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To: Finance

SENATE BILL NO. 3215

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 25 YEARS; TO PROVIDE FOR THE AMOUNT OF
77 THE INCENTIVE PAYMENTS; TO PROVIDE THAT THE PAYMENTS SHALL BE
78 BASED ON THE WAGES AND TAXABLE BENEFITS OR THE AMOUNT OF STATE
79 INCOME TAX WITHHELD FOR QUALIFIED JOBS CREATED; TO PROVIDE THAT IN
80 ORDER TO QUALIFY FOR SUCH PAYMENTS, A CERTAIN NUMBER OF JOBS MUST
81 BE CREATED OR MAINTAINED; TO CREATE A SPECIAL FUND IN THE STATE
82 TREASURY INTO WHICH SHALL BE DEPOSITED A CERTAIN PORTION OF THE
83 WITHHOLDING TAXES PAID BY THE QUALIFIED BUSINESS; TO PROVIDE THAT
84 MONIES IN THE SPECIAL FUND SHALL BE USED TO MAKE THE REQUIRED
85 INCENTIVE PAYMENTS; TO PROVIDE THAT CLAIMS FOR INCENTIVE PAYMENTS
86 SHALL BE FILED WITH THE STATE TAX COMMISSION; TO PROVIDE THAT THE
87 STATE TAX COMMISSION SHALL VERIFY THE ELIGIBILITY OF THE BUSINESS
88 FOR THE INCENTIVE PAYMENTS; TO AMEND SECTION 27-7-312, MISSISSIPPI
89 CODE OF 1972, IN CONFORMITY THERETO; TO PROVIDE FOR INCENTIVE
90 PAYMENTS TO ENTITIES THAT INCUR CERTAIN COSTS FOR THE PURPOSE OF
91 LOCATING CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR
92 ECONOMIC IMPACT ACT IN THIS STATE; TO PROVIDE FOR THE AMOUNT OF
93 THE INCENTIVE PAYMENTS; TO PROVIDE THAT THE PAYMENTS SHALL BE
94 BASED ON CERTAIN COSTS INCURRED; TO CREATE A SPECIAL FUND IN THE
95 STATE TREASURY INTO WHICH SHALL BE DEPOSITED A PORTION OF THE
96 STATE SALES TAX REVENUE; TO PROVIDE THAT MONIES IN THE SPECIAL
97 FUND SHALL BE USED TO MAKE THE REQUIRED INCENTIVE PAYMENTS; TO
98 PROVIDE THAT CLAIMS FOR INCENTIVE PAYMENTS SHALL BE FILED WITH THE
99 MISSISSIPPI DEVELOPMENT AUTHORITY; TO AUTHORIZE THE MISSISSIPPI
100 DEVELOPMENT AUTHORITY TO DEVELOP AND ADMINISTER SUCH INCENTIVE
101 PROGRAM; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972, IN
102 CONFORMITY THERETO; TO AMEND SECTION 27-31-48, MISSISSIPPI CODE OF
103 1972, TO REVISE THE DEFINITION OF THE TERM "VENDOR TOOLING" FOR
104 THE PURPOSES OF AN AD VALOREM TAX EXEMPTION AUTHORIZED FOR VENDOR
105 TOOLING; TO AMEND SECTION 27-31-104, MISSISSIPPI CODE OF 1972, TO
106 CLARIFY CERTAIN PROVISIONS REGARDING THE MANNER OF DETERMINING THE
107 AMOUNT OF A FEE-IN-LIEU OF AD VALOREM TAXES FOR CERTAIN PROJECTS;
108 TO REVISE CERTAIN PROVISIONS REGARDING THE ALLOCATION OF ANY
109 FEE-IN-LIEU OF AD VALOREM TAXES ALLOWED FOR CERTAIN PROJECTS
110 DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR
111 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 Senate Bill
449 No. 3215, 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, and/or East Mississippi Community College,
914 public or private nonprofits or an enterprise owning or operating
915 a project as defined in Section 57-75-5(f)(xxi) for site
916 preparation, real estate improvements, utilities, railroads,
917 roads, infrastructure, job training, recruiting and any other
918 expenses approved by the authority in amounts not to exceed the
919 amount authorized in Section 57-75-15(3)(s);

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

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

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

927 (i) To provide grant funds to reimburse public
928 agencies, public or private nonprofits and Tier One suppliers for

929 site preparation, real estate improvements, utilities, railroads,
930 roads, infrastructure, job training, recruiting and any other
931 expenses approved by the authority in amounts not to exceed the
932 amount authorized in Section 57-75-15(3)(t);

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

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

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

957 (oo) (i) In addition to any other requirements or
958 conditions under this chapter, the authority shall require that
959 any application for assistance regarding a project under this
960 chapter include, at a minimum:

- 961 1. A two-year business plan (which shall
962 include pro forma balance sheets, income statements and monthly
963 cash flow statements);
- 964 2. Financial statements or tax returns for
965 the three (3) years immediately prior to the application (if the
966 project is a new company or enterprise, personal financial
967 statements or tax returns will be required);
- 968 3. Credit reports on all persons or entities
969 with a twenty percent (20%) or greater interest in the project;
- 970 4. Data supporting the expertise of the
971 project's principals;
- 972 5. A cost benefit analysis of the project
973 performed by a state institution of higher learning or other
974 entity selected by the authority; and
- 975 6. Any other information required by the
976 authority.

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

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

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

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

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

990 57-75-15. (1) Upon notification to the authority by the
991 enterprise that the state has been finally selected as the site
992 for the project, the State Bond Commission shall have the power
993 and is hereby authorized and directed, upon receipt of a

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

1006 (2) Upon receipt of any such declaration from the authority,
1007 the State Bond Commission shall verify that the state has been
1008 selected as the site of the project and shall act as the issuing
1009 agent for the series of bonds directed to be issued in such
1010 declaration pursuant to authority granted in this section.

1011 (3) (a) Bonds issued under the authority of this section
1012 for projects as defined in Section 57-75-5(f)(i) shall not exceed
1013 an aggregate principal amount in the sum of Sixty-seven Million
1014 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

1015 (b) Bonds issued under the authority of this section
1016 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
1017 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
1018 the express direction of the State Bond Commission, is authorized
1019 to expend any remaining proceeds of bonds issued under the
1020 authority of this act prior to January 1, 1998, for the purpose of
1021 financing projects as then defined in Section 57-75-5(f)(ii) or
1022 for any other projects as defined in Section 57-75-5(f)(ii), as it
1023 may be amended from time to time. If there are any monetary
1024 proceeds derived from the disposition of any improvements located
1025 on real property in Kemper County purchased pursuant to this act
1026 for projects related to the NAAS and if there are any monetary

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

1042 (c) Bonds issued under the authority of this section
1043 for projects as defined in Section 57-75-5(f)(iii) shall not
1044 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
1045 issued under this paragraph after December 31, 1996.

1046 (d) Bonds issued under the authority of this section
1047 for projects defined in Section 57-75-5(f)(iv) shall not exceed
1048 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
1049 additional amount of bonds in an amount not to exceed Twelve
1050 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
1051 issued under the authority of this section for the purpose of
1052 defraying costs associated with the construction of surface water
1053 transmission lines for a project defined in Section 57-75-5(f)(iv)
1054 or for any facility related to the project. No bonds shall be
1055 issued under this paragraph after June 30, 2005.

1056 (e) Bonds issued under the authority of this section
1057 for projects defined in Section 57-75-5(f)(v) and for facilities
1058 related to such projects shall not exceed Thirty-eight Million

1059 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
1060 issued under this paragraph after April 1, 2005.

1061 (f) Bonds issued under the authority of this section
1062 for projects defined in Section 57-75-5(f)(vii) shall not exceed
1063 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1064 under this paragraph after June 30, 2006.

1065 (g) Bonds issued under the authority of this section
1066 for projects defined in Section 57-75-5(f)(viii) shall not exceed
1067 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
1068 bonds shall be issued under this paragraph after June 30, 2008.

1069 (h) Bonds issued under the authority of this section
1070 for projects defined in Section 57-75-5(f)(ix) shall not exceed
1071 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1072 under this paragraph after June 30, 2007.

1073 (i) Bonds issued under the authority of this section
1074 for projects defined in Section 57-75-5(f)(x) shall not exceed
1075 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1076 under this paragraph after April 1, 2005.

1077 (j) Bonds issued under the authority of this section
1078 for projects defined in Section 57-75-5(f)(xii) shall not exceed
1079 Thirty-three Million Dollars (\$33,000,000.00). The amount of
1080 bonds that may be issued under this paragraph for projects defined
1081 in Section 57-75-5(f)(xii) may be reduced by the amount of any
1082 federal or local funds made available for such projects. No bonds
1083 shall be issued under this paragraph until local governments in or
1084 near the county in which the project is located have irrevocably
1085 committed funds to the project in an amount of not less than Two
1086 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
1087 aggregate; however, this irrevocable commitment requirement may be
1088 waived by the authority upon a finding that due to the unforeseen
1089 circumstances created by Hurricane Katrina, the local governments
1090 are unable to comply with such commitment. No bonds shall be
1091 issued under this paragraph after June 30, 2008.

1092 (k) Bonds issued under the authority of this section
1093 for projects defined in Section 57-75-5(f)(xiii) shall not exceed
1094 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
1095 under this paragraph after June 30, 2009.

1096 (l) Bonds issued under the authority of this section
1097 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
1098 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
1099 issued under this paragraph until local governments in the county
1100 in which the project is located have irrevocably committed funds
1101 to the project in an amount of not less than Two Million Dollars
1102 (\$2,000,000.00). No bonds shall be issued under this paragraph
1103 after June 30, 2009.

1104 (m) Bonds issued under the authority of this section
1105 for projects defined in Section 57-75-5(f)(xv) shall not exceed
1106 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
1107 issued under this paragraph after June 30, 2009.

1108 (n) Bonds issued under the authority of this section
1109 for projects defined in Section 57-75-5(f)(xvi) shall not exceed
1110 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
1111 under this paragraph after June 30, 2009.

1112 (o) Bonds issued under the authority of this section
1113 for projects defined in Section 57-75-5(f)(xvii) shall not exceed
1114 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
1115 bonds shall be issued under this paragraph after June 30, 2009.

1116 (p) Bonds issued under the authority of this section
1117 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
1118 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
1119 issued under this paragraph after June 30, 2016.

1120 (q) Bonds issued under the authority of this section
1121 for projects defined in Section 57-75-5(f)(xix) shall not exceed
1122 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
1123 issued under this paragraph after June 30, 2010.

1124 (r) Bonds issued under the authority of this section
1125 for projects defined in Section 57-75-5(f)(xx) shall not exceed
1126 Twenty-three Million Dollars (\$23,000,000.00). No bonds shall be
1127 issued under this paragraph after June 30, 2010.

1128 (s) Bonds issued under the authority of this section
1129 for projects defined in Section 57-75-5(f)(xxi) shall not exceed
1130 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
1131 (\$293,900,000.00). No bonds shall be issued under this paragraph
1132 after July 1, 2020.

1133 (t) Bonds issued under the authority of this section
1134 for Tier One suppliers shall not exceed Thirty Million Dollars
1135 (\$30,000,000.00). No bonds shall be issued under this paragraph
1136 after July 1, 2020.

