbursements are sought.
1366 The Department of Audit may escalate its budget and expend such
1367 funds in accordance with rules and regulations of the Department
1368 of Finance and Administration in a manner consistent with the
1369 escalation of federal funds. Reimbursements under this paragraph
1370 (g)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
1371 in the aggregate. Reimbursements under this paragraph (g)(ii)
1372 shall satisfy any applicable federal tax law requirements.

1373 (5) The principal of and the interest on the bonds shall be
1374 payable in the manner hereinafter set forth. The bonds shall bear
1375 date or dates; be in such denomination or denominations; bear
1376 interest at such rate or rates; be payable at such place or places
1377 within or without the state; mature absolutely at such time or
1378 times; be redeemable before maturity at such time or times and
1379 upon such terms, with or without premium; bear such registration
1380 privileges; and be substantially in such form; all as shall be
1381 determined by resolution of the State Bond Commission except that
1382 such bonds shall mature or otherwise be retired in annual
1383 installments beginning not more than five (5) years from the date

1384 thereof and extending not more than twenty-five (25) years from
1385 the date thereof. The bonds shall be signed by the Chairman of
1386 the State Bond Commission, or by his facsimile signature, and the
1387 official seal of the State Bond Commission shall be imprinted on
1388 or affixed thereto, attested by the manual or facsimile signature
1389 of the Secretary of the State Bond Commission. Whenever any such
1390 bonds have been signed by the officials herein designated to sign
1391 the bonds, who were in office at the time of such signing but who
1392 may have ceased to be such officers before the sale and delivery
1393 of such bonds, or who may not have been in office on the date such
1394 bonds may bear, the signatures of such officers upon such bonds
1395 shall nevertheless be valid and sufficient for all purposes and
1396 have the same effect as if the person so officially signing such
1397 bonds had remained in office until the delivery of the same to the
1398 purchaser, or had been in office on the date such bonds may bear.

1399 (6) All bonds issued under the provisions of this section
1400 shall be and are hereby declared to have all the qualities and
1401 incidents of negotiable instruments under the provisions of the
1402 Uniform Commercial Code and in exercising the powers granted by
1403 this chapter, the State Bond Commission shall not be required to
1404 and need not comply with the provisions of the Uniform Commercial
1405 Code.

1406 (7) The State Bond Commission shall sell the bonds on sealed
1407 bids at public sale, and for such price as it may determine to be
1408 for the best interest of the State of Mississippi, but no such
1409 sale shall be made at a price less than par plus accrued interest
1410 to date of delivery of the bonds to the purchaser. The bonds
1411 shall bear interest at such rate or rates not exceeding the limits
1412 set forth in Section 75-17-101 as shall be fixed by the State Bond
1413 Commission. All interest accruing on such bonds so issued shall
1414 be payable semiannually or annually; provided that the first
1415 interest payment may be for any period of not more than one (1)
1416 year.

1417 Notice of the sale of any bonds shall be published at least
1418 one time, the first of which shall be made not less than ten (10)
1419 days prior to the date of sale, and shall be so published in one
1420 or more newspapers having a general circulation in the City of
1421 Jackson and in one or more other newspapers or financial journals
1422 with a large national circulation, to be selected by the State
1423 Bond Commission.

1424 The State Bond Commission, when issuing any bonds under the
1425 authority of this section, may provide that the bonds, at the
1426 option of the state, may be called in for payment and redemption
1427 at the call price named therein and accrued interest on such date
1428 or dates named therein.

1429 (8) State bonds issued under the provisions of this section
1430 shall be the general obligations of the state and backed by the
1431 full faith and credit of the state. The Legislature shall
1432 appropriate annually an amount sufficient to pay the principal of
1433 and the interest on such bonds as they become due. All bonds
1434 shall contain recitals on their faces substantially covering the
1435 foregoing provisions of this section.

1436 (9) The State Treasurer is authorized to certify to the
1437 Department of Finance and Administration the necessity for
1438 warrants, and the Department of Finance and Administration is
1439 authorized and directed to issue such warrants payable out of any
1440 funds appropriated by the Legislature under this section for such
1441 purpose, in such amounts as may be necessary to pay when due the
1442 principal of and interest on all bonds issued under the provisions
1443 of this section. The State Treasurer shall forward the necessary
1444 amount to the designated place or places of payment of such bonds
1445 in ample time to discharge such bonds, or the interest thereon, on
1446 the due dates thereof.

1447 (10) The bonds may be issued without any other proceedings
1448 or the happening of any other conditions or things other than
1449 those proceedings, conditions and things which are specified or

1450 required by this chapter. Any resolution providing for the
1451 issuance of general obligation bonds under the provisions of this
1452 section shall become effective immediately upon its adoption by
1453 the State Bond Commission, and any such resolution may be adopted
1454 at any regular or special meeting of the State Bond Commission by
1455 a majority of its members.

1456 (11) In anticipation of the issuance of bonds hereunder, the
1457 State Bond Commission is authorized to negotiate and enter into
1458 any purchase, loan, credit or other agreement with any bank, trust
1459 company or other lending institution or to issue and sell interim
1460 notes for the purpose of making any payments authorized under this
1461 section. All borrowings made under this provision shall be
1462 evidenced by notes of the state which shall be issued from time to
1463 time, for such amounts not exceeding the amount of bonds
1464 authorized herein, in such form and in such denomination and
1465 subject to such terms and conditions of sale and issuance,
1466 prepayment or redemption and maturity, rate or rates of interest
1467 not to exceed the maximum rate authorized herein for bonds, and
1468 time of payment of interest as the State Bond Commission shall
1469 agree to in such agreement. Such notes shall constitute general
1470 obligations of the state and shall be backed by the full faith and
1471 credit of the state. Such notes may also be issued for the
1472 purpose of refunding previously issued notes. No note shall
1473 mature more than three (3) years following the date of its
1474 issuance. The State Bond Commission is authorized to provide for
1475 the compensation of any purchaser of the notes by payment of a
1476 fixed fee or commission and for all other costs and expenses of
1477 issuance and service, including paying agent costs. Such costs
1478 and expenses may be paid from the proceeds of the notes.

1479 (12) The bonds and interim notes authorized under the
1480 authority of this section may be validated in the First Judicial
1481 District of the Chancery Court of Hinds County, Mississippi, in
1482 the manner and with the force and effect provided now or hereafter

1483 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1484 validation of county, municipal, school district and other bonds.
1485 The necessary papers for such validation proceedings shall be
1486 transmitted to the State Bond Attorney, and the required notice
1487 shall be published in a newspaper published in the City of
1488 Jackson, Mississippi.

1489 (13) Any bonds or interim notes issued under the provisions
1490 of this chapter, a transaction relating to the sale or securing of
1491 such bonds or interim notes, their transfer and the income
1492 therefrom shall at all times be free from taxation by the state or
1493 any local unit or political subdivision or other instrumentality
1494 of the state, excepting inheritance and gift taxes.

1495 (14) All bonds issued under this chapter shall be legal
1496 investments for trustees, other fiduciaries, savings banks, trust
1497 companies and insurance companies organized under the laws of the
1498 State of Mississippi; and such bonds shall be legal securities
1499 which may be deposited with and shall be received by all public
1500 officers and bodies of the state and all municipalities and other
1501 political subdivisions thereof for the purpose of securing the
1502 deposit of public funds.

1503 (15) The Attorney General of the State of Mississippi shall
1504 represent the State Bond Commission in issuing, selling and
1505 validating bonds herein provided for, and the Bond Commission is
1506 hereby authorized and empowered to expend from the proceeds
1507 derived from the sale of the bonds authorized hereunder all
1508 necessary administrative, legal and other expenses incidental and
1509 related to the issuance of bonds authorized under this chapter.

1510 (16) There is hereby created a special fund in the State
1511 Treasury to be known as the Mississippi Major Economic Impact
1512 Authority Fund wherein shall be deposited the proceeds of the
1513 bonds issued under this chapter and all monies received by the
1514 authority to carry out the purposes of this chapter. Expenditures
1515 authorized herein shall be paid by the State Treasurer upon

1516 warrants drawn from the fund, and the Department of Finance and
1517 Administration shall issue warrants upon requisitions signed by
1518 the director of the authority.

1519 (17) (a) There is hereby created the Mississippi Economic
1520 Impact Authority Sinking Fund from which the principal of and
1521 interest on such bonds shall be paid by appropriation. All monies
1522 paid into the sinking fund not appropriated to pay accruing bonds
1523 and interest shall be invested by the State Treasurer in such
1524 securities as are provided by law for the investment of the
1525 sinking funds of the state.

1526 (b) In the event that all or any part of the bonds and
1527 notes are purchased, they shall be cancelled and returned to the
1528 loan and transfer agent as cancelled and paid bonds and notes and
1529 thereafter all payments of interest thereon shall cease and the
1530 cancelled bonds, notes and coupons, together with any other
1531 cancelled bonds, notes and coupons, shall be destroyed as promptly
1532 as possible after cancellation but not later than two (2) years
1533 after cancellation. A certificate evidencing the destruction of
1534 the cancelled bonds, notes and coupons shall be provided by the
1535 loan and transfer agent to the seller.

1536 (c) The State Treasurer shall determine and report to
1537 the Department of Finance and Administration and Legislative
1538 Budget Office by September 1 of each year the amount of money
1539 necessary for the payment of the principal of and interest on
1540 outstanding obligations for the following fiscal year and the
1541 times and amounts of the payments. It shall be the duty of the
1542 Governor to include in every executive budget submitted to the
1543 Legislature full information relating to the issuance of bonds and
1544 notes under the provisions of this chapter and the status of the
1545 sinking fund for the payment of the principal of and interest on
1546 the bonds and notes.

1547 (d) Any monies repaid to the state from loans
1548 authorized in Section 57-75-11(hh) shall be deposited into the

1549 Mississippi Major Economic Impact Authority Sinking Fund unless
1550 the State Bond Commission, at the request of the authority, shall
1551 determine that such loan repayments are needed to provide
1552 additional loans as authorized under Section 57-75-11(hh). For
1553 purposes of providing additional loans, there is hereby created
1554 the Mississippi Major Economic Impact Authority Revolving Loan
1555 Fund and loan repayments shall be deposited into the fund. The
1556 fund shall be maintained for such period as determined by the
1557 State Bond Commission for the sole purpose of making additional
1558 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1559 remaining in the fund at the end of a fiscal year shall not lapse
1560 into the State General Fund and any interest earned on amounts in
1561 such fund shall be deposited to the credit of the fund.

1562 (e) Any monies repaid to the state from loans
1563 authorized in Section 57-75-11(ii) shall be deposited into the
1564 Mississippi Major Economic Impact Authority Sinking Fund.

1565 (f) Any monies repaid to the state from loans
1566 authorized in Section 57-75-11(jj) shall be deposited into the
1567 Mississippi Major Economic Impact Authority Sinking Fund.

1568 (18) (a) Upon receipt of a declaration by the authority
1569 that it has determined that the state is a potential site for a
1570 project, the State Bond Commission is authorized and directed to
1571 authorize the State Treasurer to borrow money from any special
1572 fund in the State Treasury not otherwise appropriated to be
1573 utilized by the authority for the purposes provided for in this
1574 subsection.

1575 (b) The proceeds of the money borrowed under this
1576 subsection may be utilized by the authority for the purpose of
1577 defraying all or a portion of the costs incurred by the authority
1578 with respect to acquisition options and planning, design and
1579 environmental impact studies with respect to a project defined in
1580 Section 57-75-5(f)(xi). The authority may escalate its budget and
1581 expend the proceeds of the money borrowed under this subsection in

1582 accordance with rules and regulations of the Department of Finance
1583 and Administration in a manner consistent with the escalation of
1584 federal funds.

1585 (c) The authority shall request an appropriation or
1586 additional authority to issue general obligation bonds to repay
1587 the borrowed funds and establish a date for the repayment of the
1588 funds so borrowed.

1589 (d) Borrowings made under the provisions of this
1590 subsection shall not exceed Five Hundred Thousand Dollars
1591 (\$500,000.00) at any one time.

1592 **SECTION 5.** Section 57-75-33, Mississippi Code of 1972, is
1593 amended as follows:

1594 57-75-33. The board of supervisors of a county or the
1595 governing authorities of a municipality may each enter into an
1596 agreement with an enterprise operating a project as defined in
1597 Section 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) providing that
1598 the county or municipality will not levy any taxes, fees or
1599 assessments upon the enterprise other than taxes, fees or
1600 assessments that are generally levied upon all taxpayers and the
1601 board of supervisors or the governing authorities also may each
1602 enter into a fee-in-lieu agreement as provided in Section
1603 27-31-104. Such agreements may be for a period not to exceed
1604 thirty (30) years.

1605 **SECTION 6.** Section 21-1-59, Mississippi Code of 1972, is
1606 amended as follows:

1607 21-1-59. (1) No municipality shall be created or shall
1608 change its boundaries so as to include within the limits of such
1609 municipality any of the buildings or grounds of any state
1610 institution, unless consent thereto shall be obtained in writing
1611 from the board of trustees of such institution or such other
1612 governing board or body as may be created for the control of such
1613 institution. Inclusion of the buildings or grounds of any state
1614 institution within the area of a municipal incorporation or

1615 expansion without the consent hereinabove required shall be
1616 voidable at the option of the affected institution within six (6)
1617 months after the institution becomes aware of the inclusion. Upon
1618 consent to inclusion within the area of a municipal incorporation
1619 or expansion, a state institution may require, subject to
1620 agreement of the municipality involved, conditions relating to
1621 land use development, zoning requirements, building codes and
1622 delivery of governmental services which shall be applicable to the
1623 buildings or grounds of the institution included in the
1624 municipality.

1625 Provided further, that any future changes in the boundaries
1626 of a presently existing municipality which extends into or further
1627 extends into a county other than the county in which the
1628 municipality's principal office is located shall not affect the
1629 public school district located in the annexed area, unless and
1630 until consent thereto shall have first been obtained in writing
1631 from the board of trustees of the school district proposed to be
1632 partially or wholly included in the change of municipal
1633 boundaries.