1137 (4) (a) The proceeds from the sale of the bonds issued
1138 under this section may be applied for the following purposes:

1139 (i) Defraying all or any designated portion of the
1140 costs incurred with respect to acquisition, planning, design,
1141 construction, installation, rehabilitation, improvement,
1142 relocation and with respect to state-owned property, operation and
1143 maintenance of the project and any facility related to the project
1144 located within the project area, including costs of design and
1145 engineering, all costs incurred to provide land, easements and
1146 rights-of-way, relocation costs with respect to the project and
1147 with respect to any facility related to the project located within
1148 the project area, and costs associated with mitigation of
1149 environmental impacts and environmental impact studies;

1150 (ii) Defraying the cost of providing for the
1151 recruitment, screening, selection, training or retraining of
1152 employees, candidates for employment or replacement employees of
1153 the project and any related activity;

1154 (iii) Reimbursing the Mississippi Development
1155 Authority for expenses it incurred in regard to projects defined
1156 in Section 57-75-5(f)(iv) prior to November 6, 2000. The

1157 Mississippi Development Authority shall submit an itemized list of
1158 expenses it incurred in regard to such projects to the Chairmen of
1159 the Finance and Appropriations Committees of the Senate and the
1160 Chairmen of the Ways and Means and Appropriations Committees of
1161 the House of Representatives;

1162 (iv) Providing grants to enterprises operating
1163 projects defined in Section 57-75-5(f)(iv)1;

1164 (v) Paying any warranty made by the authority
1165 regarding site work for a project defined in Section
1166 57-75-5(f)(iv)1;

1167 (vi) Defraying the cost of marketing and promotion
1168 of a project as defined in Section 57-75-5(f)(iv)1 or Section
1169 57-75-5(f)(xxi). The authority shall submit an itemized list of
1170 costs incurred for marketing and promotion of such project to the
1171 Chairmen of the Finance and Appropriations Committees of the
1172 Senate and the Chairmen of the Ways and Means and Appropriations
1173 Committees of the House of Representatives;

1174 (vii) Providing for the payment of interest on the
1175 bonds;

1176 (viii) Providing debt service reserves;

1177 (ix) Paying underwriters' discount, original issue
1178 discount, accountants' fees, engineers' fees, attorneys' fees,
1179 rating agency fees and other fees and expenses in connection with
1180 the issuance of the bonds;

1181 (x) For purposes authorized in paragraphs (b),
1182 (c), (d), (e) and (f) of this subsection (4);

1183 (xi) Providing grants to enterprises operating
1184 projects defined in Section 57-75-5(f)(v), or, in connection with
1185 a facility related to such a project, for any purposes deemed by
1186 the authority in its sole discretion to be necessary and
1187 appropriate;

1188 (xii) Providing grant funds or loans to a public
1189 agency or an enterprise owning, leasing or operating a project
1190 defined in Section 57-75-5(f)(ii);

1191 (xiii) Providing grant funds or loans to an
1192 enterprise owning, leasing or operating a project defined in
1193 Section 57-75-5(f)(xiv);

1194 (xiv) Providing grants, loans and payments to or
1195 for the benefit of an enterprise owning or operating a project
1196 defined in Section 57-75-5(f)(xviii);

1197 (xv) Purchasing equipment for a project defined in
1198 Section 57-75-5(f)(viii) subject to such terms and conditions as
1199 the authority considers necessary and appropriate; * * *

1200 (xvi) Providing grant funds to an enterprise
1201 developing or owning a project defined in Section 57-75-5(f)(xx);
1202 and

1203 (xvii) Providing grants for projects as authorized
1204 in Section 57-75-11(kk) and (ll), or, in connection with a
1205 facility related to such a project, for any purposes deemed by the
1206 authority in its sole discretion to be necessary and appropriate.

1207 Such bonds shall be issued from time to time and in such
1208 principal amounts as shall be designated by the authority, not to
1209 exceed in aggregate principal amounts the amount authorized in
1210 subsection (3) of this section. Proceeds from the sale of the
1211 bonds issued under this section may be invested, subject to
1212 federal limitations, pending their use, in such securities as may
1213 be specified in the resolution authorizing the issuance of the
1214 bonds or the trust indenture securing them, and the earning on
1215 such investment applied as provided in such resolution or trust
1216 indenture.

1217 (b) (i) The proceeds of bonds issued after June 21,
1218 2002, under this section for projects described in Section
1219 57-75-5(f)(iv) may be used to reimburse reasonable actual and
1220 necessary costs incurred by the Mississippi Development Authority

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

1229 (ii) The proceeds of bonds issued after June 21,
1230 2002, under this section for projects described in Section
1231 57-75-5(f)(iv) may be used to reimburse reasonable actual and
1232 necessary costs incurred by the Department of Audit in providing
1233 services related to a project for which funding is provided from
1234 the use of proceeds of such bonds. The Department of Audit shall
1235 maintain an accounting of actual costs incurred for each project
1236 for which reimbursements are sought. The Department of Audit may
1237 escalate its budget and expend such funds in accordance with rules
1238 and regulations of the Department of Finance and Administration in
1239 a manner consistent with the escalation of federal funds.
1240 Reimbursements under this paragraph (b)(ii) shall not exceed One
1241 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
1242 Reimbursements under this paragraph (b)(ii) shall satisfy any
1243 applicable federal tax law requirements.

1244 (c) (i) The proceeds of bonds issued under this
1245 section for projects described in Section 57-75-5(f)(ix) may be
1246 used to reimburse reasonable actual and necessary costs incurred
1247 by the Mississippi Development Authority in providing assistance
1248 related to a project for which funding is provided for the use of
1249 proceeds of such bonds. The Mississippi Development Authority
1250 shall maintain an accounting of actual costs incurred for each
1251 project for which reimbursements are sought. Reimbursements under
1252 this paragraph shall not exceed Twenty-five Thousand Dollars
1253 (\$25,000.00) in the aggregate.

1254 (ii) The proceeds of bonds issued under this
1255 section for projects described in Section 57-75-5(f)(ix) may be
1256 used to reimburse reasonable actual and necessary costs incurred
1257 by the Department of Audit in providing services related to a
1258 project for which funding is provided from the use of proceeds of
1259 such bonds. The Department of Audit shall maintain an accounting
1260 of actual costs incurred for each project for which reimbursements
1261 are sought. The Department of Audit may escalate its budget and
1262 expend such funds in accordance with rules and regulations of the
1263 Department of Finance and Administration in a manner consistent
1264 with the escalation of federal funds. Reimbursements under this
1265 paragraph shall not exceed Twenty-five Thousand Dollars
1266 (\$25,000.00) in the aggregate. Reimbursements under this
1267 paragraph shall satisfy any applicable federal tax law
1268 requirements.

1269 (d) (i) The proceeds of bonds issued under this
1270 section for projects described in Section 57-75-5(f)(x) may be
1271 used to reimburse reasonable actual and necessary costs incurred
1272 by the Mississippi Development Authority in providing assistance
1273 related to a project for which funding is provided for the use of
1274 proceeds of such bonds. The Mississippi Development Authority
1275 shall maintain an accounting of actual costs incurred for each
1276 project for which reimbursements are sought. Reimbursements under
1277 this paragraph shall not exceed Twenty-five Thousand Dollars
1278 (\$25,000.00) in the aggregate.

1279 (ii) The proceeds of bonds issued under this
1280 section for projects described in Section 57-75-5(f)(x) may be
1281 used to reimburse reasonable actual and necessary costs incurred
1282 by the Department of Audit in providing services related to a
1283 project for which funding is provided from the use of proceeds of
1284 such bonds. The Department of Audit shall maintain an accounting
1285 of actual costs incurred for each project for which reimbursements
1286 are sought. The Department of Audit may escalate its budget and

1287 expend such funds in accordance with rules and regulations of the
1288 Department of Finance and Administration in a manner consistent
1289 with the escalation of federal funds. Reimbursements under this
1290 paragraph shall not exceed Twenty-five Thousand Dollars
1291 (\$25,000.00) in the aggregate. Reimbursements under this
1292 paragraph shall satisfy any applicable federal tax law
1293 requirements.

1294 (e) (i) The proceeds of bonds issued under this
1295 section for projects described in Section 57-75-5(f)(xii) may be
1296 used to reimburse reasonable actual and necessary costs incurred
1297 by the Mississippi Development Authority in providing assistance
1298 related to a project for which funding is provided from the use of
1299 proceeds of such bonds. The Mississippi Development Authority
1300 shall maintain an accounting of actual costs incurred for each
1301 project for which reimbursements are sought. Reimbursements under
1302 this paragraph (e)(i) shall not exceed Twenty-five Thousand
1303 Dollars (\$25,000.00) in the aggregate.

1304 (ii) The proceeds of bonds issued under this
1305 section for projects described in Section 57-75-5(f)(xii) may be
1306 used to reimburse reasonable actual and necessary costs incurred
1307 by the Department of Audit in providing services related to a
1308 project for which funding is provided from the use of proceeds of
1309 such bonds. The Department of Audit shall maintain an accounting
1310 of actual costs incurred for each project for which reimbursements
1311 are sought. The Department of Audit may escalate its budget and
1312 expend such funds in accordance with rules and regulations of the
1313 Department of Finance and Administration in a manner consistent
1314 with the escalation of federal funds. Reimbursements under this
1315 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
1316 (\$25,000.00) in the aggregate. Reimbursements under this
1317 paragraph (e)(ii) shall satisfy any applicable federal tax law
1318 requirements.

1319 (f) (i) The proceeds of bonds issued under this
1320 section for projects described in Section 57-75-5(f)(xiii),
1321 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii), (f)(xviii) and (f)(xx) may
1322 be used to reimburse reasonable actual and necessary costs
1323 incurred by the Mississippi Development Authority in providing
1324 assistance related to a project for which funding is provided from
1325 the use of proceeds of such bonds. The Mississippi Development
1326 Authority shall maintain an accounting of actual costs incurred
1327 for each project for which reimbursements are sought.

1328 Reimbursements under this paragraph (f)(i) shall not exceed
1329 Twenty-five Thousand Dollars (\$25,000.00) for each project.

1330 (ii) The proceeds of bonds issued under this
1331 section for projects described in Section 57-75-5(f)(xiii),
1332 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii), (f)(xviii) and (f)(xx) may
1333 be used to reimburse reasonable actual and necessary costs
1334 incurred by the Department of Audit in providing services related
1335 to a project for which funding is provided from the use of
1336 proceeds of such bonds. The Department of Audit shall maintain an
1337 accounting of actual costs incurred for each project for which
1338 reimbursements are sought. The Department of Audit may escalate
1339 its budget and expend such funds in accordance with rules and
1340 regulations of the Department of Finance and Administration in a
1341 manner consistent with the escalation of federal funds.

1342 Reimbursements under this paragraph (f)(ii) shall not exceed
1343 Twenty-five Thousand Dollars (\$25,000.00) for each project.

1344 Reimbursements under this paragraph (f)(ii) shall satisfy any
1345 applicable federal tax law requirements.

1346 (g) (i) The proceeds of bonds issued under this
1347 section for projects described in Section 57-75-5(f)(xxi) or
1348 projects for a Tier One supplier may be used to reimburse
1349 reasonable actual and necessary costs incurred by the Mississippi
1350 Development Authority in providing assistance related to a project
1351 for which funding is provided from the use of proceeds of such

1352 bonds. The Mississippi Development Authority shall maintain an
1353 accounting of actual costs incurred for each project for which
1354 reimbursements are sought. Reimbursements under this paragraph
1355 (g)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
1356 in the aggregate.

1357 (ii) The proceeds of bonds issued under this
1358 section for projects described in Section 57-75-5(f)(xxi) or
1359 projects for a Tier One supplier may be used to reimburse
1360 reasonable actual and necessary costs incurred by the Department
1361 of Audit in providing services related to a project for which
1362 funding is provided from the use of proceeds of such bonds. The
1363 Department of Audit shall maintain an accounting of actual costs
1364 incurred for each project for which reimbursements are sought.
1365 The Department of Audit may escalate its budget and expend such
1366 funds in accordance with rules and regulations of the Department
1367 of Finance and Administration in a manner consistent with the
1368 escalation of federal funds. Reimbursements under this paragraph
1369 (g)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
1370 in the aggregate. Reimbursements under this paragraph (g)(ii)
1371 shall satisfy any applicable federal tax law requirements.

1372 (5) The principal of and the interest on the bonds shall be
1373 payable in the manner hereinafter set forth. The bonds shall bear
1374 date or dates; be in such denomination or denominations; bear
1375 interest at such rate or rates; be payable at such place or places
1376 within or without the state; mature absolutely at such time or
1377 times; be redeemable before maturity at such time or times and
1378 upon such terms, with or without premium; bear such registration
1379 privileges; and be substantially in such form; all as shall be
1380 determined by resolution of the State Bond Commission except that
1381 such bonds shall mature or otherwise be retired in annual
1382 installments beginning not more than five (5) years from the date
1383 thereof and extending not more than twenty-five (25) years from
1384 the date thereof. The bonds shall be signed by the Chairman of

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

1398 (6) All bonds issued under the provisions of this section
1399 shall be and are hereby declared to have all the qualities and
1400 incidents of negotiable instruments under the provisions of the
1401 Uniform Commercial Code and in exercising the powers granted by
1402 this chapter, the State Bond Commission shall not be required to
1403 and need not comply with the provisions of the Uniform Commercial
1404 Code.

1405 (7) The State Bond Commission shall sell the bonds on sealed
1406 bids at public sale, and for such price as it may determine to be
1407 for the best interest of the State of Mississippi, but no such
1408 sale shall be made at a price less than par plus accrued interest
1409 to date of delivery of the bonds to the purchaser. The bonds
1410 shall bear interest at such rate or rates not exceeding the limits
1411 set forth in Section 75-17-101 as shall be fixed by the State Bond
1412 Commission. All interest accruing on such bonds so issued shall
1413 be payable semiannually or annually; provided that the first
1414 interest payment may be for any period of not more than one (1)
1415 year.

1416 Notice of the sale of any bonds shall be published at least
1417 one time, the first of which shall be made not less than ten (10)

1418 days prior to the date of sale, and shall be so published in one
1419 or more newspapers having a general circulation in the City of
1420 Jackson and in one or more other newspapers or financial journals
1421 with a large national circulation, to be selected by the State
1422 Bond Commission.

1423 The State Bond Commission, when issuing any bonds under the
1424 authority of this section, may provide that the bonds, at the
1425 option of the state, may be called in for payment and redemption
1426 at the call price named therein and accrued interest on such date
1427 or dates named therein.

1428 (8) State bonds issued under the provisions of this section
1429 shall be the general obligations of the state and backed by the
1430 full faith and credit of the state. The Legislature shall
1431 appropriate annually an amount sufficient to pay the principal of
1432 and the interest on such bonds as they become due. All bonds
1433 shall contain recitals on their faces substantially covering the
1434 foregoing provisions of this section.

1435 (9) The State Treasurer is authorized to certify to the
1436 Department of Finance and Administration the necessity for
1437 warrants, and the Department of Finance and Administration is
1438 authorized and directed to issue such warrants payable out of any
1439 funds appropriated by the Legislature under this section for such
1440 purpose, in such amounts as may be necessary to pay when due the
1441 principal of and interest on all bonds issued under the provisions
1442 of this section. The State Treasurer shall forward the necessary
1443 amount to the designated place or places of payment of such bonds
1444 in ample time to discharge such bonds, or the interest thereon, on
1445 the due dates thereof.

1446 (10) The bonds may be issued without any other proceedings
1447 or the happening of any other conditions or things other than
1448 those proceedings, conditions and things which are specified or
1449 required by this chapter. Any resolution providing for the
1450 issuance of general obligation bonds under the provisions of this

1451 section shall become effective immediately upon its adoption by
1452 the State Bond Commission, and any such resolution may be adopted
1453 at any regular or special meeting of the State Bond Commission by
1454 a majority of its members.

1455 (11) In anticipation of the issuance of bonds hereunder, the
1456 State Bond Commission is authorized to negotiate and enter into
1457 any purchase, loan, credit or other agreement with any bank, trust
1458 company or other lending institution or to issue and sell interim
1459 notes for the purpose of making any payments authorized under this
1460 section. All borrowings made under this provision shall be
1461 evidenced by notes of the state which shall be issued from time to
1462 time, for such amounts not exceeding the amount of bonds
1463 authorized herein, in such form and in such denomination and
1464 subject to such terms and conditions of sale and issuance,
1465 prepayment or redemption and maturity, rate or rates of interest
1466 not to exceed the maximum rate authorized herein for bonds, and
1467 time of payment of interest as the State Bond Commission shall
1468 agree to in such agreement. Such notes shall constitute general
1469 obligations of the state and shall be backed by the full faith and
1470 credit of the state. Such notes may also be issued for the
1471 purpose of refunding previously issued notes. No note shall
1472 mature more than three (3) years following the date of its
1473 issuance. The State Bond Commission is authorized to provide for
1474 the compensation of any purchaser of the notes by payment of a
1475 fixed fee or commission and for all other costs and expenses of
1476 issuance and service, including paying agent costs. Such costs
1477 and expenses may be paid from the proceeds of the notes.

1478 (12) The bonds and interim notes authorized under the
1479 authority of this section may be validated in the First Judicial
1480 District of the Chancery Court of Hinds County, Mississippi, in
1481 the manner and with the force and effect provided now or hereafter
1482 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1483 validation of county, municipal, school district and other bonds.

1484 The necessary papers for such validation proceedings shall be
1485 transmitted to the State Bond Attorney, and the required notice
1486 shall be published in a newspaper published in the City of
1487 Jackson, Mississippi.

1488 (13) Any bonds or interim notes issued under the provisions
1489 of this chapter, a transaction relating to the sale or securing of
1490 such bonds or interim notes, their transfer and the income
1491 therefrom shall at all times be free from taxation by the state or
1492 any local unit or political subdivision or other instrumentality
1493 of the state, excepting inheritance and gift taxes.

1494 (14) All bonds issued under this chapter shall be legal
1495 investments for trustees, other fiduciaries, savings banks, trust
1496 companies and insurance companies organized under the laws of the
1497 State of Mississippi; and such bonds shall be legal securities
1498 which may be deposited with and shall be received by all public
1499 officers and bodies of the state and all municipalities and other
1500 political subdivisions thereof for the purpose of securing the
1501 deposit of public funds.

1502 (15) The Attorney General of the State of Mississippi shall
1503 represent the State Bond Commission in issuing, selling and
1504 validating bonds herein provided for, and the Bond Commission is
1505 hereby authorized and empowered to expend from the proceeds
1506 derived from the sale of the bonds authorized hereunder all
1507 necessary administrative, legal and other expenses incidental and
1508 related to the issuance of bonds authorized under this chapter.

1509 (16) There is hereby created a special fund in the State
1510 Treasury to be known as the Mississippi Major Economic Impact
1511 Authority Fund wherein shall be deposited the proceeds of the
1512 bonds issued under this chapter and all monies received by the
1513 authority to carry out the purposes of this chapter. Expenditures
1514 authorized herein shall be paid by the State Treasurer upon
1515 warrants drawn from the fund, and the Department of Finance and

1516 Administration shall issue warrants upon requisitions signed by
1517 the director of the authority.

1518 (17) (a) There is hereby created the Mississippi Economic
1519 Impact Authority Sinking Fund from which the principal of and
1520 interest on such bonds shall be paid by appropriation. All monies
1521 paid into the sinking fund not appropriated to pay accruing bonds
1522 and interest shall be invested by the State Treasurer in such
1523 securities as are provided by law for the investment of the
1524 sinking funds of the state.

1525 (b) In the event that all or any part of the bonds and
1526 notes are purchased, they shall be cancelled and returned to the
1527 loan and transfer agent as cancelled and paid bonds and notes and
1528 thereafter all payments of interest thereon shall cease and the
1529 cancelled bonds, notes and coupons, together with any other
1530 cancelled bonds, notes and coupons, shall be destroyed as promptly
1531 as possible after cancellation but not later than two (2) years
1532 after cancellation. A certificate evidencing the destruction of
1533 the cancelled bonds, notes and coupons shall be provided by the
1534 loan and transfer agent to the seller.

1535 (c) The State Treasurer shall determine and report to
1536 the Department of Finance and Administration and Legislative
1537 Budget Office by September 1 of each year the amount of money
1538 necessary for the payment of the principal of and interest on
1539 outstanding obligations for the following fiscal year and the
1540 times and amounts of the payments. It shall be the duty of the
1541 Governor to include in every executive budget submitted to the
1542 Legislature full information relating to the issuance of bonds and
1543 notes under the provisions of this chapter and the status of the
1544 sinking fund for the payment of the principal of and interest on
1545 the bonds and notes.

1546 (d) Any monies repaid to the state from loans
1547 authorized in Section 57-75-11(hh) shall be deposited into the
1548 Mississippi Major Economic Impact Authority Sinking Fund unless

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

1561 (e) Any monies repaid to the state from loans
1562 authorized in Section 57-75-11(ii) shall be deposited into the
1563 Mississippi Major Economic Impact Authority Sinking Fund.

1564 (f) Any monies repaid to the state from loans
1565 authorized in Section 57-75-11(jj) shall be deposited into the
1566 Mississippi Major Economic Impact Authority Sinking Fund.

1567 (18) (a) Upon receipt of a declaration by the authority
1568 that it has determined that the state is a potential site for a
1569 project, the State Bond Commission is authorized and directed to
1570 authorize the State Treasurer to borrow money from any special
1571 fund in the State Treasury not otherwise appropriated to be
1572 utilized by the authority for the purposes provided for in this
1573 subsection.

1574 (b) The proceeds of the money borrowed under this
1575 subsection may be utilized by the authority for the purpose of
1576 defraying all or a portion of the costs incurred by the authority
1577 with respect to acquisition options and planning, design and
1578 environmental impact studies with respect to a project defined in
1579 Section 57-75-5(f)(xi). The authority may escalate its budget and
1580 expend the proceeds of the money borrowed under this subsection in
1581 accordance with rules and regulations of the Department of Finance

1582 and Administration in a manner consistent with the escalation of
1583 federal funds.

1584 (c) The authority shall request an appropriation or
1585 additional authority to issue general obligation bonds to repay
1586 the borrowed funds and establish a date for the repayment of the
1587 funds so borrowed.

1588 (d) Borrowings made under the provisions of this
1589 subsection shall not exceed Five Hundred Thousand Dollars
1590 (\$500,000.00) at any one time.

1591 **SECTION 5.** Section 57-75-33, Mississippi Code of 1972, is
1592 amended as follows:

1593 57-75-33. The board of supervisors of a county or the
1594 governing authorities of a municipality may each enter into an
1595 agreement with an enterprise operating a project as defined in
1596 Section 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) providing that
1597 the county or municipality will not levy any taxes, fees or
1598 assessments upon the enterprise other than taxes, fees or
1599 assessments that are generally levied upon all taxpayers and the
1600 board of supervisors or the governing authorities also may each
1601 enter into a fee-in-lieu agreement as provided in Section
1602 27-31-104. Such agreements may be for a period not to exceed
1603 thirty (30) years.