1634 Provided further, that any change in the boundaries of a
1635 presently existing municipality of any Class 1 county having two
1636 (2) judicial districts, being traversed by U.S. Highway 11 which
1637 intersects U.S. Highway 84, shall not affect the public school
1638 district located in the annexed area and shall not change the
1639 governmental unit to which the school taxes are paid, unless
1640 approved by referendum as hereinafter provided.

1641 In the event that twenty percent (20%) of the registered
1642 voters residing within the area to be annexed by a municipality
1643 petition the governing body of such municipality for a referendum
1644 on the question of inclusion in the municipal school district
1645 within sixty (60) days of public notice of the adoption of such
1646 ordinance, such notice given in the same manner and for the same
1647 length of time as is provided in Section 21-1-15 with regard to

1648 the creation of municipal corporations, the governing body of the
1649 county in which the area to be annexed is located shall hold a
1650 referendum of all registered voters residing within the area to be
1651 annexed on the question of inclusion in the municipal school
1652 district. Approval of the ordinance shall be made by a majority
1653 vote of the qualified electors voting in said referendum to be
1654 held within ninety (90) days from the date of filing and
1655 certification of the petition provided for herein on the question
1656 of such extension or contraction. The referendum shall be held in
1657 the same manner as are other county elections.

1658 The inclusion of buildings or grounds of any state
1659 institution within the area of a municipal incorporation or
1660 expansion in any proceedings creating a municipality or enlarging
1661 the boundaries of a municipality prior to the effective date of
1662 Senate Bill 2307, 1987 Regular Session (Chapter 359, eff March 18,
1663 1987), is hereby ratified, confirmed and validated, regardless of
1664 whether such inclusion was in conformity with the requirements of
1665 this section at the time of such proceedings, and such inclusion
1666 shall not be void or voidable by any affected state institution on
1667 or after the effective date of Senate Bill 2307, 1987 Regular
1668 Session (Chapter 359, eff March 18, 1987). This paragraph shall
1669 not be applicable to and shall not be construed to validate the
1670 inclusion of buildings or grounds of any state institution within
1671 the area of a municipal incorporation or expansion where such
1672 inclusion or the proceedings involving such inclusion were
1673 declared invalid or void in a final adjudication of a court of
1674 competent jurisdiction prior to the effective date of Senate Bill
1675 2307, 1987 Regular Session (Chapter 359, eff March 18, 1987), and
1676 the decision of such court was not appealed within the applicable
1677 time period for appeals from such court or was not overturned by
1678 any court to which an appeal may have been made.

1679 (2) The governing authorities of a municipality may enter
1680 into an agreement with an enterprise operating a project as

1681 defined in Section 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi)
1682 providing that the municipality shall not change its boundaries so
1683 as to include within the limits of such municipality the project
1684 site of such a project unless consent thereto shall be obtained in
1685 writing from the enterprise operating the project. Such agreement
1686 may be for a period not to exceed thirty (30) years. Such
1687 agreement shall be binding on future governing authorities of such
1688 municipality.

1689 **SECTION 7.** Section 27-19-309, Mississippi Code of 1972, is
1690 amended as follows:

1691 27-19-309. (1) An application for a motor vehicle dealer
1692 tag permit, new or used, must be accompanied by a fee of One
1693 Hundred Dollars (\$100.00). The State Tax Commission shall furnish
1694 distinguishing number tags at a fee of Thirty-five Dollars
1695 (\$35.00) each and a tag fee of Three Dollars and Seventy-five
1696 Cents (\$3.75). A dealer shall be limited to twelve (12) tags at
1697 Thirty-five Dollars (\$35.00) each and any additional tags shall be
1698 Seventy-five Dollars (\$75.00) each, plus a tag fee of Three
1699 Dollars and Seventy-five Cents (\$3.75) for each tag. Provided,
1700 that the application required herein shall have a space on same
1701 for the inclusion of the sales tax number of the applicant.

1702 (2) If a motor vehicle dealer is engaged only in buying,
1703 selling or exchanging motorcycles, the application for a motor
1704 vehicle dealer tag permit must be accompanied by a fee of Fifty
1705 Dollars (\$50.00). The State Tax Commission shall furnish
1706 motorcycle dealer tags at a fee of Six Dollars (\$6.00) each, and
1707 Three Dollars and Seventy-five Cents (\$3.75) for each tag fee.
1708 Such dealer shall be issued only motorcycle dealer distinguishing
1709 number tags, and the tags shall be displayed only upon a
1710 motorcycle.

1711 (3) A motor vehicle dealer engaged only in buying, selling,
1712 or exchanging of trailers, semitrailers or house trailers shall
1713 pay a fee of Seventy-five Dollars (\$75.00) for his permit. The

1714 State Tax Commission shall furnish distinguishing number tags for
1715 such at a fee of Ten Dollars (\$10.00) each, plus Three Dollars and
1716 Seventy-five Cents (\$3.75) for each tag fee. Such dealer shall be
1717 issued only trailer dealer distinguishing number tags, and the
1718 tags shall be displayed only upon a trailer, semitrailer or house
1719 trailer.

1720 (4) A manufacturer or manufacturer's branch, who is engaged
1721 only in delivering to and from the factory and located within the
1722 State of Mississippi, shall pay a fee of Fifty Dollars (\$50.00)
1723 for his permit and may purchase a distinguishing number tag upon
1724 making application to the State Tax Commission for a fee of Ten
1725 Dollars (\$10.00), plus Three Dollars and Seventy-five Cents
1726 (\$3.75) for a tag fee. Such manufacturer shall be issued only
1727 manufacturer tags, and the tags shall be displayed only upon those
1728 manufactured vehicles.

1729 (5) A heavy truck dealer shall pay a fee of One Hundred
1730 Dollars (\$100.00) for his permit and may purchase, for use in
1731 accordance with Section 27-19-319, distinguishing number tags for
1732 a fee of One Hundred Twenty-five Dollars (\$125.00) each, plus a
1733 tag fee of Three Dollars and Seventy-five Cents (\$3.75) each.
1734 Such dealer shall be issued only heavy truck tags and the tags
1735 shall be displayed only upon a heavy truck.

1736 (6) A manufacturer whose distribution or import companies
1737 operate a regional vehicle parts warehouse, distribution or
1738 preparation facilities located in a county wherein U.S. Highway 51
1739 and State Highway 4 intersect within the State of Mississippi,
1740 shall pay an annual fee of One Hundred Dollars (\$100.00) for a
1741 permit and may purchase a distinguishing number tag upon making
1742 application to the State Tax Commission for a fee of Fifty Dollars
1743 (\$50.00), plus Three Dollars and Seventy-five Cents (\$3.75) for a
1744 tag fee. Such manufacturer shall be issued tags to be utilized by
1745 vehicles owned by the manufacturer and which are used by the
1746 manufacturer for testing, distribution, evaluation, incentives and

1747 promotion. The number of tags issued to a manufacturer by the
1748 State Tax Commission shall not exceed fifty (50).

1749 (7) Beginning July 1, 1987, and until the date specified in
1750 Section 65-39-35, there shall be levied a tag fee of Five Dollars
1751 (\$5.00) in addition to the tag fee of Three Dollars and
1752 Seventy-five Cents (\$3.75) levied in this section. Such
1753 additional fee shall be levied in the same manner as the tag fee
1754 of Three Dollars and Seventy-five Cents (\$3.75).

1755 (8) A motor vehicle manufacturer operating a project as
1756 defined in Section 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi)
1757 shall pay an annual fee of One Hundred Dollars (\$100.00) for a
1758 permit and may purchase a distinguishing number tag upon making
1759 application to the State Tax Commission for a fee of Fifty Dollars
1760 (\$50.00), plus Three Dollars and Seventy-five Cents (\$3.75) for a
1761 tag fee. Such manufacturer shall be issued tags to be utilized by
1762 vehicles owned by the manufacturer and which are used by the
1763 manufacturer primarily for maintenance at the project site and for
1764 testing, demonstration, evaluation, incentives and promotion. The
1765 number of tags issued to such manufacturer by the State Tax
1766 Commission shall not exceed three hundred (300).

1767 (9) The number of distinguishing number tags issued to each
1768 dealer shall be determined by the State Tax Commission. In
1769 addition, only those dealer distinguishing number tags authorized
1770 and purchased by the State Tax Commission will be considered as a
1771 valid dealer distinguishing number tag and any tag manufactured by
1772 any other means and held out to the public as being a dealer
1773 distinguishing number tag shall be a violation of this section and
1774 a penalty of Five Hundred Dollars (\$500.00) shall be assessed by
1775 the State Tax Commission, which shall be in addition to any
1776 penalty authorized by law. Display of the tag in question on a
1777 vehicle shall be considered prima facia evidence of the violation.

1778 **SECTION 8.** Section 27-31-1, Mississippi Code of 1972, is
1779 amended as follows:

1780 27-31-1. The following shall be exempt from taxation:

1781 (a) All cemeteries used exclusively for burial
1782 purposes.

1783 (b) All property, real or personal, belonging to the
1784 State of Mississippi or any of its political subdivisions, except
1785 property of a municipality not being used for a proper municipal
1786 purpose and located outside the county or counties in which such
1787 municipality is located. A proper municipal purpose within the
1788 meaning of this section shall be any authorized governmental or
1789 corporate function of a municipality.

1790 (c) All property, real or personal, owned by units of
1791 the Mississippi National Guard, or title to which is vested in
1792 trustees for the benefit of any unit of the Mississippi National
1793 Guard; provided such property is used exclusively for such unit,
1794 or for public purposes, and not for profit.

1795 (d) All property, real or personal, belonging to any
1796 religious society, or ecclesiastical body, or any congregation
1797 thereof, or to any charitable society, or to any historical or
1798 patriotic association or society, or to any garden or pilgrimage
1799 club or association and used exclusively for such society or
1800 association and not for profit; not exceeding, however, the amount
1801 of land which such association or society may own as provided in
1802 Section 79-11-33. All property, real or personal, belonging to
1803 any rural waterworks system or rural sewage disposal system
1804 incorporated under the provisions of Section 79-11-1. All
1805 property, real or personal, belonging to any college or
1806 institution for the education of youths, used directly and
1807 exclusively for such purposes, provided that no such college or
1808 institution for the education of youths shall have exempt from
1809 taxation more than six hundred forty (640) acres of land;
1810 provided, however, this exemption shall not apply to commercial
1811 schools and colleges or trade institutions or schools where the
1812 profits of same inure to individuals, associations or

1813 corporations. All property, real or personal, belonging to an
1814 individual, institution or corporation and used for the operation
1815 of a grammar school, junior high school, high school or military
1816 school. All property, real or personal, owned and occupied by a
1817 fraternal and benevolent organization, when used by such
1818 organization, and from which no rentals or other profits accrue to
1819 the organization, but any part rented or from which revenue is
1820 received shall be taxed.

1821 (e) All property, real or personal, held and occupied
1822 by trustees of public schools, and school lands of the respective
1823 townships for the use of public schools, and all property kept in
1824 storage for the convenience and benefit of the State of
1825 Mississippi in warehouses owned or leased by the State of
1826 Mississippi, wherein said property is to be sold by the Alcoholic
1827 Beverage Control Division of the State Tax Commission of the State
1828 of Mississippi.

1829 (f) All property, real or personal, whether belonging
1830 to religious or charitable or benevolent organizations, which is
1831 used for hospital purposes, and nurses' homes where a part
1832 thereof, and which maintain one or more charity wards that are for
1833 charity patients, and where all the income from said hospitals and
1834 nurses' homes is used entirely for the purposes thereof and no
1835 part of the same for profit.

1836 (g) The wearing apparel of every person; and also
1837 jewelry and watches kept by the owner for personal use to the
1838 extent of One Hundred Dollars (\$100.00) in value for each owner.

1839 (h) Provisions on hand for family consumption.

1840 (i) All farm products grown in this state for a period
1841 of two (2) years after they are harvested, when in the possession
1842 of or the title to which is in the producer, except the tax of
1843 one-fifth of one percent (1/5 of 1%) per pound on lint cotton now
1844 levied by the Board of Commissioners of the Mississippi Levee
1845 District; and lint cotton for five (5) years, and cottonseed,

1846 soybeans, oats, rice and wheat for one (1) year regardless of
1847 ownership.

1848 (j) All guns and pistols kept by the owner for private
1849 use.

1850 (k) All poultry in the hands of the producer.

1851 (l) Household furniture, including all articles kept in
1852 the home by the owner for his own personal or family use; but this
1853 shall not apply to hotels, rooming houses or rented or leased
1854 apartments.

1855 (m) All cattle and oxen.

1856 (n) All sheep, goats and hogs.

1857 (o) All horses, mules and asses.

1858 (p) Farming tools, implements and machinery, when used
1859 exclusively in the cultivation or harvesting of crops or timber.

1860 (q) All property of agricultural and mechanical
1861 associations and fairs used for promoting their objects, and where
1862 no part of the proceeds is used for profit.

1863 (r) The libraries of all persons.

1864 (s) All pictures and works of art, not kept for or
1865 offered for sale as merchandise.

1866 (t) The tools of any mechanic necessary for carrying on
1867 his trade.

1868 (u) All state, county, municipal, levee, drainage and
1869 all school bonds or other governmental obligations, and all bonds
1870 and/or evidences of debts issued by any church or church
1871 organization in this state, and all notes and evidences of
1872 indebtedness which bear a rate of interest not greater than the
1873 maximum rate per annum applicable under the law; and all money
1874 loaned at a rate of interest not exceeding the maximum rate per
1875 annum applicable under the law; and all stock in or bonds of
1876 foreign corporations or associations shall be exempt from all ad
1877 valorem taxes.

1878 (v) All lands and other property situated or located
1879 between the Mississippi River and the levee shall be exempt from
1880 the payment of any and all road taxes levied or assessed under any
1881 road laws of this state.

1882 (w) Any and all money on deposit in either national
1883 banks, state banks or trust companies, on open account, savings
1884 account or time deposit.

1885 (x) All wagons, carts, drays, carriages and other horse
1886 drawn vehicles, kept for the use of the owner.

1887 (y) (1) Boats, seines and fishing equipment used in
1888 fishing and shrimping operations and in the taking or catching of
1889 oysters.

1890 (2) All towboats, tugboats and barges documented
1891 under the laws of the United States, except watercraft of every
1892 kind and character used in connection with gaming operations.

1893 (z) All materials used in the construction and/or
1894 conversion of vessels in this state; vessels while under
1895 construction and/or conversion; vessels while in the possession of
1896 the manufacturer, builder or converter, for a period of twelve
1897 (12) months after completion of construction and/or conversion,
1898 and as used herein the term "vessel" shall include ships, offshore
1899 drilling equipment, dry docks, boats and barges, except watercraft
1900 of every kind and character used in connection with gaming
1901 operations.

1902 (aa) Sixty-six and two-thirds percent (66-2/3%) of
1903 nuclear fuel and reprocessed, recycled or residual nuclear fuel
1904 by-products, fissionable or otherwise, used or to be used in
1905 generation of electricity by persons defined as public utilities
1906 in Section 77-3-3.

1907 (bb) All growing nursery stock.

1908 (cc) A semitrailer used in interstate commerce.

1909 (dd) All property, real or personal, used exclusively
1910 for the housing of and provision of services to elderly persons,

1911 disabled persons, mentally impaired persons or as a nursing home,
1912 which is owned, operated and managed by a not-for-profit
1913 corporation, qualified under Section 501(c)(3) of the Internal
1914 Revenue Code, whose membership or governing body is appointed or
1915 confirmed by a religious society or ecclesiastical body or any
1916 congregation thereof.

1917 (ee) All vessels while in the hands of bona fide
1918 dealers as merchandise and which are not being operated upon the
1919 waters of this state shall be exempt from ad valorem taxes. As
1920 used in this paragraph, the terms "vessel" and "waters of this
1921 state" shall have the meaning ascribed to such terms in Section
1922 59-21-3.

1923 (ff) All property, real or personal, owned by a
1924 nonprofit organization that: (i) is qualified as tax exempt under
1925 Section 501(c)(4) of the Internal Revenue Code of 1986, as
1926 amended; (ii) assists in the implementation of the national
1927 contingency plan or area contingency plan, and which is created in
1928 response to the requirements of Title IV, Subtitle B of the Oil
1929 Pollution Act of 1990, Public Law 101-380; (iii) engages primarily
1930 in programs to contain, clean up and otherwise mitigate spills of
1931 oil or other substances occurring in the United States coastal or
1932 tidal waters; and (iv) is used for the purposes of the
1933 organization.

1934 (gg) If a municipality changes its boundaries so as to
1935 include within the boundaries of such municipality the project
1936 site of any project as defined in Section 57-75-5(f)(iv)1 or
1937 Section 57-75-5(f)(xxi), all real and personal property located on
1938 the project site within the boundaries of such municipality that
1939 is owned by a business enterprise operating such project, shall be
1940 exempt from ad valorem taxation for a period of time not to exceed
1941 thirty (30) years upon receiving approval for such exemption by
1942 the Mississippi Major Economic Impact Authority. The provisions

1943 of this subsection shall not be construed to authorize a breach of
1944 any agreement entered into pursuant to Section 21-1-59.

1945 (hh) All leases, lease contracts or lease agreements
1946 (including, but not limited to, subleases, sublease contracts and
1947 sublease agreements), and leaseholds or leasehold interests
1948 (including, but not limited to, subleaseholds and subleasehold
1949 interests), of or with respect to any and all property (real,
1950 personal or mixed) constituting all or any part of a facility for
1951 the manufacture, production, generation, transmission and/or
1952 distribution of electricity, and any real property related
1953 thereto, shall be exempt from ad valorem taxation during the
1954 period as the United States is both the title owner of the
1955 property and a sublessee of or with respect to the property;
1956 however, the exemption authorized by this paragraph (hh) shall not
1957 apply to any entity to whom the United States sub-subleases its
1958 interest in the property nor to any entity to whom the United
1959 States assigns its sublease interest in the property. As used in
1960 this paragraph, the term "United States" includes an agency or
1961 instrumentality of the United States of America. This paragraph
1962 (hh) shall apply to all assessments for ad valorem taxation for
1963 the 2003 calendar year and each calendar year thereafter.

1964 (ii) All property, real, personal or mixed, including
1965 fixtures and leaseholds, used by Mississippi nonprofit entities
1966 qualified, on or before January 1, 2005, under Section 501(c)(3)
1967 of the Internal Revenue Code to provide support and operate
1968 technology incubators for research and development start-up
1969 companies, telecommunication start-up companies and/or other
1970 technology start-up companies, utilizing technology spun-off from
1971 research and development activities of the public colleges and
1972 universities of this state, State of Mississippi governmental
1973 research or development activities resulting therefrom located
1974 within the State of Mississippi.

1975 (jj) All property, real, personal or mixed, including
1976 fixtures and leaseholds, of start-up companies (as described in
1977 paragraph (ii) of this section) for the period of time, not to
1978 exceed five (5) years, that the start-up company remains a tenant
1979 of a technology incubator (as described in paragraph (ii) of this
1980 section).

1981 **SECTION 9.** Section 63-17-55, Mississippi Code of 1972, is
1982 amended as follows:

1983 63-17-55. The following words, terms and phrases, when used
1984 in the Mississippi Motor Vehicle Commission Law, shall have the
1985 meanings respectively ascribed to them in this section, except
1986 where the context clearly indicates a different meaning:

1987 (a) "Motor vehicle" means any motor-driven vehicle of
1988 the sort and kind required to have a Mississippi road or bridge
1989 privilege license, and shall include, but not be limited to,
1990 motorcycles. "Motor vehicle" shall also mean an engine,
1991 transmission, or rear axle manufactured for installation in a
1992 vehicle having as its primary purpose the transport of person or
1993 persons or property on a public highway and having a gross vehicle
1994 weight rating of more than sixteen thousand (16,000) pounds,
1995 whether or not attached to a vehicle chassis.

1996 (b) "Motor vehicle dealer" means any person, firm,
1997 partnership, copartnership, association, corporation, trust or
1998 legal entity, not excluded by paragraph (c) of this section, who
1999 holds a bona fide contract or franchise in effect with a
2000 manufacturer, distributor or wholesaler of new motor vehicles, and
2001 a license under the provisions of the Mississippi Motor Vehicle
2002 Commission Law, and such duly franchised and licensed motor
2003 vehicle dealers shall be the sole and only persons, firms,
2004 partnerships, copartnerships, associations, corporations, trusts
2005 or legal entities entitled to sell and publicly or otherwise
2006 solicit and advertise for sale new motor vehicles as such.

2007 (c) The term "motor vehicle dealer" does not include:

2008 (i) Receivers, trustees, administrators,
2009 executors, guardians or other persons appointed by or acting under
2010 judgment, decree or order of any court;

2011 (ii) Public officers while performing their duties
2012 as such officers;

2013 (iii) Employees of persons, corporations or
2014 associations enumerated in paragraph (c)(i) of this section when
2015 engaged in the specific performance of their duties as such
2016 employees; or

2017 (iv) A motor vehicle manufacturer operating a
2018 project as defined in Section 57-75-5(f)(iv)1 or Section
2019 57-75-5(f)(xxi); and the provisions of the Mississippi Motor
2020 Vehicle Commission Law shall not apply to:

2021 1. a. Any lease by such a motor vehicle
2022 manufacturer of three (3) or fewer motor vehicles at any one time
2023 and related vehicle maintenance, of any line of vehicle produced
2024 by the manufacturer or its subsidiaries, to any one (1) employee
2025 of the motor vehicle manufacturer on a direct basis; or

2026 b. Any sale or other disposition of such
2027 motor vehicles by the motor vehicle manufacturer at the end of a
2028 lease through direct sales to employees of the manufacturer or
2029 through an open auction or auction limited to dealers of the
2030 manufacturer's vehicle line or its subsidiaries' vehicle lines; or

2031 2. Any sale or other disposition by such a
2032 motor vehicle manufacturer of motor vehicles for which the
2033 manufacturer obtained distinguishing number tags under Section
2034 27-19-309(8).

2035 (d) "New motor vehicle" means a motor vehicle which has
2036 not been previously sold to any person except a distributor or
2037 wholesaler or motor vehicle dealer for resale.

2038 (e) "Ultimate purchaser" means, with respect to any new
2039 motor vehicle, the first person, other than a motor vehicle dealer
2040 purchasing in his capacity as such dealer, who in good faith

2041 purchases such new motor vehicle for purposes other than for
2042 resale.

2043 (f) "Retail sale" or "sale at retail" means the act or
2044 attempted act of selling, bartering, exchanging or otherwise
2045 disposing of a new motor vehicle to an ultimate purchaser for use
2046 as a consumer.

2047 (g) "Motor vehicle salesman" means any person who is
2048 employed as a salesman by a motor vehicle dealer whose duties
2049 include the selling or offering for sale of new motor vehicles.

2050 (h) "Commission" means the Mississippi Motor Vehicle
2051 Commission.

2052 (i) "Manufacturer" means any person, firm, association,
2053 corporation or trust, resident or nonresident, who manufactures or
2054 assembles new motor vehicles.

2055 (j) "Distributor" or "wholesaler" means any person,
2056 firm, association, corporation or trust, resident or nonresident,
2057 who in whole or in part sells or distributes new motor vehicles to
2058 motor vehicle dealers, or who maintains distributor
2059 representatives.

2060 (k) "Factory branch" means a branch or division office
2061 maintained by a person, firm, association, corporation or trust
2062 who manufactures or assembles new motor vehicles for sale to
2063 distributors or wholesalers, to motor vehicle dealers, or for
2064 directing or supervising, in whole or in part, its
2065 representatives.

2066 (l) "Distributor branch" means a branch or division
2067 office similarly maintained by a distributor or wholesaler for the
2068 same purposes a factory branch or division is maintained.

2069 (m) "Factory representative" means a representative
2070 employed by a person, firm, association, corporation or trust who
2071 manufactures or assembles new motor vehicles, or by a factory
2072 branch, for the purpose of making or promoting the sale of his,

2073 its or their new motor vehicles, or for supervising or contacting
2074 his, its or their dealers or prospective dealers.

2075 (n) "Distributor representative" means a representative
2076 similarly employed by a distributor, distributor branch or
2077 wholesaler.

2078 (o) "Person" means and includes, individually and
2079 collectively, individuals, firms, partnerships, copartnerships,
2080 associations, corporations and trusts, or any other forms of
2081 business enterprise, or any legal entity.

2082 (p) "Good faith" means the duty of each party to any
2083 franchise, and all officers, employees or agents thereof, to act
2084 in a fair and equitable manner toward each other so as to
2085 guarantee the one party freedom from coercion, intimidation or
2086 threats of coercion or intimidation from the other party.
2087 However, recommendation, endorsement, exposition, persuasion,
2088 urging or argument shall not be deemed to constitute a lack of
2089 good faith.

2090 (q) "Coerce" means the failure to act in good faith in
2091 performing or complying with any terms or provisions of the
2092 franchise or agreement. However, recommendation, exposition,
2093 persuasion, urging or argument shall not be deemed to constitute a
2094 lack of good faith.

2095 (r) "Special tools" are those which a dealer was
2096 required to purchase by the manufacturer or distributor for
2097 service on that manufacturer's product.

2098 (s) "Motor vehicle lessor" means any person, not
2099 excluded by paragraph (c) of this section, engaged in the motor
2100 vehicle leasing or rental business.

2101 (t) "Specialty vehicle" means a motor vehicle
2102 manufactured by a second stage manufacturer by purchasing motor
2103 vehicle components, e.g. frame and drive train, and completing the
2104 manufacturer of finished motor vehicles for the purpose of resale
2105 with the primary manufacturer warranty unimpaired, to a limited

2106 commercial market rather than the consuming public. Specialty
2107 vehicles include garbage trucks, ambulances, fire trucks, buses,
2108 limousines, hearses and other similar limited purpose vehicles as
2109 the commission may by regulation provide.

2110 (u) "Auto auction" means (i) any person who provides a
2111 place of business or facilities for the wholesale exchange of
2112 motor vehicles by and between duly licensed motor vehicle dealers,
2113 (ii) any motor vehicle dealer licensed to sell used motor vehicles
2114 selling motor vehicles using an auction format but not on
2115 consignment, or (iii) any person who provides the facilities for
2116 or is in the business of selling in an auction format motor
2117 vehicles.

2118 (v) "Motor home" means a motor vehicle that is designed
2119 and constructed primarily to provide temporary living quarters for
2120 recreational, camping or travel use.

2121 (w) "Dealer-operator" means the individual designated
2122 in the franchise agreement as the operator of the motor vehicle
2123 dealership.

2124 (x) "Franchise" or "franchise agreement" means a
2125 written contract or agreement between a motor vehicle dealer and a
2126 manufacturer or its distributor or factory branch by which the
2127 motor vehicle dealer is authorized to engage in the business of
2128 selling or leasing the specific makes, models or classifications
2129 of new motor vehicles marketed or leased by the manufacturer and
2130 designated in the agreement or any addendum to such agreement.