1604 **SECTION 6.** Section 21-1-59, Mississippi Code of 1972, is
1605 amended as follows:

1606 21-1-59. (1) No municipality shall be created or shall
1607 change its boundaries so as to include within the limits of such
1608 municipality any of the buildings or grounds of any state
1609 institution, unless consent thereto shall be obtained in writing
1610 from the board of trustees of such institution or such other
1611 governing board or body as may be created for the control of such
1612 institution. Inclusion of the buildings or grounds of any state
1613 institution within the area of a municipal incorporation or
1614 expansion without the consent hereinabove required shall be

1615 voidable at the option of the affected institution within six (6)
1616 months after the institution becomes aware of the inclusion. Upon
1617 consent to inclusion within the area of a municipal incorporation
1618 or expansion, a state institution may require, subject to
1619 agreement of the municipality involved, conditions relating to
1620 land use development, zoning requirements, building codes and
1621 delivery of governmental services which shall be applicable to the
1622 buildings or grounds of the institution included in the
1623 municipality.

1624 Provided further, that any future changes in the boundaries
1625 of a presently existing municipality which extends into or further
1626 extends into a county other than the county in which the
1627 municipality's principal office is located shall not affect the
1628 public school district located in the annexed area, unless and
1629 until consent thereto shall have first been obtained in writing
1630 from the board of trustees of the school district proposed to be
1631 partially or wholly included in the change of municipal
1632 boundaries.

1633 Provided further, that any change in the boundaries of a
1634 presently existing municipality of any Class 1 county having two
1635 (2) judicial districts, being traversed by U.S. Highway 11 which
1636 intersects U.S. Highway 84, shall not affect the public school
1637 district located in the annexed area and shall not change the
1638 governmental unit to which the school taxes are paid, unless
1639 approved by referendum as hereinafter provided.

1640 In the event that twenty percent (20%) of the registered
1641 voters residing within the area to be annexed by a municipality
1642 petition the governing body of such municipality for a referendum
1643 on the question of inclusion in the municipal school district
1644 within sixty (60) days of public notice of the adoption of such
1645 ordinance, such notice given in the same manner and for the same
1646 length of time as is provided in Section 21-1-15 with regard to
1647 the creation of municipal corporations, the governing body of the

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

1657 The inclusion of buildings or grounds of any state
1658 institution within the area of a municipal incorporation or
1659 expansion in any proceedings creating a municipality or enlarging
1660 the boundaries of a municipality prior to the effective date of
1661 Senate Bill 2307, 1987 Regular Session (Chapter 359, eff March 18,
1662 1987), is hereby ratified, confirmed and validated, regardless of
1663 whether such inclusion was in conformity with the requirements of
1664 this section at the time of such proceedings, and such inclusion
1665 shall not be void or voidable by any affected state institution on
1666 or after the effective date of Senate Bill 2307, 1987 Regular
1667 Session (Chapter 359, eff March 18, 1987). This paragraph shall
1668 not be applicable to and shall not be construed to validate the
1669 inclusion of buildings or grounds of any state institution within
1670 the area of a municipal incorporation or expansion where such
1671 inclusion or the proceedings involving such inclusion were
1672 declared invalid or void in a final adjudication of a court of
1673 competent jurisdiction prior to the effective date of Senate Bill
1674 2307, 1987 Regular Session (Chapter 359, eff March 18, 1987), and
1675 the decision of such court was not appealed within the applicable
1676 time period for appeals from such court or was not overturned by
1677 any court to which an appeal may have been made.

1678 (2) The governing authorities of a municipality may enter
1679 into an agreement with an enterprise operating a project as
1680 defined in Section 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi)

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

1688 **SECTION 7.** Section 27-19-309, Mississippi Code of 1972, is
1689 amended as follows:

1690 27-19-309. (1) An application for a motor vehicle dealer
1691 tag permit, new or used, must be accompanied by a fee of One
1692 Hundred Dollars (\$100.00). The State Tax Commission shall furnish
1693 distinguishing number tags at a fee of Thirty-five Dollars
1694 (\$35.00) each and a tag fee of Three Dollars and Seventy-five
1695 Cents (\$3.75). A dealer shall be limited to twelve (12) tags at
1696 Thirty-five Dollars (\$35.00) each and any additional tags shall be
1697 Seventy-five Dollars (\$75.00) each, plus a tag fee of Three
1698 Dollars and Seventy-five Cents (\$3.75) for each tag. Provided,
1699 that the application required herein shall have a space on same
1700 for the inclusion of the sales tax number of the applicant.

1701 (2) If a motor vehicle dealer is engaged only in buying,
1702 selling or exchanging motorcycles, the application for a motor
1703 vehicle dealer tag permit must be accompanied by a fee of Fifty
1704 Dollars (\$50.00). The State Tax Commission shall furnish
1705 motorcycle dealer tags at a fee of Six Dollars (\$6.00) each, and
1706 Three Dollars and Seventy-five Cents (\$3.75) for each tag fee.
1707 Such dealer shall be issued only motorcycle dealer distinguishing
1708 number tags, and the tags shall be displayed only upon a
1709 motorcycle.

1710 (3) A motor vehicle dealer engaged only in buying, selling,
1711 or exchanging of trailers, semitrailers or house trailers shall
1712 pay a fee of Seventy-five Dollars (\$75.00) for his permit. The
1713 State Tax Commission shall furnish distinguishing number tags for

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

1719 (4) A manufacturer or manufacturer's branch, who is engaged
1720 only in delivering to and from the factory and located within the
1721 State of Mississippi, shall pay a fee of Fifty Dollars (\$50.00)
1722 for his permit and may purchase a distinguishing number tag upon
1723 making application to the State Tax Commission for a fee of Ten
1724 Dollars (\$10.00), plus Three Dollars and Seventy-five Cents
1725 (\$3.75) for a tag fee. Such manufacturer shall be issued only
1726 manufacturer tags, and the tags shall be displayed only upon those
1727 manufactured vehicles.

1728 (5) A heavy truck dealer shall pay a fee of One Hundred
1729 Dollars (\$100.00) for his permit and may purchase, for use in
1730 accordance with Section 27-19-319, distinguishing number tags for
1731 a fee of One Hundred Twenty-five Dollars (\$125.00) each, plus a
1732 tag fee of Three Dollars and Seventy-five Cents (\$3.75) each.
1733 Such dealer shall be issued only heavy truck tags and the tags
1734 shall be displayed only upon a heavy truck.

1735 (6) A manufacturer whose distribution or import companies
1736 operate a regional vehicle parts warehouse, distribution or
1737 preparation facilities located in a county wherein U.S. Highway 51
1738 and State Highway 4 intersect within the State of Mississippi,
1739 shall pay an annual fee of One Hundred Dollars (\$100.00) for a
1740 permit and may purchase a distinguishing number tag upon making
1741 application to the State Tax Commission for a fee of Fifty Dollars
1742 (\$50.00), plus Three Dollars and Seventy-five Cents (\$3.75) for a
1743 tag fee. Such manufacturer shall be issued tags to be utilized by
1744 vehicles owned by the manufacturer and which are used by the
1745 manufacturer for testing, distribution, evaluation, incentives and

1746 promotion. The number of tags issued to a manufacturer by the
1747 State Tax Commission shall not exceed fifty (50).

1748 (7) Beginning July 1, 1987, and until the date specified in
1749 Section 65-39-35, there shall be levied a tag fee of Five Dollars
1750 (\$5.00) in addition to the tag fee of Three Dollars and
1751 Seventy-five Cents (\$3.75) levied in this section. Such
1752 additional fee shall be levied in the same manner as the tag fee
1753 of Three Dollars and Seventy-five Cents (\$3.75).

1754 (8) A motor vehicle manufacturer operating a project as
1755 defined in Section 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi)
1756 shall pay an annual fee of One Hundred Dollars (\$100.00) for a
1757 permit and may purchase a distinguishing number tag upon making
1758 application to the State Tax Commission for a fee of Fifty Dollars
1759 (\$50.00), plus Three Dollars and Seventy-five Cents (\$3.75) for a
1760 tag fee. Such manufacturer shall be issued tags to be utilized by
1761 vehicles owned by the manufacturer and which are used by the
1762 manufacturer primarily for maintenance at the project site and for
1763 testing, demonstration, evaluation, incentives and promotion. The
1764 number of tags issued to such manufacturer by the State Tax
1765 Commission shall not exceed three hundred (300).

1766 (9) The number of distinguishing number tags issued to each
1767 dealer shall be determined by the State Tax Commission. In
1768 addition, only those dealer distinguishing number tags authorized
1769 and purchased by the State Tax Commission will be considered as a
1770 valid dealer distinguishing number tag and any tag manufactured by
1771 any other means and held out to the public as being a dealer
1772 distinguishing number tag shall be a violation of this section and
1773 a penalty of Five Hundred Dollars (\$500.00) shall be assessed by
1774 the State Tax Commission, which shall be in addition to any
1775 penalty authorized by law. Display of the tag in question on a
1776 vehicle shall be considered prima facia evidence of the violation.

1777 **SECTION 8.** Section 27-31-1, Mississippi Code of 1972, is
1778 amended as follows:

1779 27-31-1. The following shall be exempt from taxation:

1780 (a) All cemeteries used exclusively for burial
1781 purposes.

1782 (b) All property, real or personal, belonging to the
1783 State of Mississippi or any of its political subdivisions, except
1784 property of a municipality not being used for a proper municipal
1785 purpose and located outside the county or counties in which such
1786 municipality is located. A proper municipal purpose within the
1787 meaning of this section shall be any authorized governmental or
1788 corporate function of a municipality.

1789 (c) All property, real or personal, owned by units of
1790 the Mississippi National Guard, or title to which is vested in
1791 trustees for the benefit of any unit of the Mississippi National
1792 Guard; provided such property is used exclusively for such unit,
1793 or for public purposes, and not for profit.

1794 (d) All property, real or personal, belonging to any
1795 religious society, or ecclesiastical body, or any congregation
1796 thereof, or to any charitable society, or to any historical or
1797 patriotic association or society, or to any garden or pilgrimage
1798 club or association and used exclusively for such society or
1799 association and not for profit; not exceeding, however, the amount
1800 of land which such association or society may own as provided in
1801 Section 79-11-33. All property, real or personal, belonging to
1802 any rural waterworks system or rural sewage disposal system
1803 incorporated under the provisions of Section 79-11-1. All
1804 property, real or personal, belonging to any college or
1805 institution for the education of youths, used directly and
1806 exclusively for such purposes, provided that no such college or
1807 institution for the education of youths shall have exempt from
1808 taxation more than six hundred forty (640) acres of land;
1809 provided, however, this exemption shall not apply to commercial
1810 schools and colleges or trade institutions or schools where the
1811 profits of same inure to individuals, associations or

1812 corporations. All property, real or personal, belonging to an
1813 individual, institution or corporation and used for the operation
1814 of a grammar school, junior high school, high school or military
1815 school. All property, real or personal, owned and occupied by a
1816 fraternal and benevolent organization, when used by such
1817 organization, and from which no rentals or other profits accrue to
1818 the organization, but any part rented or from which revenue is
1819 received shall be taxed.

1820 (e) All property, real or personal, held and occupied
1821 by trustees of public schools, and school lands of the respective
1822 townships for the use of public schools, and all property kept in
1823 storage for the convenience and benefit of the State of
1824 Mississippi in warehouses owned or leased by the State of
1825 Mississippi, wherein said property is to be sold by the Alcoholic
1826 Beverage Control Division of the State Tax Commission of the State
1827 of Mississippi.