2131 **SECTION 10.** Section 63-17-103, Mississippi Code of 1972, is
2132 amended as follows:

2133 63-17-103. (1) Nothing in the Mississippi Motor Vehicle
2134 Commission Law shall be construed to prohibit the sale of a new
2135 motor vehicle by any person who is not required to be licensed
2136 under said law. However, only a motor vehicle dealer as defined
2137 in Section 63-17-55 shall have the right to advertise or
2138 represent, publicly or otherwise, that a motor vehicle is new in

2139 connection with its sale, exchange or other disposition. Any
2140 person who is not such a motor vehicle dealer and who advertises
2141 or represents that a motor vehicle is new in connection with its
2142 sale, exchange or other disposition shall be guilty of a
2143 misdemeanor and upon conviction shall be punished in the manner
2144 provided for by Section 63-17-105. However, nothing in this
2145 section shall apply to (a) any lease by a motor vehicle
2146 manufacturer operating a project as defined in Section
2147 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) of three (3) or fewer
2148 motor vehicles at any one time and related vehicle maintenance, of
2149 any line of vehicle produced by the manufacturer or its
2150 subsidiaries, to any one (1) employee of the motor vehicle
2151 manufacturer on a direct basis, or any sale or other disposition
2152 of such motor vehicles by the motor vehicle manufacturer at the
2153 end of a lease through direct sales to employees of the
2154 manufacturer or through an open auction or auction limited to
2155 dealers of the manufacturer's vehicle line or its subsidiaries'
2156 vehicle lines; or (b) any sale or other disposition by such a
2157 motor vehicle manufacturer of motor vehicles for which the
2158 manufacturer obtained distinguishing number tags under Section
2159 27-19-309(8).

2160 (2) Any person who violates the provisions of subsection (1)
2161 of this section may be enjoined from further violations of such
2162 provisions by writ of injunction issued out of a court of equity
2163 upon a bill filed in the name of the state by the Attorney
2164 General, or any district or county attorney whose duty requires
2165 him to prosecute criminal cases on behalf of the state, in the
2166 county where such violation occurred.

2167 **SECTION 11.** Section 11-27-81, Mississippi Code of 1972, is
2168 amended as follows:

2169 11-27-81. The right of immediate possession pursuant to
2170 Sections 11-27-81 through 11-27-89, Mississippi Code of 1972, may
2171 be exercised only:

2172 (a) By the State Highway Commission for the acquisition
2173 of highway rights-of-way only;

2174 (b) By any county or municipality for the purpose of
2175 acquiring rights-of-way to connect existing roads and streets to
2176 highways constructed or to be constructed by the State Highway
2177 Commission;

2178 (c) By any county or municipality for the purpose of
2179 acquiring rights-of-way for widening existing roads and streets of
2180 such county or municipality; provided, however, that said
2181 rights-of-way shall not displace a property owner from his
2182 dwelling or place of business;

2183 (d) By the boards of supervisors of any county of this
2184 state for the acquisition of highway or road rights-of-way in
2185 connection with a state-aid project designated and approved in
2186 accordance with Sections 65-9-1 through 65-9-31, Mississippi Code
2187 of 1972;

2188 (e) By the Mississippi Wayport Authority for the
2189 purposes of acquiring land and easements for the Southeastern
2190 United States Wayport Project as authorized by Sections 61-4-1
2191 through 61-4-13, Mississippi Code of 1972;

2192 (f) By any county or municipality for the purpose of
2193 acquiring rights-of-way for water, sewer, drainage and other
2194 public utility purposes; provided, however, that such acquisition
2195 shall not displace a property owner from his dwelling or place of
2196 business;

2197 (g) By any county authorized to exercise the power of
2198 eminent domain under Section 19-7-41 for the purpose of acquiring
2199 land for construction of a federal correctional facility or other
2200 federal penal institution;

2201 (h) By the Mississippi Major Economic Impact Authority
2202 for the purpose of acquiring land, property and rights-of-way for
2203 a project as defined in Section 57-75-5(f)(iv)1 or any facility
2204 related to the project as provided in Section 57-75-11(e)(ii);

2205 (i) By the boards of supervisors of any county of this
2206 state for the purpose of constructing dams or low-water control
2207 structures on lakes or bodies of water under the provisions of
2208 Section 19-5-92; * * *

2209 (j) By the board of supervisors of any county of this
2210 state for the purpose of acquiring land, property and/or
2211 rights-of-way for any project the board of supervisors, by a duly
2212 adopted resolution, determines to be related to a project as
2213 defined in Section 57-75-5(f)(iv). The board of supervisors of a
2214 county may not exercise the right to immediate possession under
2215 this item (j) after July 1, 2003; or

2216 (k) By a regional economic development alliance created
2217 under Section 57-64-1 et seq., for the purpose of acquiring land,
2218 property and/or rights-of-way within the project area and
2219 necessary for any project such an alliance, by a duly adopted
2220 resolution, determines to be related to a project as defined in
2221 Section 57-75-5(f)(xxi). An alliance may not exercise the right
2222 to immediate possession under this item (k) after July 1, 2012.

2223 **SECTION 12.** Section 57-64-19, Mississippi Code of 1972, is
2224 amended as follows:

2225 57-64-19. (1) The alliance is authorized to cooperate and
2226 coordinate with economic development commissions, authorities,
2227 districts, travel, and other similar commissions and boards, or
2228 other similar agencies of other states, the federal government,
2229 and with county, municipal, and regional economic development,
2230 travel, and other similar commissions or boards, or other agencies
2231 thereof, and other political subdivisions of this state, for the
2232 purposes of securing economic development within the State of
2233 Mississippi and other states, and to accomplish this purpose.

2234 (2) With regard to a project as defined in Section
2235 57-75-5(f)(xxi) a regional economic development alliance shall
2236 have the following powers:

2237 (a) To acquire by purchase, lease, gift or
2238 condemnation, including quick-take eminent domain pursuant to
2239 Sections 11-27-81 through 11-27-89, or obtain options to acquire,
2240 and to own, maintain, use, operate and convey any and all property
2241 of any kind, real, personal, or mixed, or any interest or estate
2242 therein, including, but not limited to, leasehold interests,
2243 within the project area, necessary for the project. In acquiring
2244 lands by condemnation, including the exercise of quick-take
2245 eminent domain, for the project the alliance may acquire oil, gas
2246 and other minerals, mineral rights, including severed oil, gas and
2247 reservations in mineral rights. The provisions of this paragraph
2248 (a) that allow the acquisition of property by quick-take eminent
2249 domain or condemnation shall be repealed by operation of law on
2250 July 1, 2012.

2251 (b) To negotiate the necessary relocation or rerouting
2252 of roads and highways, railroad, telephone and telegraph lines and
2253 properties, electric power lines, pipelines and related
2254 facilities, cellular towers and related facilities, or to require
2255 the anchoring or other protection of any of these, provided due
2256 compensation is paid to the owners thereof or agreement is had
2257 with such owners regarding the payment of the cost of such
2258 relocation, and to acquire by condemnation or otherwise easements
2259 or rights-of-way for such relocation or rerouting and to convey
2260 the same to the owners of the facilities being relocated or
2261 rerouted in connection with the purposes of the project.

2262 (c) To negotiate the necessary relocation of graves and
2263 cemeteries and to pay all reasonable costs thereof as necessary
2264 for the project.

2265 (d) To lease, sell or convey any or all property
2266 acquired by the alliance or its agent under the provisions of this
2267 section to the enterprise operating the project, its affiliates,
2268 successors or assigns, and in connection therewith to warrant

2269 title to pay the costs of title search, perfection of title, title
2270 insurance and recording fees as may be required for the project.

2271 (e) To establish and maintain reasonable rates and
2272 charges for the use of any facility or property within the project
2273 area owned or operated by the alliance, and from time to time, to
2274 adjust such rates and to impose penalties for failure to pay such
2275 rates and charges when due as necessary for the project.

2276 (f) To establish land use restrictions within the lands
2277 adjacent to the project site. Within the lands identified as
2278 necessary for the project, the following land uses are prohibited:

2279 (i) Heavy industrial uses, where the assembly,
2280 fabrication, or processing of goods and materials using processes
2281 that ordinarily have greater than average impacts on the
2282 environment, or that ordinarily have significant impacts on the
2283 use and enjoyment of other properties in terms of noise, smoke,
2284 fumes, odors, glare, or health or safety hazards, which shall
2285 include, enameling, lacquering; foundries producing iron and steel
2286 products; industrial chemical manufacture; meat packing plants;
2287 oxygen manufacture and/or storage; pottery, porcelain and vitreous
2288 china manufacture; poultry dressing for wholesale; pressure
2289 treating of wood; stone cutting; tire recapping and retreading;
2290 resource extraction; and recycling and salvage operations.

2291 (ii) All temporary or permanent living quarters,
2292 including, without limitation, houses, residential buildings,
2293 apartments, motels, hotels, motor lodges, mobile home parks,
2294 camping grounds, nursing homes, independent and assisted living
2295 facilities.

2296 (iii) Schools, day care centers and hospitals.

2297 (iv) Any of the uses set forth in this paragraph

2298 (f) which are ancillary or adjacent to an otherwise permitted use.

2299 Notwithstanding the foregoing, these land use restrictions
2300 will not prohibit the continuation of existing uses, including
2301 rebuilding substantially in conformity with the use in existence

2302 immediately before a casualty loss. For a period of twelve (12)
2303 months from the date of adoption, the property owners within the
2304 lands identified as necessary for the project have a vested right
2305 to complete any new land use that is currently under construction.

2306 (g) To execute contractual agreements to warrant the
2307 project site for any and all preexisting environmental issues and
2308 to indemnify an enterprise owning a project on that site for such
2309 preexisting environmental issues.

2310 (h) To adopt and enforce all necessary and reasonable
2311 rules and regulations restrictions to carry out and effectuate the
2312 implementation of the project concerning mining or any other
2313 activity the occurrence of which may endanger the structure or
2314 operation of the project. These rules may be enforced within the
2315 project area and without the project area as necessary to protect
2316 the structure and operation of the project.

2317 **SECTION 13.** (1) As used in this section, "qualified
2318 business or industry" means any company and its affiliates, that
2319 has been certified by the Major Economic Impact Authority as a
2320 project as defined in Section 57-75-5(f)(xxi).

2321 (2) A qualified business or industry shall be exempt from
2322 the tax imposed by this chapter on income arising from a project
2323 as defined in Section 57-75-5(f)(xxi) only, and all other income
2324 shall be subject to the tax imposed by this chapter. The
2325 exemption does not apply to activities subject to Mississippi
2326 income tax prior to certification of the project.

2327 (3) The income tax exemption authorized by this section
2328 shall not exceed twenty (20) years. A qualified business or
2329 industry must create at least one thousand five hundred (1,500)
2330 jobs prior to receiving the exemption authorized by this section
2331 and may elect the date upon which the twenty-year period will
2332 begin; however, the date may not be later than sixty (60) months
2333 after the date the qualified business or industry begins
2334 commercial production.

2335 (4) In the event that the monthly average number of
2336 full-time jobs maintained by the qualified business or industry
2337 falls below one thousand five hundred (1,500) jobs, the tax
2338 exemption authorized by this section shall be reduced as follows:

2339 (a) If the monthly average number of full-time jobs for
2340 a taxable year is more than one thousand four hundred (1,400) but
2341 less than one thousand five hundred (1,500), the amount of the
2342 exemption shall be reduced by one percent (1%) for the taxable
2343 year.

2344 (b) If the monthly average number of full-time jobs for
2345 a taxable year is more than one thousand one hundred (1,100) but
2346 less than one thousand four hundred one (1,401), then the amount
2347 of the exemption shall be reduced by twenty percent (20%) for the
2348 taxable year.

2349 (c) If the monthly average number of full-time jobs for
2350 the taxable year is more than eight hundred (800) but less than
2351 one thousand one hundred one (1,101), then the amount of the
2352 exemption shall be reduced by forty percent (40%) for the taxable
2353 year.

2354 (d) If the monthly average number of full-time jobs for
2355 the taxable year is more than five hundred (500) but less than
2356 eight hundred one (801), then the amount of the exemption shall be
2357 reduced by sixty percent (60%) for the taxable year.

2358 (e) If the monthly average number of full-time jobs for
2359 the taxable year is more than two hundred (200) but less than five
2360 hundred one (501), then the amount of the exemption shall be
2361 reduced by eighty percent (80%) for the taxable year.

2362 (f) If the monthly average number of full-time jobs for
2363 the taxable year is two hundred (200) or less, the qualified
2364 business or industry shall not be eligible for the exemption for
2365 the taxable year.

2366 (5) A qualified business or industry that utilizes the
2367 exemption authorized by this section shall not be eligible for the
2368 credits authorized in Sections 57-73-21 through 57-73-29.

2369 (6) The Mississippi Development Authority may promulgate
2370 rules and regulations necessary to administer the provisions of
2371 this section.

2372 **SECTION 14.** Section 13 of this act shall be codified in
2373 Chapter 7, Title 27, Mississippi Code of 1972.

2374 **SECTION 15.** Section 27-65-101, Mississippi Code of 1972, is
2375 amended as follows:

2376 27-65-101. (1) The exemptions from the provisions of this
2377 chapter which are of an industrial nature or which are more
2378 properly classified as industrial exemptions than any other
2379 exemption classification of this chapter shall be confined to
2380 those persons or property exempted by this section or by the
2381 provisions of the Constitution of the United States or the State
2382 of Mississippi. No industrial exemption as now provided by any
2383 other section except Section 57-3-33 shall be valid as against the
2384 tax herein levied. Any subsequent industrial exemption from the
2385 tax levied hereunder shall be provided by amendment to this
2386 section. No exemption provided in this section shall apply to
2387 taxes levied by Section 27-65-15 or 27-65-21.

2388 The tax levied by this chapter shall not apply to the
2389 following:

2390 (a) Sales of boxes, crates, cartons, cans, bottles and
2391 other packaging materials to manufacturers and wholesalers for use
2392 as containers or shipping materials to accompany goods sold by
2393 said manufacturers or wholesalers where possession thereof will
2394 pass to the customer at the time of sale of the goods contained
2395 therein and sales to anyone of containers or shipping materials
2396 for use in ships engaged in international commerce.

2397 (b) Sales of raw materials, catalysts, processing
2398 chemicals, welding gases or other industrial processing gases

2399 (except natural gas) to a manufacturer for use directly in
2400 manufacturing or processing a product for sale or rental or
2401 repairing or reconditioning vessels or barges of fifty (50) tons
2402 load displacement and over. For the purposes of this exemption,
2403 electricity used directly in the electrolysis process in the
2404 production of sodium chlorate shall be considered a raw material.
2405 This exemption shall not apply to any property used as fuel except
2406 to the extent that such fuel comprises by-products which have no
2407 market value.

2408 (c) The gross proceeds of sales of dry docks, offshore
2409 drilling equipment for use in oil exploitation or production,
2410 vessels or barges of fifty (50) tons load displacement and over,
2411 when sold by the manufacturer or builder thereof.

2412 (d) Sales to commercial fishermen of commercial fishing
2413 boats of over five (5) tons load displacement and not more than
2414 fifty (50) tons load displacement as registered with the United
2415 States Coast Guard and licensed by the Mississippi Commission on
2416 Marine Resources.

2417 (e) The gross income from repairs to vessels and barges
2418 engaged in foreign trade or interstate transportation.

2419 (f) Sales of petroleum products to vessels or barges
2420 for consumption in marine international commerce or interstate
2421 transportation businesses.

2422 (g) Sales and rentals of rail rolling stock (and
2423 component parts thereof) for ultimate use in interstate commerce
2424 and gross income from services with respect to manufacturing,
2425 repairing, cleaning, altering, reconditioning or improving such
2426 rail rolling stock (and component parts thereof).

2427 (h) Sales of raw materials, catalysts, processing
2428 chemicals, welding gases or other industrial processing gases
2429 (except natural gas) used or consumed directly in manufacturing,
2430 repairing, cleaning, altering, reconditioning or improving such

2431 rail rolling stock (and component parts thereof). This exemption
2432 shall not apply to any property used as fuel.

2433 (i) Sales of machinery or tools or repair parts
2434 therefor or replacements thereof, fuel or supplies used directly
2435 in manufacturing, converting or repairing ships, vessels or barges
2436 of three thousand (3,000) tons load displacement and over, but not
2437 to include office and plant supplies or other equipment not
2438 directly used on the ship, vessel or barge being built, converted
2439 or repaired. For purposes of this exemption, "ships, vessels or
2440 barges" shall not include floating structures described in Section
2441 27-65-18.

2442 (j) Sales of tangible personal property to persons
2443 operating ships in international commerce for use or consumption
2444 on board such ships. This exemption shall be limited to cases in
2445 which procedures satisfactory to the commissioner, ensuring
2446 against use in this state other than on such ships, are
2447 established.

2448 (k) Sales of materials used in the construction of a
2449 building, or any addition or improvement thereon, and sales of any
2450 machinery and equipment not later than three (3) months after the
2451 completion of construction of the building, or any addition
2452 thereon, to be used therein, to qualified businesses, as defined
2453 in Section 57-51-5, which are located in a county or portion
2454 thereof designated as an enterprise zone pursuant to Sections
2455 57-51-1 through 57-51-15.

2456 (l) Sales of materials used in the construction of a
2457 building, or any addition or improvement thereon, and sales of any
2458 machinery and equipment not later than three (3) months after the
2459 completion of construction of the building, or any addition
2460 thereon, to be used therein, to qualified businesses, as defined
2461 in Section 57-54-5.

2462 (m) Income from storage and handling of perishable
2463 goods by a public storage warehouse.

2464 (n) The value of natural gas lawfully injected into the
2465 earth for cycling, repressuring or lifting of oil, or lawfully
2466 vented or flared in connection with the production of oil;
2467 however, if any gas so injected into the earth is sold for such
2468 purposes, then the gas so sold shall not be exempt.

2469 (o) The gross collections from self-service commercial
2470 laundering, drying, cleaning and pressing equipment.

2471 (p) Sales of materials used in the construction of a
2472 building, or any addition or improvement thereon, and sales of any
2473 machinery and equipment not later than three (3) months after the
2474 completion of construction of the building, or any addition
2475 thereon, to be used therein, to qualified companies, certified as
2476 such by the Mississippi Development Authority under Section
2477 57-53-1.

2478 (q) Sales of component materials used in the
2479 construction of a building, or any addition or improvement
2480 thereon, sales of machinery and equipment to be used therein, and
2481 sales of manufacturing or processing machinery and equipment which
2482 is permanently attached to the ground or to a permanent foundation
2483 and which is not by its nature intended to be housed within a
2484 building structure, not later than three (3) months after the
2485 initial start-up date, to permanent business enterprises engaging
2486 in manufacturing or processing in Tier Three areas (as such term
2487 is defined in Section 57-73-21), which businesses are certified by
2488 the State Tax Commission as being eligible for the exemption
2489 granted in this paragraph (q).

2490 (r) Sales of component materials used in the
2491 construction of a building, or any addition or improvement
2492 thereon, and sales of any machinery and equipment not later than
2493 three (3) months after the completion of the building, addition or
2494 improvement thereon, to be used therein, for any company
2495 establishing or transferring its national or regional headquarters
2496 from within or outside the State of Mississippi and creating a

2497 minimum of thirty-five (35) jobs at the new headquarters in this
2498 state. The Tax Commission shall establish criteria and prescribe
2499 procedures to determine if a company qualifies as a national or
2500 regional headquarters for the purpose of receiving the exemption
2501 provided in this paragraph.

2502 (s) The gross proceeds from the sale of semitrailers,
2503 trailers, boats, travel trailers, motorcycles and all-terrain
2504 cycles if exported from this state within forty-eight (48) hours
2505 and registered and first used in another state.

2506 (t) Gross income from the storage and handling of
2507 natural gas in underground salt domes and in other underground
2508 reservoirs, caverns, structures and formations suitable for such
2509 storage.

2510 (u) Sales of machinery and equipment to nonprofit
2511 organizations if the organization:

2512 (i) Is tax-exempt pursuant to Section 501(c)(4) of
2513 the Internal Revenue Code of 1986, as amended;

2514 (ii) Assists in the implementation of the national
2515 contingency plan or area contingency plan, and which is created in
2516 response to the requirements of Title IV, Subtitle B of the Oil
2517 Pollution Act of 1990, Public Law 101-380; and

2518 (iii) Engages primarily in programs to contain,
2519 clean up and otherwise mitigate spills of oil or other substances
2520 occurring in the United States coastal and tidal waters.

2521 For purposes of this exemption, "machinery and equipment"
2522 means any ocean-going vessels, barges, booms, skimmers and other
2523 capital equipment used primarily in the operations of nonprofit
2524 organizations referred to herein.

2525 (v) Sales or leases of materials and equipment to
2526 approved business enterprises as provided under the Growth and
2527 Prosperity Act.

2528 (w) From and after July 1, 2001, sales of pollution
2529 control equipment to manufacturers or custom processors for

2530 industrial use. For the purposes of this exemption, "pollution
2531 control equipment" means equipment, devices, machinery or systems
2532 used or acquired to prevent, control, monitor or reduce air, water
2533 or groundwater pollution, or solid or hazardous waste as required
2534 by federal or state law or regulation.

2535 (x) Sales or leases to a manufacturer of motor vehicles
2536 operating a project that has been certified by the Mississippi
2537 Major Economic Impact Authority as a project as defined in Section
2538 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) of machinery and
2539 equipment; special tooling such as dies, molds, jigs and similar
2540 items treated as special tooling for federal income tax purposes;
2541 or repair parts therefor or replacements thereof; repair services
2542 thereon; fuel, supplies, electricity, coal and natural gas used
2543 directly in the manufacture of motor vehicles or motor vehicle
2544 parts or used to provide climate control for manufacturing areas.

2545 (y) Sales or leases of component materials, machinery
2546 and equipment used in the construction of a building, or any
2547 addition or improvement thereon to an enterprise operating a
2548 project that has been certified by the Mississippi Major Economic
2549 Impact Authority as a project as defined in Section
2550 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) and any other sales or
2551 leases required to establish or operate such project.

2552 (z) Sales of component materials and equipment to a
2553 business enterprise as provided under Section 57-64-33.

2554 (aa) The gross income from the stripping and painting
2555 of commercial aircraft engaged in foreign or interstate
2556 transportation business.

2557 (bb) Sales of production items used in the production
2558 of motion pictures such as film; videotape; component building
2559 materials used in the construction of a set; makeup; fabric used
2560 as or in the making of costumes; clothing, including, shoes,
2561 accessories and jewelry used as wardrobes; materials used as set
2562 dressing; materials used as props on a set or by an actor;

2563 materials used in the creation of special effects; and expendable
2564 items purchased for limited use by grip, electric and camera
2565 departments such as tape, fasteners and compressed air. For the
2566 purposes of this paragraph (bb), the term "motion picture" means a
2567 nationally distributed feature-length film, video, television
2568 series or commercial made in Mississippi, in whole or in part, for
2569 theatrical or television viewing or as a television pilot. The
2570 term "motion picture" shall not include the production of
2571 television coverage of news and athletic events, or a film, video,
2572 television series or commercial that contains any material or
2573 performance defined in Section 97-29-103.

2574 (cc) Sales or leases to an enterprise owning or
2575 operating a project that has been designated by the Mississippi
2576 Major Economic Impact Authority as a project as defined in Section
2577 57-75-5(f)(xviii) of machinery and equipment; special tooling such
2578 as dies, molds, jigs and similar items treated as special tooling
2579 for federal income tax purposes; or repair parts therefor or
2580 replacements thereof; repair services thereon; fuel, supplies,
2581 electricity, coal and natural gas used directly in the
2582 manufacturing/production operations of the project or used to
2583 provide climate control for manufacturing/production areas.

2584 (dd) Sales or leases of component materials, machinery
2585 and equipment used in the construction of a building, or any
2586 addition or improvement thereon to an enterprise owning or
2587 operating a project that has been designated by the Mississippi
2588 Major Economic Impact Authority as a project as defined in Section
2589 57-75-5(f)(xviii) and any other sales or leases required to
2590 establish or operate such project.

2591 (ee) Sales of parts used in the repair and servicing of
2592 aircraft not registered in Mississippi engaged exclusively in the
2593 business of foreign or interstate transportation to businesses
2594 engaged in aircraft repair and maintenance.

2595 (ff) Sales of component materials used in the
2596 construction of a facility, or any addition or improvement
2597 thereon, and sales or leases of machinery and equipment not later
2598 than three (3) months after the completion of construction of the
2599 facility, or any addition or improvement thereto, to be used in
2600 the building or any addition or improvement thereto, to a
2601 permanent business enterprise operating a data/information
2602 enterprise in Tier Three areas (as such areas are designated in
2603 accordance with Section 57-73-21), meeting minimum criteria
2604 established by the Mississippi Development Authority.

2605 (gg) Sales of component materials used in the
2606 construction of a facility, or any addition or improvement
2607 thereto, and sales of machinery and equipment not later than three
2608 (3) months after the completion of construction of the facility,
2609 or any addition or improvement thereto, to be used in the facility
2610 or any addition or improvement thereto, to technology intensive
2611 enterprises for industrial purposes in Tier Three areas (as such
2612 areas are designated in accordance with Section 57-73-21), as
2613 certified by the State Tax Commission. For purposes of this
2614 paragraph, an enterprise must meet the criteria provided for in
2615 Section 27-65-17(1)(f) in order to be considered a technology
2616 intensive enterprise.

2617 (2) Sales of component materials used in the construction of
2618 a building, or any addition or improvement thereon, sales of
2619 machinery and equipment to be used therein, and sales of
2620 manufacturing or processing machinery and equipment which is
2621 permanently attached to the ground or to a permanent foundation
2622 and which is not by its nature intended to be housed within a
2623 building structure, not later than three (3) months after the
2624 initial start-up date, to permanent business enterprises engaging
2625 in manufacturing or processing in Tier Two areas and Tier One
2626 areas (as such areas are designated in accordance with Section
2627 57-73-21), which businesses are certified by the State Tax

2628 Commission as being eligible for the exemption granted in this
2629 paragraph, shall be exempt from one-half (1/2) of the taxes
2630 imposed on such transactions under this chapter.

2631 (3) Sales of component materials used in the construction of
2632 a facility, or any addition or improvement thereon, and sales or
2633 leases of machinery and equipment not later than three (3) months
2634 after the completion of construction of the facility, or any
2635 addition or improvement thereto, to be used in the building or any
2636 addition or improvement thereto, to a permanent business
2637 enterprise operating a data/information enterprise in Tier Two
2638 areas and Tier One areas (as such areas are designated in
2639 accordance with Section 57-73-21), which businesses meet minimum
2640 criteria established by the Mississippi Development Authority,
2641 shall be exempt from one-half (1/2) of the taxes imposed on such
2642 transaction under this chapter.

2643 (4) Sales of component materials used in the construction of
2644 a facility, or any addition or improvement thereto, and sales of
2645 machinery and equipment not later than three (3) months after the
2646 completion of construction of the facility, or any addition or
2647 improvement thereto, to be used in the building or any addition or
2648 improvement thereto, to technology intensive enterprises for
2649 industrial purposes in Tier Two areas and Tier One areas (as such
2650 areas are designated in accordance with Section 57-73-21), which
2651 businesses are certified by the State Tax Commission as being
2652 eligible for the exemption granted in this paragraph, shall be
2653 exempt from one-half (1/2) of the taxes imposed on such
2654 transactions under this chapter. For purposes of this subsection,
2655 an enterprise must meet the criteria provided for in Section
2656 27-65-17(1)(f) in order to be considered a technology intensive
2657 enterprise.

2658 (5) (a) For purposes of this subsection:

2659 (i) "Telecommunications enterprises" shall have
2660 the meaning ascribed to such term in Section 57-73-21;

2661 (ii) "Tier One areas" mean counties designated as
2662 Tier One areas pursuant to Section 57-73-21;

2663 (iii) "Tier Two areas" mean counties designated as
2664 Tier Two areas pursuant to Section 57-73-21;

2665 (iv) "Tier Three areas" mean counties designated
2666 as Tier Three areas pursuant to Section 57-73-21; and

2667 (v) "Equipment used in the deployment of broadband
2668 technologies" means any equipment capable of being used for or in
2669 connection with the transmission of information at a rate, prior
2670 to taking into account the effects of any signal degradation, that
2671 is not less than three hundred eighty-four (384) kilobits per
2672 second in at least one direction, including, but not limited to,
2673 asynchronous transfer mode switches, digital subscriber line
2674 access multiplexers, routers, servers, multiplexers, fiber optics
2675 and related equipment.