1828 (f) All property, real or personal, whether belonging
1829 to religious or charitable or benevolent organizations, which is
1830 used for hospital purposes, and nurses' homes where a part
1831 thereof, and which maintain one or more charity wards that are for
1832 charity patients, and where all the income from said hospitals and
1833 nurses' homes is used entirely for the purposes thereof and no
1834 part of the same for profit.

1835 (g) The wearing apparel of every person; and also
1836 jewelry and watches kept by the owner for personal use to the
1837 extent of One Hundred Dollars (\$100.00) in value for each owner.

1838 (h) Provisions on hand for family consumption.

1839 (i) All farm products grown in this state for a period
1840 of two (2) years after they are harvested, when in the possession
1841 of or the title to which is in the producer, except the tax of
1842 one-fifth of one percent (1/5 of 1%) per pound on lint cotton now
1843 levied by the Board of Commissioners of the Mississippi Levee
1844 District; and lint cotton for five (5) years, and cottonseed,

1845 soybeans, oats, rice and wheat for one (1) year regardless of
1846 ownership.

1847 (j) All guns and pistols kept by the owner for private
1848 use.

1849 (k) All poultry in the hands of the producer.

1850 (l) Household furniture, including all articles kept in
1851 the home by the owner for his own personal or family use; but this
1852 shall not apply to hotels, rooming houses or rented or leased
1853 apartments.

1854 (m) All cattle and oxen.

1855 (n) All sheep, goats and hogs.

1856 (o) All horses, mules and asses.

1857 (p) Farming tools, implements and machinery, when used
1858 exclusively in the cultivation or harvesting of crops or timber.

1859 (q) All property of agricultural and mechanical
1860 associations and fairs used for promoting their objects, and where
1861 no part of the proceeds is used for profit.

1862 (r) The libraries of all persons.

1863 (s) All pictures and works of art, not kept for or
1864 offered for sale as merchandise.

1865 (t) The tools of any mechanic necessary for carrying on
1866 his trade.

1867 (u) All state, county, municipal, levee, drainage and
1868 all school bonds or other governmental obligations, and all bonds
1869 and/or evidences of debts issued by any church or church
1870 organization in this state, and all notes and evidences of
1871 indebtedness which bear a rate of interest not greater than the
1872 maximum rate per annum applicable under the law; and all money
1873 loaned at a rate of interest not exceeding the maximum rate per
1874 annum applicable under the law; and all stock in or bonds of
1875 foreign corporations or associations shall be exempt from all ad
1876 valorem taxes.

1877 (v) All lands and other property situated or located
1878 between the Mississippi River and the levee shall be exempt from
1879 the payment of any and all road taxes levied or assessed under any
1880 road laws of this state.

1881 (w) Any and all money on deposit in either national
1882 banks, state banks or trust companies, on open account, savings
1883 account or time deposit.

1884 (x) All wagons, carts, drays, carriages and other horse
1885 drawn vehicles, kept for the use of the owner.

1886 (y) (1) Boats, seines and fishing equipment used in
1887 fishing and shrimping operations and in the taking or catching of
1888 oysters.

1889 (2) All towboats, tugboats and barges documented
1890 under the laws of the United States, except watercraft of every
1891 kind and character used in connection with gaming operations.

1892 (z) All materials used in the construction and/or
1893 conversion of vessels in this state; vessels while under
1894 construction and/or conversion; vessels while in the possession of
1895 the manufacturer, builder or converter, for a period of twelve
1896 (12) months after completion of construction and/or conversion,
1897 and as used herein the term "vessel" shall include ships, offshore
1898 drilling equipment, dry docks, boats and barges, except watercraft
1899 of every kind and character used in connection with gaming
1900 operations.

1901 (aa) Sixty-six and two-thirds percent (66-2/3%) of
1902 nuclear fuel and reprocessed, recycled or residual nuclear fuel
1903 by-products, fissionable or otherwise, used or to be used in
1904 generation of electricity by persons defined as public utilities
1905 in Section 77-3-3.

1906 (bb) All growing nursery stock.

1907 (cc) A semitrailer used in interstate commerce.

1908 (dd) All property, real or personal, used exclusively
1909 for the housing of and provision of services to elderly persons,

1910 disabled persons, mentally impaired persons or as a nursing home,
1911 which is owned, operated and managed by a not-for-profit
1912 corporation, qualified under Section 501(c)(3) of the Internal
1913 Revenue Code, whose membership or governing body is appointed or
1914 confirmed by a religious society or ecclesiastical body or any
1915 congregation thereof.

1916 (ee) All vessels while in the hands of bona fide
1917 dealers as merchandise and which are not being operated upon the
1918 waters of this state shall be exempt from ad valorem taxes. As
1919 used in this paragraph, the terms "vessel" and "waters of this
1920 state" shall have the meaning ascribed to such terms in Section
1921 59-21-3.

1922 (ff) All property, real or personal, owned by a
1923 nonprofit organization that: (i) is qualified as tax exempt under
1924 Section 501(c)(4) of the Internal Revenue Code of 1986, as
1925 amended; (ii) assists in the implementation of the national
1926 contingency plan or area contingency plan, and which is created in
1927 response to the requirements of Title IV, Subtitle B of the Oil
1928 Pollution Act of 1990, Public Law 101-380; (iii) engages primarily
1929 in programs to contain, clean up and otherwise mitigate spills of
1930 oil or other substances occurring in the United States coastal or
1931 tidal waters; and (iv) is used for the purposes of the
1932 organization.

1933 (gg) If a municipality changes its boundaries so as to
1934 include within the boundaries of such municipality the project
1935 site of any project as defined in Section 57-75-5(f)(iv)1 or
1936 Section 57-75-5(f)(xxi), all real and personal property located on
1937 the project site within the boundaries of such municipality that
1938 is owned by a business enterprise operating such project, shall be
1939 exempt from ad valorem taxation for a period of time not to exceed
1940 thirty (30) years upon receiving approval for such exemption by
1941 the Mississippi Major Economic Impact Authority. The provisions

1942 of this subsection shall not be construed to authorize a breach of
1943 any agreement entered into pursuant to Section 21-1-59.

1944 (hh) All leases, lease contracts or lease agreements
1945 (including, but not limited to, subleases, sublease contracts and
1946 sublease agreements), and leaseholds or leasehold interests
1947 (including, but not limited to, subleaseholds and subleasehold
1948 interests), of or with respect to any and all property (real,
1949 personal or mixed) constituting all or any part of a facility for
1950 the manufacture, production, generation, transmission and/or
1951 distribution of electricity, and any real property related
1952 thereto, shall be exempt from ad valorem taxation during the
1953 period as the United States is both the title owner of the
1954 property and a sublessee of or with respect to the property;
1955 however, the exemption authorized by this paragraph (hh) shall not
1956 apply to any entity to whom the United States sub-subleases its
1957 interest in the property nor to any entity to whom the United
1958 States assigns its sublease interest in the property. As used in
1959 this paragraph, the term "United States" includes an agency or
1960 instrumentality of the United States of America. This paragraph
1961 (hh) shall apply to all assessments for ad valorem taxation for
1962 the 2003 calendar year and each calendar year thereafter.

1963 (ii) All property, real, personal or mixed, including
1964 fixtures and leaseholds, used by Mississippi nonprofit entities
1965 qualified, on or before January 1, 2005, under Section 501(c)(3)
1966 of the Internal Revenue Code to provide support and operate
1967 technology incubators for research and development start-up
1968 companies, telecommunication start-up companies and/or other
1969 technology start-up companies, utilizing technology spun-off from
1970 research and development activities of the public colleges and
1971 universities of this state, State of Mississippi governmental
1972 research or development activities resulting therefrom located
1973 within the State of Mississippi.

1974 (jj) All property, real, personal or mixed, including
1975 fixtures and leaseholds, of start-up companies (as described in
1976 paragraph (ii) of this section) for the period of time, not to
1977 exceed five (5) years, that the start-up company remains a tenant
1978 of a technology incubator (as described in paragraph (ii) of this
1979 section).

1980 **SECTION 9.** Section 63-17-55, Mississippi Code of 1972, is
1981 amended as follows:

1982 63-17-55. The following words, terms and phrases, when used
1983 in the Mississippi Motor Vehicle Commission Law, shall have the
1984 meanings respectively ascribed to them in this section, except
1985 where the context clearly indicates a different meaning:

1986 (a) "Motor vehicle" means any motor-driven vehicle of
1987 the sort and kind required to have a Mississippi road or bridge
1988 privilege license, and shall include, but not be limited to,
1989 motorcycles. "Motor vehicle" shall also mean an engine,
1990 transmission, or rear axle manufactured for installation in a
1991 vehicle having as its primary purpose the transport of person or
1992 persons or property on a public highway and having a gross vehicle
1993 weight rating of more than sixteen thousand (16,000) pounds,
1994 whether or not attached to a vehicle chassis.

1995 (b) "Motor vehicle dealer" means any person, firm,
1996 partnership, copartnership, association, corporation, trust or
1997 legal entity, not excluded by paragraph (c) of this section, who
1998 holds a bona fide contract or franchise in effect with a
1999 manufacturer, distributor or wholesaler of new motor vehicles, and
2000 a license under the provisions of the Mississippi Motor Vehicle
2001 Commission Law, and such duly franchised and licensed motor
2002 vehicle dealers shall be the sole and only persons, firms,
2003 partnerships, copartnerships, associations, corporations, trusts
2004 or legal entities entitled to sell and publicly or otherwise
2005 solicit and advertise for sale new motor vehicles as such.

2006 (c) The term "motor vehicle dealer" does not include:

2007 (i) Receivers, trustees, administrators,
2008 executors, guardians or other persons appointed by or acting under
2009 judgment, decree or order of any court;

2010 (ii) Public officers while performing their duties
2011 as such officers;

2012 (iii) Employees of persons, corporations or
2013 associations enumerated in paragraph (c)(i) of this section when
2014 engaged in the specific performance of their duties as such
2015 employees; or

2016 (iv) A motor vehicle manufacturer operating a
2017 project as defined in Section 57-75-5(f)(iv)1 or Section
2018 57-75-5(f)(xxi); and the provisions of the Mississippi Motor
2019 Vehicle Commission Law shall not apply to:

2020 1. a. Any lease by such a motor vehicle
2021 manufacturer of three (3) or fewer motor vehicles at any one time
2022 and related vehicle maintenance, of any line of vehicle produced
2023 by the manufacturer or its subsidiaries, to any one (1) employee
2024 of the motor vehicle manufacturer on a direct basis; or

2025 b. Any sale or other disposition of such
2026 motor vehicles by the motor vehicle manufacturer at the end of a
2027 lease through direct sales to employees of the manufacturer or
2028 through an open auction or auction limited to dealers of the
2029 manufacturer's vehicle line or its subsidiaries' vehicle lines; or

2030 2. Any sale or other disposition by such a
2031 motor vehicle manufacturer of motor vehicles for which the
2032 manufacturer obtained distinguishing number tags under Section
2033 27-19-309(8).

2034 (d) "New motor vehicle" means a motor vehicle which has
2035 not been previously sold to any person except a distributor or
2036 wholesaler or motor vehicle dealer for resale.

2037 (e) "Ultimate purchaser" means, with respect to any new
2038 motor vehicle, the first person, other than a motor vehicle dealer
2039 purchasing in his capacity as such dealer, who in good faith

2040 purchases such new motor vehicle for purposes other than for
2041 resale.