2676 (b) Sales of equipment to telecommunications
2677 enterprises after June 30, 2003, and before July 1, 2013, that is
2678 installed in Tier One areas and used in the deployment of
2679 broadband technologies shall be exempt from one-half (1/2) of the
2680 taxes imposed on such transactions under this chapter.

2681 (c) Sales of equipment to telecommunications
2682 enterprises after June 30, 2003, and before July 1, 2013, that is
2683 installed in Tier Two and Tier Three areas and used in the
2684 deployment of broadband technologies shall be exempt from the
2685 taxes imposed on such transactions under this chapter.

2686 **SECTION 16.** Section 27-67-7, Mississippi Code of 1972, is
2687 amended as follows:

2688 27-67-7. The tax levied by this article shall not be
2689 collected in the following instances:

2690 (a) On the use, storage or consumption of any tangible
2691 personal property if the sale thereof has already been included in
2692 the measure of this tax or the tax imposed by Section 27-65-24 or
2693 Section 27-65-17, 27-65-19 or 27-65-25, or has already been

2694 included in the measure of a sales tax imposed by another state in
2695 which the property was sold or use tax imposed by some other state
2696 in which the property was used. If the rate of sales or use tax
2697 paid another state by the person using the property in Mississippi
2698 is not equal to or greater than the rate imposed by this article,
2699 then the user or purchaser shall apply the difference in these
2700 rates to the purchase price or value of the property and pay to
2701 the commissioner the amount of tax thus computed. Persons using
2702 business property in this state which has been used by them in
2703 other states shall be entitled to a credit for sales and/or use
2704 tax paid to other states equal to the aggregate of all such state
2705 rates multiplied by the value of the property at the time of
2706 importation into this state. Persons using business property in
2707 this state which was acquired from another person who used it in
2708 other states shall be entitled to a credit equal to the applicable
2709 rate in the state of last prior use multiplied by the value of the
2710 property at the time of importation into this state. However,
2711 credit for use tax paid to another state shall not apply on the
2712 purchase price of tangible personal property that has been only
2713 stored or warehoused in the other state and the first use of the
2714 property occurs in Mississippi. Provided further, that credit for
2715 sales or use tax paid to another state shall not apply on the
2716 purchase price or value of automobiles, trucks, truck-tractors,
2717 semitrailers, trailers, boats, travel trailers, motorcycles and
2718 all-terrain cycles imported and first used in Mississippi.

2719 Credit for sales or use tax paid to another state as provided
2720 in this paragraph (a) shall be evidenced by an invoice clearly and
2721 correctly showing the amount of the tax as a separate item, and no
2722 credit shall be allowed otherwise.

2723 (b) On the use, storage or consumption of tangible
2724 personal property to the extent that sales of similar property in
2725 Mississippi are either excluded or specifically exempt from sales
2726 tax or are taxed at the wholesale rate.

2727 This exemption shall be confined to the use of property the
2728 sale of which is an itemized exemption in the Mississippi Sales
2729 Tax Law, or to use by persons who are listed in the Mississippi
2730 Sales Tax Law as being exempt from sales tax.

2731 (c) On the use, storage or consumption of tangible
2732 personal property brought into this state by a nonresident for his
2733 or her use or enjoyment while temporarily within the state, but
2734 not including tangible personal property brought in for use in
2735 connection with a business activity. This exemption shall not
2736 apply to property which remains situated in this state for the
2737 repeated use, storage or consumption by out-of-state visitors, or
2738 which is acquired by visitors and first used in this state.

2739 (d) On the use of a motor vehicle for which a
2740 registration is required by the motor vehicle law, when such motor
2741 vehicle was purchased by a natural person for his personal or
2742 family use while such person was a bona fide resident of another
2743 state and who thereafter became a resident of this state, but not
2744 to include a motor vehicle which is transferred by the owner for
2745 commercial use or for use by another person within this state.

2746 (e) On the use of personal and household effects by a
2747 natural person acquired while the person was a bona fide resident
2748 of another state, and who thereafter became a resident of this
2749 state.

2750 (f) On the use or rental of motion picture film,
2751 video-audio tapes and phonograph records for exhibition either by
2752 a person paying Mississippi sales tax on gross income from
2753 admissions for the exhibitions or by a person operating a
2754 television or radio broadcasting station.

2755 (g) On any vehicle purchased in another state for use
2756 outside of this state by a Mississippi citizen serving in the
2757 Armed Forces and stationed in another state who elects to license
2758 the vehicle in Mississippi.

2759 (h) On the cost or value and on the use, storage and
2760 consumption of rail rolling stock and component parts thereof.

2761 (i) On the use, storage or consumption of literature,
2762 video tapes and photographic slides used by religious institutions
2763 for the propagation of their creeds or for carrying on their
2764 customary nonprofit religious activities, and on the use of any
2765 tangible personal property purchased and first used in another
2766 state by religious institutions for the propagation of their
2767 creeds or for carrying on their customary nonprofit religious
2768 activities. "Religious institution," for the purpose of this
2769 exemption, means any religious institution granted an exemption
2770 under 26 USCS Section 501(c)(3). Any exemption under this
2771 paragraph obtained by fraud, misstatement or misrepresentation,
2772 shall be cancelled by the State Tax Commission, and the person
2773 committing the fraud, misstatement or misrepresentation shall be
2774 liable for prosecution for fraud on the assessment, and, on
2775 conviction, shall be fined not less than One Thousand Dollars
2776 (\$1,000.00), or punished by imprisonment in the State Penitentiary
2777 for a term not to exceed five (5) years, or both, within the
2778 discretion of the court.

2779 (j) The tax on the cost or value of farm machinery used
2780 in the harvesting of agricultural products shall be limited to the
2781 ratio of use within this state to the life of the property.

2782 (k) On the use, storage or consumption, between July 1,
2783 1993, and June 30, 1994, of machinery and equipment to
2784 corporations qualified as tax-exempt organizations under Section
2785 501(c)(4) of the Internal Revenue Code and established in response
2786 to the Federal Oil Pollution Act of 1990 to provide a private
2787 capability to respond to major oil spills. For purposes of this
2788 exemption, "machinery and equipment" means property with a useful
2789 life of at least three (3) years which is used primarily in the
2790 operations of the Marine Oil Spill Response Corporation and shall

2791 include, without limitation, vessels, barges, booms and skimmers.
2792 This paragraph shall stand repealed on July 1, 1995.

2793 (l) On the use of machinery and equipment; special
2794 tooling such as dies, molds, jigs and similar items treated as
2795 special tooling for federal income tax purposes; or repair parts
2796 therefor or replacements thereof; or repair services thereon; by a
2797 taxpayer other than the manufacturer when the manufacturer still
2798 holds title to the items and the items are purchased by the
2799 manufacturer as a part of a project as defined in Section
2800 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi).

2801 (m) On the use, storage or consumption of utilities
2802 purchased by a manufacturer described in Section 27-65-101(x).

2803 (n) On the use, storage or consumption of utilities
2804 purchased by an enterprise described in Section 27-65-101(cc).

2805 (o) On the use, storage or consumption of jet aircraft
2806 engines that are temporarily located within the State of
2807 Mississippi and are brought into the state for research and/or
2808 testing purposes at a jet aircraft engine research and testing
2809 facility.

2810 **SECTION 17.** As used in Sections 17 through 21 of this act,
2811 the following words and phrases shall have the meanings ascribed
2812 in this section unless the context clearly indicates otherwise:

2813 (a) "Qualified business or industry" means any company
2814 and affiliates thereof, pursuant to rules and regulations of the
2815 MDA, which is a project that has been certified by the Mississippi
2816 Major Economic Impact Authority (MMEIA) as a project defined in
2817 Section 57-75-5(f)(xxi) and creates at least one thousand five
2818 hundred (1,500) jobs within sixty (60) months of the beginning of
2819 the project.

2820 (b) "Qualified job" means full-time employment in this
2821 state within the project site of a qualified business or industry
2822 that has qualified to receive an incentive payment pursuant to
2823 Sections 17 through 21 of this act, which employment did not exist

2824 in this state before the date of approval by the MDA of the
2825 application of the qualified business or industry pursuant to the
2826 provisions of Sections 17 through 21 of this act. "Qualified job"
2827 also shall include full-time employment in this state of employees
2828 who are employed by an entity other than the establishment that
2829 has qualified to receive an incentive payment such as employees
2830 who are leased to and managed by the qualified business or
2831 industry, if such employment did not exist in this state before
2832 the date of approval by the MDA of the application of the
2833 establishment; provided, however, that in order for a qualified
2834 business or industry to receive incentive payments for such
2835 employees, the actual employer of the employees must agree to such
2836 payments being made to the qualified business or industry.

2837 (c) "Full-time employment" means a job of at least
2838 thirty-five (35) hours per week.

2839 (d) "Rebate amount" means the amount of Mississippi
2840 income taxes withheld from employees in qualified jobs that is
2841 available for rebate to the qualified business or industry,
2842 provided that:

2843 (i) Except as otherwise provided in this paragraph
2844 (d), the rebate amount shall be three and one-half percent
2845 (3-1/2%) of the wages and taxable benefits for qualified jobs; and

2846 (ii) In no event shall incentive payments exceed
2847 the actual Mississippi income taxes withheld from employees in
2848 qualified jobs that are available for rebate to the qualified
2849 business or industry.

2850 (e) "MDA" means the Mississippi Development Authority.

2851 **SECTION 18.** (1) Except as otherwise provided in this
2852 section, a qualified business or industry that meets the
2853 qualifications specified in Sections 17 through 21 of this act may
2854 receive quarterly incentive payments for a period not to exceed
2855 twenty-five (25) years from the State Tax Commission pursuant to
2856 the provisions of Sections 17 through 21 of this act in an amount

2857 which shall be equal to the lesser of three and one-half percent
2858 (3-1/2%) of the wages and taxable benefits for qualified jobs or
2859 the actual amount of Mississippi income tax withheld by the
2860 employer for the qualified jobs. A qualified business or industry
2861 may elect the date upon which the twenty-five-year period will
2862 begin. Such date may not be later than sixty (60) months after
2863 the date the business or industry applied for incentive payments.

2864 (2) In order to receive incentive payments, an establishment
2865 shall apply to the MDA. The application shall be on a form
2866 prescribed by the MDA and shall contain such information as may be
2867 required by the MDA to determine if the applicant is qualified.

2868 (3) In order to qualify to receive such payments, the
2869 establishment applying shall be required to:

2870 (a) Be engaged in a qualified business or industry; and

2871 (b) The business or industry must create and maintain a
2872 minimum of one thousand five hundred (1,500) qualified jobs.

2873 Establishments that are approved as a qualified business or
2874 industry under Sections 17 through 21 of this act may not receive
2875 incentive payments under Sections 57-62-1 et seq.

2876 (4) Upon approval of such an application, the MDA shall
2877 notify the State Tax Commission and shall provide it with a copy
2878 of the approved application. The State Tax Commission may require
2879 the qualified business or industry to submit such additional
2880 information as may be necessary to administer the provisions of
2881 Sections 17 through 21 of this act. The qualified business or
2882 industry shall report to the State Tax Commission periodically to
2883 show its continued eligibility for incentive payments. The
2884 qualified business or industry may be audited by the State Tax
2885 Commission to verify such eligibility.

2886 **SECTION 19.** (1) There is created in the State Treasury a
2887 special fund to be known as the "MMEIA Withholding Rebate Fund,"
2888 into which shall be deposited withholding tax revenue required to
2889 be deposited into such fund pursuant to Section 27-7-312. The

2890 money in the fund shall be used for the purpose of making the
2891 incentive payments authorized under Sections 17 through 21 of this
2892 act.

2893 (2) The liability of the State of Mississippi to make the
2894 incentive payments authorized under Sections 17 through 21 of this
2895 act shall be limited to the balance contained in the fund.

2896 **SECTION 20.** (1) As soon as practicable after the end of a
2897 calendar quarter for which a qualified business or industry has
2898 qualified to receive an incentive payment, the qualified business
2899 or industry shall file a claim for the payment with the State Tax
2900 Commission and shall specify the actual number of qualified jobs
2901 created and maintained by the business or industry for the
2902 calendar quarter and the wages and taxable benefits thereof. The
2903 State Tax Commission shall verify the actual number of qualified
2904 jobs created and maintained by the business or industry. If the
2905 State Tax Commission is not able to provide such verification
2906 utilizing all available resources, the State Tax Commission may
2907 request such additional information from the business or industry
2908 as may be necessary.

2909 (2) (a) The business or industry must meet the job
2910 requirements of Sections 17 through 21 of this act for four (4)
2911 consecutive calendar quarters prior to payment of the first
2912 incentive payment. If the business or industry does not maintain
2913 the job requirements of Sections 17 through 21 of this act at any
2914 other time during the twenty-five-year period after the date the
2915 first payment was made, the incentive payments shall not be made
2916 and shall not be resumed until such time as the actual verified
2917 number of qualified jobs created and maintained by the business or
2918 industry equals or exceeds the requirements of Sections 17 through
2919 21 of this act for one (1) calendar quarter.

2920 (3) An establishment that has qualified pursuant to Sections
2921 17 through 21 of this act may receive payments only in accordance
2922 with the provision under which it initially applied and was

2923 approved. If an establishment that is receiving incentive
2924 payments expands, it may apply for additional incentive payments
2925 based on the wages and taxable benefits for qualified jobs
2926 anticipated from the expansion only, pursuant to Sections 17
2927 through 21 of this act.

2928 (4) As soon as practicable after verification of the
2929 qualified business or industry meeting the requirements of
2930 Sections 17 through 21 of this act and all rules and regulations,
2931 the Department of Finance and Administration, upon requisition of
2932 the State Tax Commission, shall issue a warrant drawn on the MMEIA
2933 Withholding Rebate Fund to the establishment in the amount of the
2934 rebate as determined pursuant to subsection (1) of this section
2935 for the calendar quarter.