2042 (f) "Retail sale" or "sale at retail" means the act or
2043 attempted act of selling, bartering, exchanging or otherwise
2044 disposing of a new motor vehicle to an ultimate purchaser for use
2045 as a consumer.

2046 (g) "Motor vehicle salesman" means any person who is
2047 employed as a salesman by a motor vehicle dealer whose duties
2048 include the selling or offering for sale of new motor vehicles.

2049 (h) "Commission" means the Mississippi Motor Vehicle
2050 Commission.

2051 (i) "Manufacturer" means any person, firm, association,
2052 corporation or trust, resident or nonresident, who manufactures or
2053 assembles new motor vehicles.

2054 (j) "Distributor" or "wholesaler" means any person,
2055 firm, association, corporation or trust, resident or nonresident,
2056 who in whole or in part sells or distributes new motor vehicles to
2057 motor vehicle dealers, or who maintains distributor
2058 representatives.

2059 (k) "Factory branch" means a branch or division office
2060 maintained by a person, firm, association, corporation or trust
2061 who manufactures or assembles new motor vehicles for sale to
2062 distributors or wholesalers, to motor vehicle dealers, or for
2063 directing or supervising, in whole or in part, its
2064 representatives.

2065 (l) "Distributor branch" means a branch or division
2066 office similarly maintained by a distributor or wholesaler for the
2067 same purposes a factory branch or division is maintained.

2068 (m) "Factory representative" means a representative
2069 employed by a person, firm, association, corporation or trust who
2070 manufactures or assembles new motor vehicles, or by a factory
2071 branch, for the purpose of making or promoting the sale of his,

2072 its or their new motor vehicles, or for supervising or contacting
2073 his, its or their dealers or prospective dealers.

2074 (n) "Distributor representative" means a representative
2075 similarly employed by a distributor, distributor branch or
2076 wholesaler.

2077 (o) "Person" means and includes, individually and
2078 collectively, individuals, firms, partnerships, copartnerships,
2079 associations, corporations and trusts, or any other forms of
2080 business enterprise, or any legal entity.

2081 (p) "Good faith" means the duty of each party to any
2082 franchise, and all officers, employees or agents thereof, to act
2083 in a fair and equitable manner toward each other so as to
2084 guarantee the one party freedom from coercion, intimidation or
2085 threats of coercion or intimidation from the other party.
2086 However, recommendation, endorsement, exposition, persuasion,
2087 urging or argument shall not be deemed to constitute a lack of
2088 good faith.

2089 (q) "Coerce" means the failure to act in good faith in
2090 performing or complying with any terms or provisions of the
2091 franchise or agreement. However, recommendation, exposition,
2092 persuasion, urging or argument shall not be deemed to constitute a
2093 lack of good faith.

2094 (r) "Special tools" are those which a dealer was
2095 required to purchase by the manufacturer or distributor for
2096 service on that manufacturer's product.

2097 (s) "Motor vehicle lessor" means any person, not
2098 excluded by paragraph (c) of this section, engaged in the motor
2099 vehicle leasing or rental business.

2100 (t) "Specialty vehicle" means a motor vehicle
2101 manufactured by a second stage manufacturer by purchasing motor
2102 vehicle components, e.g. frame and drive train, and completing the
2103 manufacturer of finished motor vehicles for the purpose of resale
2104 with the primary manufacturer warranty unimpaired, to a limited

2105 commercial market rather than the consuming public. Specialty
2106 vehicles include garbage trucks, ambulances, fire trucks, buses,
2107 limousines, hearses and other similar limited purpose vehicles as
2108 the commission may by regulation provide.

2109 (u) "Auto auction" means (i) any person who provides a
2110 place of business or facilities for the wholesale exchange of
2111 motor vehicles by and between duly licensed motor vehicle dealers,
2112 (ii) any motor vehicle dealer licensed to sell used motor vehicles
2113 selling motor vehicles using an auction format but not on
2114 consignment, or (iii) any person who provides the facilities for
2115 or is in the business of selling in an auction format motor
2116 vehicles.

2117 (v) "Motor home" means a motor vehicle that is designed
2118 and constructed primarily to provide temporary living quarters for
2119 recreational, camping or travel use.

2120 (w) "Dealer-operator" means the individual designated
2121 in the franchise agreement as the operator of the motor vehicle
2122 dealership.

2123 (x) "Franchise" or "franchise agreement" means a
2124 written contract or agreement between a motor vehicle dealer and a
2125 manufacturer or its distributor or factory branch by which the
2126 motor vehicle dealer is authorized to engage in the business of
2127 selling or leasing the specific makes, models or classifications
2128 of new motor vehicles marketed or leased by the manufacturer and
2129 designated in the agreement or any addendum to such agreement.

2130 **SECTION 10.** Section 63-17-103, Mississippi Code of 1972, is
2131 amended as follows:

2132 63-17-103. (1) Nothing in the Mississippi Motor Vehicle
2133 Commission Law shall be construed to prohibit the sale of a new
2134 motor vehicle by any person who is not required to be licensed
2135 under said law. However, only a motor vehicle dealer as defined
2136 in Section 63-17-55 shall have the right to advertise or
2137 represent, publicly or otherwise, that a motor vehicle is new in

2138 connection with its sale, exchange or other disposition. Any
2139 person who is not such a motor vehicle dealer and who advertises
2140 or represents that a motor vehicle is new in connection with its
2141 sale, exchange or other disposition shall be guilty of a
2142 misdemeanor and upon conviction shall be punished in the manner
2143 provided for by Section 63-17-105. However, nothing in this
2144 section shall apply to (a) any lease by a motor vehicle
2145 manufacturer operating a project as defined in Section
2146 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) of three (3) or fewer
2147 motor vehicles at any one time and related vehicle maintenance, of
2148 any line of vehicle produced by the manufacturer or its
2149 subsidiaries, to any one (1) employee of the motor vehicle
2150 manufacturer on a direct basis, or any sale or other disposition
2151 of such motor vehicles by the motor vehicle manufacturer at the
2152 end of a lease through direct sales to employees of the
2153 manufacturer or through an open auction or auction limited to
2154 dealers of the manufacturer's vehicle line or its subsidiaries'
2155 vehicle lines; or (b) any sale or other disposition by such a
2156 motor vehicle manufacturer of motor vehicles for which the
2157 manufacturer obtained distinguishing number tags under Section
2158 27-19-309(8).

2159 (2) Any person who violates the provisions of subsection (1)
2160 of this section may be enjoined from further violations of such
2161 provisions by writ of injunction issued out of a court of equity
2162 upon a bill filed in the name of the state by the Attorney
2163 General, or any district or county attorney whose duty requires
2164 him to prosecute criminal cases on behalf of the state, in the
2165 county where such violation occurred.

2166 **SECTION 11.** Section 11-27-81, Mississippi Code of 1972, is
2167 amended as follows:

2168 11-27-81. The right of immediate possession pursuant to
2169 Sections 11-27-81 through 11-27-89, Mississippi Code of 1972, may
2170 be exercised only:

2171 (a) By the State Highway Commission for the acquisition
2172 of highway rights-of-way only;

2173 (b) By any county or municipality for the purpose of
2174 acquiring rights-of-way to connect existing roads and streets to
2175 highways constructed or to be constructed by the State Highway
2176 Commission;

2177 (c) By any county or municipality for the purpose of
2178 acquiring rights-of-way for widening existing roads and streets of
2179 such county or municipality; provided, however, that said
2180 rights-of-way shall not displace a property owner from his
2181 dwelling or place of business;

2182 (d) By the boards of supervisors of any county of this
2183 state for the acquisition of highway or road rights-of-way in
2184 connection with a state-aid project designated and approved in
2185 accordance with Sections 65-9-1 through 65-9-31, Mississippi Code
2186 of 1972;

2187 (e) By the Mississippi Wayport Authority for the
2188 purposes of acquiring land and easements for the Southeastern
2189 United States Wayport Project as authorized by Sections 61-4-1
2190 through 61-4-13, Mississippi Code of 1972;

2191 (f) By any county or municipality for the purpose of
2192 acquiring rights-of-way for water, sewer, drainage and other
2193 public utility purposes; provided, however, that such acquisition
2194 shall not displace a property owner from his dwelling or place of
2195 business;

2196 (g) By any county authorized to exercise the power of
2197 eminent domain under Section 19-7-41 for the purpose of acquiring
2198 land for construction of a federal correctional facility or other
2199 federal penal institution;

2200 (h) By the Mississippi Major Economic Impact Authority
2201 for the purpose of acquiring land, property and rights-of-way for
2202 a project as defined in Section 57-75-5(f)(iv)1 or any facility
2203 related to the project as provided in Section 57-75-11(e)(ii);

2204 (i) By the boards of supervisors of any county of this
2205 state for the purpose of constructing dams or low-water control
2206 structures on lakes or bodies of water under the provisions of
2207 Section 19-5-92; * * *

2208 (j) By the board of supervisors of any county of this
2209 state for the purpose of acquiring land, property and/or
2210 rights-of-way for any project the board of supervisors, by a duly
2211 adopted resolution, determines to be related to a project as
2212 defined in Section 57-75-5(f)(iv). The board of supervisors of a
2213 county may not exercise the right to immediate possession under
2214 this item (j) after July 1, 2003; or

2215 (k) By a regional economic development alliance created
2216 under Section 57-64-1 et seq., for the purpose of acquiring land,
2217 property and/or rights-of-way within the project area and
2218 necessary for any project such an alliance, by a duly adopted
2219 resolution, determines to be related to a project as defined in
2220 Section 57-75-5(f)(xxi). An alliance may not exercise the right
2221 to immediate possession under this item (k) after July 1, 2012.

2222 **SECTION 12.** Section 57-64-19, Mississippi Code of 1972, is
2223 amended as follows:

2224 57-64-19. (1) The alliance is authorized to cooperate and
2225 coordinate with economic development commissions, authorities,
2226 districts, travel, and other similar commissions and boards, or
2227 other similar agencies of other states, the federal government,
2228 and with county, municipal, and regional economic development,
2229 travel, and other similar commissions or boards, or other agencies
2230 thereof, and other political subdivisions of this state, for the
2231 purposes of securing economic development within the State of
2232 Mississippi and other states, and to accomplish this purpose.

2233 (2) With regard to a project as defined in Section
2234 57-75-5(f)(xxi) a regional economic development alliance shall
2235 have the following powers:

2236 (a) To acquire by purchase, lease, gift or
2237 condemnation, including quick-take eminent domain pursuant to
2238 Sections 11-27-81 through 11-27-89, or obtain options to acquire,
2239 and to own, maintain, use, operate and convey any and all property
2240 of any kind, real, personal, or mixed, or any interest or estate
2241 therein, including, but not limited to, leasehold interests,
2242 within the project area, necessary for the project. In acquiring
2243 lands by condemnation, including the exercise of quick-take
2244 eminent domain, for the project the alliance may acquire oil, gas
2245 and other minerals, mineral rights, including severed oil, gas and
2246 reservations in mineral rights. The provisions of this paragraph
2247 (a) that allow the acquisition of property by quick-take eminent
2248 domain or condemnation shall be repealed by operation of law on
2249 July 1, 2012.

2250 (b) To negotiate the necessary relocation or rerouting
2251 of roads and highways, railroad, telephone and telegraph lines and
2252 properties, electric power lines, pipelines and related
2253 facilities, cellular towers and related facilities, or to require
2254 the anchoring or other protection of any of these, provided due
2255 compensation is paid to the owners thereof or agreement is had
2256 with such owners regarding the payment of the cost of such
2257 relocation, and to acquire by condemnation or otherwise easements
2258 or rights-of-way for such relocation or rerouting and to convey
2259 the same to the owners of the facilities being relocated or
2260 rerouted in connection with the purposes of the project.

2261 (c) To negotiate the necessary relocation of graves and
2262 cemeteries and to pay all reasonable costs thereof as necessary
2263 for the project.

2264 (d) To lease, sell or convey any or all property
2265 acquired by the alliance or its agent under the provisions of this
2266 section to the enterprise operating the project, its affiliates,
2267 successors or assigns, and in connection therewith to warrant

2268 title to pay the costs of title search, perfection of title, title
2269 insurance and recording fees as may be required for the project.

2270 (e) To establish and maintain reasonable rates and
2271 charges for the use of any facility or property within the project
2272 area owned or operated by the alliance, and from time to time, to
2273 adjust such rates and to impose penalties for failure to pay such
2274 rates and charges when due as necessary for the project.

2275 (f) To establish land use restrictions within the lands
2276 adjacent to the project site. Within the lands identified as
2277 necessary for the project, the following land uses are prohibited:

2278 (i) Heavy industrial uses, where the assembly,
2279 fabrication, or processing of goods and materials using processes
2280 that ordinarily have greater than average impacts on the
2281 environment, or that ordinarily have significant impacts on the
2282 use and enjoyment of other properties in terms of noise, smoke,
2283 fumes, odors, glare, or health or safety hazards, which shall
2284 include, enameling, lacquering; foundries producing iron and steel
2285 products; industrial chemical manufacture; meat packing plants;
2286 oxygen manufacture and/or storage; pottery, porcelain and vitreous
2287 china manufacture; poultry dressing for wholesale; pressure
2288 treating of wood; stone cutting; tire recapping and retreading;
2289 resource extraction; and recycling and salvage operations.

2290 (ii) All temporary or permanent living quarters,
2291 including, without limitation, houses, residential buildings,
2292 apartments, motels, hotels, motor lodges, mobile home parks,
2293 camping grounds, nursing homes, independent and assisted living
2294 facilities.

2295 (iii) Schools, day care centers and hospitals.

2296 (iv) Any of the uses set forth in this paragraph

2297 (f) which are ancillary or adjacent to an otherwise permitted use.

2298 Notwithstanding the foregoing, these land use restrictions
2299 will not prohibit the continuation of existing uses, including
2300 rebuilding substantially in conformity with the use in existence

2301 immediately before a casualty loss. For a period of twelve (12)
2302 months from the date of adoption, the property owners within the
2303 lands identified as necessary for the project have a vested right
2304 to complete any new land use that is currently under construction.

2305 (g) To execute contractual agreements to warrant the
2306 project site for any and all preexisting environmental issues and
2307 to indemnify an enterprise owning a project on that site for such
2308 preexisting environmental issues.

2309 (h) To adopt and enforce all necessary and reasonable
2310 rules and regulations restrictions to carry out and effectuate the
2311 implementation of the project concerning mining or any other
2312 activity the occurrence of which may endanger the structure or
2313 operation of the project. These rules may be enforced within the
2314 project area and without the project area as necessary to protect
2315 the structure and operation of the project.

2316 **SECTION 13.** (1) As used in this section, "qualified
2317 business or industry" means any company and its affiliates, that
2318 has been certified by the Major Economic Impact Authority as a
2319 project as defined in Section 57-75-5(f)(xxi).

2320 (2) A qualified business or industry shall be exempt from
2321 the tax imposed by this chapter on income arising from a project
2322 as defined in Section 57-75-5(f)(xxi) only, and all other income
2323 shall be subject to the tax imposed by this chapter. The
2324 exemption does not apply to activities subject to Mississippi
2325 income tax prior to certification of the project.

2326 (3) The income tax exemption authorized by this section
2327 shall not exceed twenty (20) years. A qualified business or
2328 industry must create at least one thousand five hundred (1,500)
2329 jobs prior to receiving the exemption authorized by this section
2330 and may elect the date upon which the twenty-year period will
2331 begin; however, the date may not be later than sixty (60) months
2332 after the date the qualified business or industry begins
2333 commercial production.

2334 (4) In the event that the monthly average number of
2335 full-time jobs maintained by the qualified business or industry
2336 falls below one thousand five hundred (1,500) jobs, the tax
2337 exemption authorized by this section shall be reduced as follows:

2338 (a) If the monthly average number of full-time jobs for
2339 a taxable year is more than one thousand four hundred (1,400) but
2340 less than one thousand five hundred (1,500), the amount of the
2341 exemption shall be reduced by one percent (1%) for the taxable
2342 year.

2343 (b) If the monthly average number of full-time jobs for
2344 a taxable year is more than one thousand one hundred (1,100) but
2345 less than one thousand four hundred one (1,401), then the amount
2346 of the exemption shall be reduced by twenty percent (20%) for the
2347 taxable year.

2348 (c) If the monthly average number of full-time jobs for
2349 the taxable year is more than eight hundred (800) but less than
2350 one thousand one hundred one (1,101), then the amount of the
2351 exemption shall be reduced by forty percent (40%) for the taxable
2352 year.

2353 (d) If the monthly average number of full-time jobs for
2354 the taxable year is more than five hundred (500) but less than
2355 eight hundred one (801), then the amount of the exemption shall be
2356 reduced by sixty percent (60%) for the taxable year.

2357 (e) If the monthly average number of full-time jobs for
2358 the taxable year is more than two hundred (200) but less than five
2359 hundred one (501), then the amount of the exemption shall be
2360 reduced by eighty percent (80%) for the taxable year.

2361 (f) If the monthly average number of full-time jobs for
2362 the taxable year is two hundred (200) or less, the qualified
2363 business or industry shall not be eligible for the exemption for
2364 the taxable year.

2365 (5) A qualified business or industry that utilizes the
2366 exemption authorized by this section shall not be eligible for the
2367 credits authorized in Sections 57-73-21 through 57-73-29.

2368 (6) The Mississippi Development Authority may promulgate
2369 rules and regulations necessary to administer the provisions of
2370 this section.

2371 **SECTION 14.** Section 13 of this act shall be codified in
2372 Chapter 7, Title 27, Mississippi Code of 1972.

2373 **SECTION 15.** Section 27-65-101, Mississippi Code of 1972, is
2374 amended as follows:

2375 27-65-101. (1) The exemptions from the provisions of this
2376 chapter which are of an industrial nature or which are more
2377 properly classified as industrial exemptions than any other
2378 exemption classification of this chapter shall be confined to
2379 those persons or property exempted by this section or by the
2380 provisions of the Constitution of the United States or the State
2381 of Mississippi. No industrial exemption as now provided by any
2382 other section except Section 57-3-33 shall be valid as against the
2383 tax herein levied. Any subsequent industrial exemption from the
2384 tax levied hereunder shall be provided by amendment to this
2385 section. No exemption provided in this section shall apply to
2386 taxes levied by Section 27-65-15 or 27-65-21.

2387 The tax levied by this chapter shall not apply to the
2388 following:

2389 (a) Sales of boxes, crates, cartons, cans, bottles and
2390 other packaging materials to manufacturers and wholesalers for use
2391 as containers or shipping materials to accompany goods sold by
2392 said manufacturers or wholesalers where possession thereof will
2393 pass to the customer at the time of sale of the goods contained
2394 therein and sales to anyone of containers or shipping materials
2395 for use in ships engaged in international commerce.

2396 (b) Sales of raw materials, catalysts, processing
2397 chemicals, welding gases or other industrial processing gases

2398 (except natural gas) to a manufacturer for use directly in
2399 manufacturing or processing a product for sale or rental or
2400 repairing or reconditioning vessels or barges of fifty (50) tons
2401 load displacement and over. For the purposes of this exemption,
2402 electricity used directly in the electrolysis process in the
2403 production of sodium chlorate shall be considered a raw material.
2404 This exemption shall not apply to any property used as fuel except
2405 to the extent that such fuel comprises by-products which have no
2406 market value.

2407 (c) The gross proceeds of sales of dry docks, offshore
2408 drilling equipment for use in oil exploitation or production,
2409 vessels or barges of fifty (50) tons load displacement and over,
2410 when sold by the manufacturer or builder thereof.

2411 (d) Sales to commercial fishermen of commercial fishing
2412 boats of over five (5) tons load displacement and not more than
2413 fifty (50) tons load displacement as registered with the United
2414 States Coast Guard and licensed by the Mississippi Commission on
2415 Marine Resources.

2416 (e) The gross income from repairs to vessels and barges
2417 engaged in foreign trade or interstate transportation.

2418 (f) Sales of petroleum products to vessels or barges
2419 for consumption in marine international commerce or interstate
2420 transportation businesses.

2421 (g) Sales and rentals of rail rolling stock (and
2422 component parts thereof) for ultimate use in interstate commerce
2423 and gross income from services with respect to manufacturing,
2424 repairing, cleaning, altering, reconditioning or improving such
2425 rail rolling stock (and component parts thereof).

2426 (h) Sales of raw materials, catalysts, processing
2427 chemicals, welding gases or other industrial processing gases
2428 (except natural gas) used or consumed directly in manufacturing,
2429 repairing, cleaning, altering, reconditioning or improving such

2430 rail rolling stock (and component parts thereof). This exemption
2431 shall not apply to any property used as fuel.

2432 (i) Sales of machinery or tools or repair parts
2433 therefor or replacements thereof, fuel or supplies used directly
2434 in manufacturing, converting or repairing ships, vessels or barges
2435 of three thousand (3,000) tons load displacement and over, but not
2436 to include office and plant supplies or other equipment not
2437 directly used on the ship, vessel or barge being built, converted
2438 or repaired. For purposes of this exemption, "ships, vessels or
2439 barges" shall not include floating structures described in Section
2440 27-65-18.

2441 (j) Sales of tangible personal property to persons
2442 operating ships in international commerce for use or consumption
2443 on board such ships. This exemption shall be limited to cases in
2444 which procedures satisfactory to the commissioner, ensuring
2445 against use in this state other than on such ships, are
2446 established.

2447 (k) Sales of materials used in the construction of a
2448 building, or any addition or improvement thereon, and sales of any
2449 machinery and equipment not later than three (3) months after the
2450 completion of construction of the building, or any addition
2451 thereon, to be used therein, to qualified businesses, as defined
2452 in Section 57-51-5, which are located in a county or portion
2453 thereof designated as an enterprise zone pursuant to Sections
2454 57-51-1 through 57-51-15.

2455 (l) Sales of materials used in the construction of a
2456 building, or any addition or improvement thereon, and sales of any
2457 machinery and equipment not later than three (3) months after the
2458 completion of construction of the building, or any addition
2459 thereon, to be used therein, to qualified businesses, as defined
2460 in Section 57-54-5.

2461 (m) Income from storage and handling of perishable
2462 goods by a public storage warehouse.

2463 (n) The value of natural gas lawfully injected into the
2464 earth for cycling, repressuring or lifting of oil, or lawfully
2465 vented or flared in connection with the production of oil;
2466 however, if any gas so injected into the earth is sold for such
2467 purposes, then the gas so sold shall not be exempt.

2468 (o) The gross collections from self-service commercial
2469 laundering, drying, cleaning and pressing equipment.

2470 (p) Sales of materials used in the construction of a
2471 building, or any addition or improvement thereon, and sales of any
2472 machinery and equipment not later than three (3) months after the
2473 completion of construction of the building, or any addition
2474 thereon, to be used therein, to qualified companies, certified as
2475 such by the Mississippi Development Authority under Section
2476 57-53-1.