2936 **SECTION 21.** The MDA and the State Tax Commission shall
2937 promulgate rules and regulations, in accordance with the
2938 Mississippi Administrative Procedures Law, and all application
2939 forms and other forms necessary to implement their respective
2940 duties and responsibilities under the provisions of Sections 17
2941 through 21 of this act.

2942 **SECTION 22.** Section 27-7-312, Mississippi Code of 1972, is
2943 amended as follows:

2944 27-7-312. (1) Of the revenue collected under the provisions
2945 of this article from the new direct jobs of a qualified business
2946 or industry as defined in Section 57-62-5 of the Mississippi
2947 Advantage Jobs Act, an amount equal to the estimated amount of the
2948 quarterly incentive payment for which such qualified business or
2949 industry is eligible shall be deposited into the Mississippi
2950 Advantage Jobs Incentive Payment Fund created pursuant to Section
2951 57-62-1 et seq., on or before the twentieth day of the month
2952 following the close of each calendar quarter.

2953 (2) Of the revenue collected under the provisions of this
2954 article from the qualified jobs of a qualified business or
2955 industry as defined in Section 17 of House Bill No. _____, 2007

2956 Regular Session, an amount equal to the estimated amount of the
2957 quarterly incentive payment for which such qualified business or
2958 industry is eligible shall be deposited into the MMEIA Withholding
2959 Rebate Fund created pursuant to Section 19 of House Bill No.
2960 _____ , 2007 Regular Session, on or before the twentieth day of the
2961 month following the close of each calendar quarter.

2962 **SECTION 23.** As used in Sections 23 through 25 of this act,
2963 the following terms and phrases shall have the meanings ascribed
2964 in this section unless the context clearly indicates otherwise:

2965 (a) "Component construction material costs" means
2966 actual costs incurred for a project that has been certified by the
2967 Mississippi Major Economic Impact Authority (MMEIA) as a project
2968 as defined in Section 57-75-5(f)(xxi) for component materials
2969 eligible for purchase under a material purchase certificate issued
2970 by the State Tax Commission.

2971 (b) "MDA" means the Mississippi Development Authority.

2972 (c) "MMEIA construction rebate project" means any
2973 project that has been certified by the Mississippi Major Economic
2974 Impact Authority as a project as defined in Section
2975 57-75-5(f)(xxi).

2976 **SECTION 24.** (1) (a) There is created in the State Treasury
2977 a special fund to be known as the "MMEIA Tax Incentive Fund," into
2978 which shall be deposited such money as provided in Section
2979 27-65-75(21). The monies in the fund shall be used for the
2980 purpose of making the incentive payments authorized in Sections 23
2981 through 25 of this act. The fund shall be administered by the
2982 MDA. Unexpended amounts remaining in the fund at the end of a
2983 fiscal year shall not lapse into the State General Fund, and any
2984 interest earned on or investment earnings on the amounts in the
2985 fund shall be deposited to the credit of the fund. The MDA may
2986 use not more than one percent (1%) of interest earned or
2987 investment earnings, or both, on amounts in the fund for

2988 administration and management of the incentive program authorized
2989 under Sections 23 through 25 of this act.

2990 (b) Subject to the provisions of this section,
2991 incentive payments may be made by the MDA to an approved
2992 participant that incurs component construction material costs to
2993 locate an MMEIA construction rebate project in the state. The
2994 payments to an approved participant shall be for an amount equal
2995 to three and one-half percent (3-1/2%) of the component
2996 construction material costs. The MDA shall make payments to an
2997 approved participant on a monthly basis. The MDA shall make the
2998 calculations necessary to make the payments provided for in this
2999 section. The MDA shall cease making incentive payments to an
3000 approved participant when construction of the commercial real
3001 property on the project site is completed. At such time that
3002 incentive payments are no longer required to be made to an
3003 approved participant, the MDA shall notify the State Tax
3004 Commission and the sales tax revenue shall no longer be deposited
3005 into the MMEIA Tax Incentive Fund. Any amounts remaining in the
3006 fund that were collected from such project shall be transferred to
3007 the State General Fund.

3008 **SECTION 25.** (1) The MDA shall develop, implement and
3009 administer the incentive program authorized in Sections 23 through
3010 25 of this act and shall promulgate rules and regulations
3011 necessary for the development, implementation and administration
3012 of such program.

3013 (2) An approved participant qualifying for incentive
3014 payments under Sections 23 through 25 of this act must submit
3015 requests for such payments. MDA shall review the request and
3016 determine if the incentive payment is due. If the request is
3017 approved, MDA will issue the incentive payment as provided for in
3018 Sections 23 through 25 of this act on a monthly basis. The
3019 liability of the State of Mississippi to make the incentive

3020 payments under Sections 23 through 25 of this act shall be limited
3021 to the balance contained in the fund.

3022 **SECTION 26.** Section 27-65-75, Mississippi Code of 1972, is
3023 amended as follows:

3024 27-65-75. On or before the fifteenth day of each month, the
3025 revenue collected under the provisions of this chapter during the
3026 preceding month shall be paid and distributed as follows:

3027 (1) (a) On or before August 15, 1992, and each succeeding
3028 month thereafter through July 15, 1993, eighteen percent (18%) of
3029 the total sales tax revenue collected during the preceding month
3030 under the provisions of this chapter, except that collected under
3031 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
3032 business activities within a municipal corporation shall be
3033 allocated for distribution to the municipality and paid to the
3034 municipal corporation. On or before August 15, 1993, and each
3035 succeeding month thereafter, eighteen and one-half percent
3036 (18-1/2%) of the total sales tax revenue collected during the
3037 preceding month under the provisions of this chapter, except that
3038 collected under the provisions of Sections 27-65-15, 27-65-19(3)
3039 and 27-65-21, on business activities within a municipal
3040 corporation shall be allocated for distribution to the
3041 municipality and paid to the municipal corporation.

3042 A municipal corporation, for the purpose of distributing the
3043 tax under this subsection, shall mean and include all incorporated
3044 cities, towns and villages.

3045 Monies allocated for distribution and credited to a municipal
3046 corporation under this subsection may be pledged as security for a
3047 loan if the distribution received by the municipal corporation is
3048 otherwise authorized or required by law to be pledged as security
3049 for such a loan.

3050 In any county having a county seat that is not an
3051 incorporated municipality, the distribution provided under this
3052 subsection shall be made as though the county seat was an

3053 incorporated municipality; however, the distribution to the
3054 municipality shall be paid to the county treasury in which the
3055 municipality is located, and those funds shall be used for road,
3056 bridge and street construction or maintenance in the county.

3057 (b) On or before August 15, 2006, and each succeeding
3058 month thereafter, eighteen and one-half percent (18-1/2%) of the
3059 total sales tax revenue collected during the preceding month under
3060 the provisions of this chapter, except that collected under the
3061 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
3062 business activities on the campus of a state institution of higher
3063 learning or community or junior college whose campus is not
3064 located within the corporate limits of a municipality, shall be
3065 allocated for distribution to the state institution of higher
3066 learning or community or junior college and paid to the state
3067 institution of higher learning or community or junior college.

3068 (2) On or before September 15, 1987, and each succeeding
3069 month thereafter, from the revenue collected under this chapter
3070 during the preceding month, One Million One Hundred Twenty-five
3071 Thousand Dollars (\$1,125,000.00) shall be allocated for
3072 distribution to municipal corporations as defined under subsection
3073 (1) of this section in the proportion that the number of gallons
3074 of gasoline and diesel fuel sold by distributors to consumers and
3075 retailers in each such municipality during the preceding fiscal
3076 year bears to the total gallons of gasoline and diesel fuel sold
3077 by distributors to consumers and retailers in municipalities
3078 statewide during the preceding fiscal year. The State Tax
3079 Commission shall require all distributors of gasoline and diesel
3080 fuel to report to the commission monthly the total number of
3081 gallons of gasoline and diesel fuel sold by them to consumers and
3082 retailers in each municipality during the preceding month. The
3083 State Tax Commission shall have the authority to promulgate such
3084 rules and regulations as is necessary to determine the number of
3085 gallons of gasoline and diesel fuel sold by distributors to

3086 consumers and retailers in each municipality. In determining the
3087 percentage allocation of funds under this subsection for the
3088 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
3089 State Tax Commission may consider gallons of gasoline and diesel
3090 fuel sold for a period of less than one (1) fiscal year. For the
3091 purposes of this subsection, the term "fiscal year" means the
3092 fiscal year beginning July 1 of a year.

3093 (3) On or before September 15, 1987, and on or before the
3094 fifteenth day of each succeeding month, until the date specified
3095 in Section 65-39-35, the proceeds derived from contractors' taxes
3096 levied under Section 27-65-21 on contracts for the construction or
3097 reconstruction of highways designated under the highway program
3098 created under Section 65-3-97 shall, except as otherwise provided
3099 in Section 31-17-127, be deposited into the State Treasury to the
3100 credit of the State Highway Fund to be used to fund that highway
3101 program. The Mississippi Department of Transportation shall
3102 provide to the State Tax Commission such information as is
3103 necessary to determine the amount of proceeds to be distributed
3104 under this subsection.

3105 (4) On or before August 15, 1994, and on or before the
3106 fifteenth day of each succeeding month through July 15, 1999, from
3107 the proceeds of gasoline, diesel fuel or kerosene taxes as
3108 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
3109 (\$4,000,000.00) shall be deposited in the State Treasury to the
3110 credit of a special fund designated as the "State Aid Road Fund,"
3111 created by Section 65-9-17. On or before August 15, 1999, and on
3112 or before the fifteenth day of each succeeding month, from the
3113 total amount of the proceeds of gasoline, diesel fuel or kerosene
3114 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
3115 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
3116 one-fourth percent (23-1/4%) of those funds, whichever is the
3117 greater amount, shall be deposited in the State Treasury to the
3118 credit of the "State Aid Road Fund," created by Section 65-9-17.

3119 Those funds shall be pledged to pay the principal of and interest
3120 on state aid road bonds heretofore issued under Sections 19-9-51
3121 through 19-9-77, in lieu of and in substitution for the funds
3122 previously allocated to counties under this section. Those funds
3123 may not be pledged for the payment of any state aid road bonds
3124 issued after April 1, 1981; however, this prohibition against the
3125 pledging of any such funds for the payment of bonds shall not
3126 apply to any bonds for which intent to issue those bonds has been
3127 published, for the first time, as provided by law before March 29,
3128 1981. From the amount of taxes paid into the special fund under
3129 this subsection and subsection (9) of this section, there shall be
3130 first deducted and paid the amount necessary to pay the expenses
3131 of the Office of State Aid Road Construction, as authorized by the
3132 Legislature for all other general and special fund agencies. The
3133 remainder of the fund shall be allocated monthly to the several
3134 counties in accordance with the following formula:

3135 (a) One-third (1/3) shall be allocated to all counties
3136 in equal shares;

3137 (b) One-third (1/3) shall be allocated to counties
3138 based on the proportion that the total number of rural road miles
3139 in a county bears to the total number of rural road miles in all
3140 counties of the state; and

3141 (c) One-third (1/3) shall be allocated to counties
3142 based on the proportion that the rural population of the county
3143 bears to the total rural population in all counties of the state,
3144 according to the latest federal decennial census.

3145 For the purposes of this subsection, the term "gasoline,
3146 diesel fuel or kerosene taxes" means such taxes as defined in
3147 paragraph (f) of Section 27-5-101.

3148 The amount of funds allocated to any county under this
3149 subsection for any fiscal year after fiscal year 1994 shall not be
3150 less than the amount allocated to the county for fiscal year 1994.

3151 Any reference in the general laws of this state or the
3152 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
3153 construed to refer and apply to subsection (4) of Section
3154 27-65-75.

3155 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
3156 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
3157 the special fund known as the "State Public School Building Fund"
3158 created and existing under the provisions of Sections 37-47-1
3159 through 37-47-67. Those payments into that fund are to be made on
3160 the last day of each succeeding month hereafter.

3161 (6) An amount each month beginning August 15, 1983, through
3162 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
3163 of 1983, shall be paid into the special fund known as the
3164 Correctional Facilities Construction Fund created in Section 6 of
3165 Chapter 542, Laws of 1983.

3166 (7) On or before August 15, 1992, and each succeeding month
3167 thereafter through July 15, 2000, two and two hundred sixty-six
3168 one-thousandths percent (2.266%) of the total sales tax revenue
3169 collected during the preceding month under the provisions of this
3170 chapter, except that collected under the provisions of Section
3171 27-65-17(2) shall be deposited by the commission into the School
3172 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
3173 or before August 15, 2000, and each succeeding month thereafter,
3174 two and two hundred sixty-six one-thousandths percent (2.266%) of
3175 the total sales tax revenue collected during the preceding month
3176 under the provisions of this chapter, except that collected under
3177 the provisions of Section 27-65-17(2), shall be deposited into the
3178 School Ad Valorem Tax Reduction Fund created under Section
3179 37-61-35 until such time that the total amount deposited into the
3180 fund during a fiscal year equals Forty-two Million Dollars
3181 (\$42,000,000.00). Thereafter, the amounts diverted under this
3182 subsection (7) during the fiscal year in excess of Forty-two
3183 Million Dollars (\$42,000,000.00) shall be deposited into the

3184 Education Enhancement Fund created under Section 37-61-33 for
3185 appropriation by the Legislature as other education needs and
3186 shall not be subject to the percentage appropriation requirements
3187 set forth in Section 37-61-33.

3188 (8) On or before August 15, 1992, and each succeeding month
3189 thereafter, nine and seventy-three one-thousandths percent
3190 (9.073%) of the total sales tax revenue collected during the
3191 preceding month under the provisions of this chapter, except that
3192 collected under the provisions of Section 27-65-17(2), shall be
3193 deposited into the Education Enhancement Fund created under
3194 Section 37-61-33.

3195 (9) On or before August 15, 1994, and each succeeding month
3196 thereafter, from the revenue collected under this chapter during
3197 the preceding month, Two Hundred Fifty Thousand Dollars
3198 (\$250,000.00) shall be paid into the State Aid Road Fund.

3199 (10) On or before August 15, 1994, and each succeeding month
3200 thereafter through August 15, 1995, from the revenue collected
3201 under this chapter during the preceding month, Two Million Dollars
3202 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
3203 Valorem Tax Reduction Fund established in Section 27-51-105.

3204 (11) Notwithstanding any other provision of this section to
3205 the contrary, on or before February 15, 1995, and each succeeding
3206 month thereafter, the sales tax revenue collected during the
3207 preceding month under the provisions of Section 27-65-17(2) and
3208 the corresponding levy in Section 27-65-23 on the rental or lease
3209 of private carriers of passengers and light carriers of property
3210 as defined in Section 27-51-101 shall be deposited, without
3211 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
3212 established in Section 27-51-105.

3213 (12) Notwithstanding any other provision of this section to
3214 the contrary, on or before August 15, 1995, and each succeeding
3215 month thereafter, the sales tax revenue collected during the
3216 preceding month under the provisions of Section 27-65-17(1) on

3217 retail sales of private carriers of passengers and light carriers
3218 of property, as defined in Section 27-51-101 and the corresponding
3219 levy in Section 27-65-23 on the rental or lease of these vehicles,
3220 shall be deposited, after diversion, into the Motor Vehicle Ad
3221 Valorem Tax Reduction Fund established in Section 27-51-105.

3222 (13) On or before July 15, 1994, and on or before the
3223 fifteenth day of each succeeding month thereafter, that portion of
3224 the avails of the tax imposed in Section 27-65-22 that is derived
3225 from activities held on the Mississippi State Fairgrounds Complex,
3226 shall be paid into a special fund that is created in the State
3227 Treasury and shall be expended upon legislative appropriation
3228 solely to defray the costs of repairs and renovation at the Trade
3229 Mart and Coliseum.

3230 (14) On or before August 15, 1998, and each succeeding month
3231 thereafter through July 15, 2005, that portion of the avails of
3232 the tax imposed in Section 27-65-23 that is derived from sales by
3233 cotton compresses or cotton warehouses and that would otherwise be
3234 paid into the General Fund, shall be deposited in an amount not to
3235 exceed Two Million Dollars (\$2,000,000.00) into the special fund
3236 created under Section 69-37-39.

3237 (15) Notwithstanding any other provision of this section to
3238 the contrary, on or before September 15, 2000, and each succeeding
3239 month thereafter, the sales tax revenue collected during the
3240 preceding month under the provisions of Section 27-65-19(1)(f) and
3241 (g)(i)2, shall be deposited, without diversion, into the
3242 Telecommunications Ad Valorem Tax Reduction Fund established in
3243 Section 27-38-7.

3244 (16) On or before August 15, 2000, and each succeeding month
3245 thereafter, the sales tax revenue collected during the preceding
3246 month under the provisions of this chapter on the gross proceeds
3247 of sales of a project as defined in Section 57-30-1 shall be
3248 deposited, after all diversions except the diversion provided for

3249 in subsection (1) of this section, into the Sales Tax Incentive
3250 Fund created in Section 57-30-3.

3251 (17) Notwithstanding any other provision of this section to
3252 the contrary, on or before April 15, 2002, and each succeeding
3253 month thereafter, the sales tax revenue collected during the
3254 preceding month under Section 27-65-23 on sales of parking
3255 services of parking garages and lots at airports shall be
3256 deposited, without diversion, into the special fund created under
3257 Section 27-5-101(d).

3258 (18) On or before August 15, 2007, and each succeeding month
3259 thereafter through July 15, 2008, from the sales tax revenue
3260 collected during the preceding month under the provisions of this
3261 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)
3262 shall be deposited into the Special Funds Transfer Fund created in
3263 Section 4 of Chapter 556, Laws of 2003.

3264 (19) (a) On or before August 15, 2005, and each succeeding
3265 month thereafter, the sales tax revenue collected during the
3266 preceding month under the provisions of this chapter on the gross
3267 proceeds of sales of a business enterprise located within a
3268 redevelopment project area under the provisions of Sections
3269 57-91-1 through 57-91-11, and the revenue collected on the gross
3270 proceeds of sales from sales made to a business enterprise located
3271 in a redevelopment project area under the provisions of Sections
3272 57-91-1 through 57-91-11 (provided that such sales made to a
3273 business enterprise are made on the premises of the business
3274 enterprise), shall, except as otherwise provided in this
3275 subsection (19), be deposited, after all diversions, into the
3276 Redevelopment Project Incentive Fund as created in Section
3277 57-91-9.

3278 (b) For a municipality participating in the Economic
3279 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
3280 the diversion provided for in subsection (1) of this section
3281 attributable to the gross proceeds of sales of a business

3282 enterprise located within a redevelopment project area under the
3283 provisions of Sections 57-91-1 through 57-91-11, and attributable
3284 to the gross proceeds of sales from sales made to a business
3285 enterprise located in a redevelopment project area under the
3286 provisions of Sections 57-91-1 through 57-91-11 (provided that
3287 such sales made to a business enterprise are made on the premises
3288 of the business enterprise), shall be deposited into the
3289 Redevelopment Project Incentive Fund as created in Section
3290 57-91-9, as follows:

3291 (i) For the first six (6) years in which payments
3292 are made to a developer from the Redevelopment Project Incentive
3293 Fund, one hundred percent (100%) of the diversion shall be
3294 deposited into the fund;

3295 (ii) For the seventh year in which such payments
3296 are made to a developer from the Redevelopment Project Incentive
3297 Fund, eighty percent (80%) of the diversion shall be deposited
3298 into the fund;

3299 (iii) For the eighth year in which such payments
3300 are made to a developer from the Redevelopment Project Incentive
3301 Fund, seventy percent (70%) of the diversion shall be deposited
3302 into the fund;

3303 (iv) For the ninth year in which such payments are
3304 made to a developer from the Redevelopment Project Incentive Fund,
3305 sixty percent (60%) of the diversion shall be deposited into the
3306 fund; and

3307 (v) For the tenth year in which such payments are
3308 made to a developer from the Redevelopment Project Incentive Fund,
3309 fifty percent (50%) of the funds shall be deposited into the fund.

3310 (20) On or before January 15, 2007, and each succeeding
3311 month thereafter, eighty percent (80%) of the sales tax revenue
3312 collected during the preceding month under the provisions of this
3313 chapter from the operation of a tourism project under the
3314 provisions of Sections 57-28-1 through 57-28-5, shall be

3315 deposited, after the diversions required in subsections (7) and
3316 (8) of this section, into the Tourism Sales Tax Incentive Fund
3317 created in Section 57-28-3.

3318 (21) On or before April 15, 2007, and each succeeding month
3319 thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00) of
3320 the sales tax revenue collected during the preceding month under
3321 the provisions of this chapter shall be deposited into the MMEIA
3322 Tax Incentive Fund created in Section 24 of House Bill No. _____,
3323 2007 Regular Session.

3324 (22) The remainder of the amounts collected under the
3325 provisions of this chapter shall be paid into the State Treasury
3326 to the credit of the General Fund.

3327 (23) It shall be the duty of the municipal officials of any
3328 municipality that expands its limits, or of any community that
3329 incorporates as a municipality, to notify the commissioner of that
3330 action thirty (30) days before the effective date. Failure to so
3331 notify the commissioner shall cause the municipality to forfeit
3332 the revenue that it would have been entitled to receive during
3333 this period of time when the commissioner had no knowledge of the
3334 action. If any funds have been erroneously disbursed to any
3335 municipality or any overpayment of tax is recovered by the
3336 taxpayer, the commissioner may make correction and adjust the
3337 error or overpayment with the municipality by withholding the
3338 necessary funds from any later payment to be made to the
3339 municipality.

3340 **SECTION 27.** Section 27-31-48, Mississippi Code of 1972, is
3341 amended as follows:

3342 27-31-48. (1) Except as otherwise provided in subsection
3343 (2) of this section, the term "vendor tooling" means any special
3344 tools such as dies, molds, jigs and similar items treated as
3345 special tooling for federal income tax purposes, owned by a
3346 business enterprise operating a motor vehicle production and
3347 assembly plant that are held for use in motor vehicle and motor

3348 vehicle parts production and assembly and are located off the site
3349 of the motor vehicle production and assembly plant of such
3350 business enterprise. For purposes of this subsection "business
3351 enterprise operating a motor vehicle production and assembly
3352 plant" means a business enterprise that produces not less than
3353 fifty thousand (50,000) motor vehicles annually.

3354 (2) For a project that has been certified by the Mississippi
3355 Major Economic Impact Authority as a project as defined in Section
3356 57-75-5(f)(xxi), the term "vendor tooling" means any special tools
3357 such as dies, molds, jigs and similar items treated as special
3358 tooling for federal income tax purposes, owned by a business
3359 enterprise operating a motor vehicle production and assembly plant
3360 that are held for use in motor vehicle and motor vehicle parts
3361 production and assembly and are located on or off the site of the
3362 motor vehicle production and assembly plant of such business
3363 enterprise.

3364 (3) Vendor tooling shall be exempt from ad valorem taxation.

3365 **SECTION 28.** Section 27-31-104, Mississippi Code of 1972, is
3366 amended as follows:

3367 27-31-104. County boards of supervisors and municipal
3368 authorities are hereby authorized and empowered to grant a fee in
3369 lieu of taxes, including taxes levied for school purposes, for
3370 projects totaling over One Hundred Million Dollars
3371 (\$100,000,000.00). In addition to those new enterprises
3372 enumerated in Section 27-31-101, Mississippi Code of 1972, the
3373 term "projects," as used in this section, shall include a private
3374 company (as such term is defined in Section 57-61-5, Mississippi
3375 Code of 1972) having a minimum capital investment of One Hundred
3376 Million Dollars (\$100,000,000.00).

3377 The fee-in-lieu shall be negotiated by and given final
3378 approval by the Mississippi Development Authority.

3379 The minimum sum allowable as a fee-in-lieu shall not be less
3380 than one-third (1/3) of the ad valorem levy, including ad valorem

3381 taxes for school district purposes, and except as otherwise
3382 provided, the sum allowed shall be apportioned between the county
3383 or municipality, as appropriate, and the school districts in such
3384 amounts as may be determined by the county board of supervisors or
3385 municipal governing authority, as the case may be, however, from
3386 the sum allowed the apportionment to school districts shall not be
3387 less than the school districts' pro rata share based upon the
3388 proportion that the millage imposed for the school districts by
3389 the appropriate levying authority bears to the millage imposed by
3390 such levying authority for all other county or municipal purposes.
3391 The agreement shall be for a term of not more than ten (10) years.

3392 The fee-in-lieu may be a stated fraction or percentage of the
3393 ad valorem taxes otherwise payable or a stated dollar amount. If
3394 the fee is a fraction or percentage of the ad valorem tax levy, it
3395 shall be annually computed on all ad valorem taxes otherwise
3396 payable, including school taxes, as the same may vary from year to
3397 year based upon changes in the millage rate or assessed value and
3398 shall not be less than one-third (1/3) of that amount. If the fee
3399 is a stated dollar amount, said amount shall be the higher of the
3400 sum provided for fixed payment or one-third (1/3) of the total of
3401 all ad valorem taxes otherwise payable as annually determined
3402 during each year of the fee-in-lieu.

3403 For a project as defined in Section 57-75-5(f)(xxi) and
3404 located in a county that is a member of a regional economic
3405 development alliance created under Section 57-64-1 et seq., the
3406 members of the regional economic development alliance may divide
3407 the sum allowed as a fee-in-lieu in a manner as determined by the
3408 alliance agreement, and the boards of supervisors of the member
3409 counties may then apportion the sum allowed between school
3410 district purposes and all other county purposes.

3411 **SECTION 29.** Section 11-27-85, Mississippi Code of 1972, is
3412 amended as follows:

3413 11-27-85. (1) Upon the filing of the report of the
3414 appraiser, the clerk shall within three (3) days mail notice to
3415 the parties and the court that the report has been filed. The
3416 court shall review the report of the appraiser and shall, after
3417 not less than five (5) days' notice thereof to the defendants,
3418 enter an order granting to the plaintiff title to the property,
3419 less and except all oil, gas and other minerals which may be
3420 produced through a well bore, and the right to immediate entry
3421 unless, for other cause shown or for uncertainty concerning the
3422 immediate public need for such property pursuant to Section
3423 11-27-83, the judge shall determine that such passing of title,
3424 and right of entry should be denied. However, no person lawfully
3425 occupying real property shall be required to move from a dwelling
3426 or to move his business or farm operation without at least ninety
3427 (90) days' written notice prior to the date by which such move is
3428 required.

3429 (2) Upon entry of said order, the plaintiff may deposit not
3430 less than eighty-five percent (85%) of the amount of the
3431 compensation and damages as determined by the appraiser with the
3432 clerk of the court, and upon so doing, the plaintiff shall be
3433 granted title to the property, less and except all oil, gas and
3434 other minerals which may be produced through a well bore, and
3435 shall have the right to immediate entry to said property. The
3436 defendant, or defendants, shall be entitled to receive the amount
3437 so paid to the clerk of the court, which shall be disbursed as
3438 their interest may appear, pursuant to order of the court.

3439 (3) Notwithstanding any provisions of subsections (1) and
3440 (2) of this section to the contrary, title and immediate
3441 possession to real property, including oil, gas and other mineral
3442 interests, may be granted under this section to (a) any county
3443 authorized to exercise the power of eminent domain under Section
3444 19-7-41 for the purpose of acquiring land for construction of a
3445 federal correctional facility or other federal penal

3446 institution, * * * (b) the Mississippi Major Economic Impact
3447 Authority for the purpose of acquiring land, property and
3448 rights-of-way for a project as defined in Section 57-75-5(f)(iv)1
3449 and any facility related to such project, and (c) a regional
3450 economic development alliance for the purpose of acquiring land,
3451 property and rights-of-way for a project as defined in Section
3452 57-75-5(f)(xxi) and any facility related to the project.

3453 **SECTION 30.** This act shall take effect and be in force from
3454 and after its passage.