2477 (q) Sales of component materials used in the
2478 construction of a building, or any addition or improvement
2479 thereon, sales of machinery and equipment to be used therein, and
2480 sales of manufacturing or processing machinery and equipment which
2481 is permanently attached to the ground or to a permanent foundation
2482 and which is not by its nature intended to be housed within a
2483 building structure, not later than three (3) months after the
2484 initial start-up date, to permanent business enterprises engaging
2485 in manufacturing or processing in Tier Three areas (as such term
2486 is defined in Section 57-73-21), which businesses are certified by
2487 the State Tax Commission as being eligible for the exemption
2488 granted in this paragraph (q).

2489 (r) Sales of component materials used in the
2490 construction of a building, or any addition or improvement
2491 thereon, and sales of any machinery and equipment not later than
2492 three (3) months after the completion of the building, addition or
2493 improvement thereon, to be used therein, for any company
2494 establishing or transferring its national or regional headquarters
2495 from within or outside the State of Mississippi and creating a

2496 minimum of thirty-five (35) jobs at the new headquarters in this
2497 state. The Tax Commission shall establish criteria and prescribe
2498 procedures to determine if a company qualifies as a national or
2499 regional headquarters for the purpose of receiving the exemption
2500 provided in this paragraph.

2501 (s) The gross proceeds from the sale of semitrailers,
2502 trailers, boats, travel trailers, motorcycles and all-terrain
2503 cycles if exported from this state within forty-eight (48) hours
2504 and registered and first used in another state.

2505 (t) Gross income from the storage and handling of
2506 natural gas in underground salt domes and in other underground
2507 reservoirs, caverns, structures and formations suitable for such
2508 storage.

2509 (u) Sales of machinery and equipment to nonprofit
2510 organizations if the organization:

2511 (i) Is tax-exempt pursuant to Section 501(c)(4) of
2512 the Internal Revenue Code of 1986, as amended;

2513 (ii) Assists in the implementation of the national
2514 contingency plan or area contingency plan, and which is created in
2515 response to the requirements of Title IV, Subtitle B of the Oil
2516 Pollution Act of 1990, Public Law 101-380; and

2517 (iii) Engages primarily in programs to contain,
2518 clean up and otherwise mitigate spills of oil or other substances
2519 occurring in the United States coastal and tidal waters.

2520 For purposes of this exemption, "machinery and equipment"
2521 means any ocean-going vessels, barges, booms, skimmers and other
2522 capital equipment used primarily in the operations of nonprofit
2523 organizations referred to herein.

2524 (v) Sales or leases of materials and equipment to
2525 approved business enterprises as provided under the Growth and
2526 Prosperity Act.

2527 (w) From and after July 1, 2001, sales of pollution
2528 control equipment to manufacturers or custom processors for

2529 industrial use. For the purposes of this exemption, "pollution
2530 control equipment" means equipment, devices, machinery or systems
2531 used or acquired to prevent, control, monitor or reduce air, water
2532 or groundwater pollution, or solid or hazardous waste as required
2533 by federal or state law or regulation.

2534 (x) Sales or leases to a manufacturer of motor vehicles
2535 operating a project that has been certified by the Mississippi
2536 Major Economic Impact Authority as a project as defined in Section
2537 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) of machinery and
2538 equipment; special tooling such as dies, molds, jigs and similar
2539 items treated as special tooling for federal income tax purposes;
2540 or repair parts therefor or replacements thereof; repair services
2541 thereon; fuel, supplies, electricity, coal and natural gas used
2542 directly in the manufacture of motor vehicles or motor vehicle
2543 parts or used to provide climate control for manufacturing areas.

2544 (y) Sales or leases of component materials, machinery
2545 and equipment used in the construction of a building, or any
2546 addition or improvement thereon to an enterprise operating a
2547 project that has been certified by the Mississippi Major Economic
2548 Impact Authority as a project as defined in Section
2549 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi) and any other sales or
2550 leases required to establish or operate such project.

2551 (z) Sales of component materials and equipment to a
2552 business enterprise as provided under Section 57-64-33.

2553 (aa) The gross income from the stripping and painting
2554 of commercial aircraft engaged in foreign or interstate
2555 transportation business.

2556 (bb) Sales of production items used in the production
2557 of motion pictures such as film; videotape; component building
2558 materials used in the construction of a set; makeup; fabric used
2559 as or in the making of costumes; clothing, including, shoes,
2560 accessories and jewelry used as wardrobes; materials used as set
2561 dressing; materials used as props on a set or by an actor;

2562 materials used in the creation of special effects; and expendable
2563 items purchased for limited use by grip, electric and camera
2564 departments such as tape, fasteners and compressed air. For the
2565 purposes of this paragraph (bb), the term "motion picture" means a
2566 nationally distributed feature-length film, video, television
2567 series or commercial made in Mississippi, in whole or in part, for
2568 theatrical or television viewing or as a television pilot. The
2569 term "motion picture" shall not include the production of
2570 television coverage of news and athletic events, or a film, video,
2571 television series or commercial that contains any material or
2572 performance defined in Section 97-29-103.

2573 (cc) Sales or leases to an enterprise owning or
2574 operating a project that has been designated by the Mississippi
2575 Major Economic Impact Authority as a project as defined in Section
2576 57-75-5(f)(xviii) of machinery and equipment; special tooling such
2577 as dies, molds, jigs and similar items treated as special tooling
2578 for federal income tax purposes; or repair parts therefor or
2579 replacements thereof; repair services thereon; fuel, supplies,
2580 electricity, coal and natural gas used directly in the
2581 manufacturing/production operations of the project or used to
2582 provide climate control for manufacturing/production areas.

2583 (dd) Sales or leases of component materials, machinery
2584 and equipment used in the construction of a building, or any
2585 addition or improvement thereon to an enterprise owning or
2586 operating a project that has been designated by the Mississippi
2587 Major Economic Impact Authority as a project as defined in Section
2588 57-75-5(f)(xviii) and any other sales or leases required to
2589 establish or operate such project.

2590 (ee) Sales of parts used in the repair and servicing of
2591 aircraft not registered in Mississippi engaged exclusively in the
2592 business of foreign or interstate transportation to businesses
2593 engaged in aircraft repair and maintenance.

2594 (ff) Sales of component materials used in the
2595 construction of a facility, or any addition or improvement
2596 thereon, and sales or leases of machinery and equipment not later
2597 than three (3) months after the completion of construction of the
2598 facility, or any addition or improvement thereto, to be used in
2599 the building or any addition or improvement thereto, to a
2600 permanent business enterprise operating a data/information
2601 enterprise in Tier Three areas (as such areas are designated in
2602 accordance with Section 57-73-21), meeting minimum criteria
2603 established by the Mississippi Development Authority.

2604 (gg) Sales of component materials used in the
2605 construction of a facility, or any addition or improvement
2606 thereto, and sales of machinery and equipment not later than three
2607 (3) months after the completion of construction of the facility,
2608 or any addition or improvement thereto, to be used in the facility
2609 or any addition or improvement thereto, to technology intensive
2610 enterprises for industrial purposes in Tier Three areas (as such
2611 areas are designated in accordance with Section 57-73-21), as
2612 certified by the State Tax Commission. For purposes of this
2613 paragraph, an enterprise must meet the criteria provided for in
2614 Section 27-65-17(1)(f) in order to be considered a technology
2615 intensive enterprise.

2616 (2) Sales of component materials used in the construction of
2617 a building, or any addition or improvement thereon, sales of
2618 machinery and equipment to be used therein, and sales of
2619 manufacturing or processing machinery and equipment which is
2620 permanently attached to the ground or to a permanent foundation
2621 and which is not by its nature intended to be housed within a
2622 building structure, not later than three (3) months after the
2623 initial start-up date, to permanent business enterprises engaging
2624 in manufacturing or processing in Tier Two areas and Tier One
2625 areas (as such areas are designated in accordance with Section
2626 57-73-21), which businesses are certified by the State Tax

2627 Commission as being eligible for the exemption granted in this
2628 paragraph, shall be exempt from one-half (1/2) of the taxes
2629 imposed on such transactions under this chapter.

2630 (3) Sales of component materials used in the construction of
2631 a facility, or any addition or improvement thereon, and sales or
2632 leases of machinery and equipment not later than three (3) months
2633 after the completion of construction of the facility, or any
2634 addition or improvement thereto, to be used in the building or any
2635 addition or improvement thereto, to a permanent business
2636 enterprise operating a data/information enterprise in Tier Two
2637 areas and Tier One areas (as such areas are designated in
2638 accordance with Section 57-73-21), which businesses meet minimum
2639 criteria established by the Mississippi Development Authority,
2640 shall be exempt from one-half (1/2) of the taxes imposed on such
2641 transaction under this chapter.

2642 (4) Sales of component materials used in the construction of
2643 a facility, or any addition or improvement thereto, and sales of
2644 machinery and equipment not later than three (3) months after the
2645 completion of construction of the facility, or any addition or
2646 improvement thereto, to be used in the building or any addition or
2647 improvement thereto, to technology intensive enterprises for
2648 industrial purposes in Tier Two areas and Tier One areas (as such
2649 areas are designated in accordance with Section 57-73-21), which
2650 businesses are certified by the State Tax Commission as being
2651 eligible for the exemption granted in this paragraph, shall be
2652 exempt from one-half (1/2) of the taxes imposed on such
2653 transactions under this chapter. For purposes of this subsection,
2654 an enterprise must meet the criteria provided for in Section
2655 27-65-17(1)(f) in order to be considered a technology intensive
2656 enterprise.

2657 (5) (a) For purposes of this subsection:

2658 (i) "Telecommunications enterprises" shall have
2659 the meaning ascribed to such term in Section 57-73-21;

2660 (ii) "Tier One areas" mean counties designated as
2661 Tier One areas pursuant to Section 57-73-21;

2662 (iii) "Tier Two areas" mean counties designated as
2663 Tier Two areas pursuant to Section 57-73-21;

2664 (iv) "Tier Three areas" mean counties designated
2665 as Tier Three areas pursuant to Section 57-73-21; and

2666 (v) "Equipment used in the deployment of broadband
2667 technologies" means any equipment capable of being used for or in
2668 connection with the transmission of information at a rate, prior
2669 to taking into account the effects of any signal degradation, that
2670 is not less than three hundred eighty-four (384) kilobits per
2671 second in at least one direction, including, but not limited to,
2672 asynchronous transfer mode switches, digital subscriber line
2673 access multiplexers, routers, servers, multiplexers, fiber optics
2674 and related equipment.

2675 (b) Sales of equipment to telecommunications
2676 enterprises after June 30, 2003, and before July 1, 2013, that is
2677 installed in Tier One areas and used in the deployment of
2678 broadband technologies shall be exempt from one-half (1/2) of the
2679 taxes imposed on such transactions under this chapter.

2680 (c) Sales of equipment to telecommunications
2681 enterprises after June 30, 2003, and before July 1, 2013, that is
2682 installed in Tier Two and Tier Three areas and used in the
2683 deployment of broadband technologies shall be exempt from the
2684 taxes imposed on such transactions under this chapter.

2685 **SECTION 16.** Section 27-67-7, Mississippi Code of 1972, is
2686 amended as follows:

2687 27-67-7. The tax levied by this article shall not be
2688 collected in the following instances:

2689 (a) On the use, storage or consumption of any tangible
2690 personal property if the sale thereof has already been included in
2691 the measure of this tax or the tax imposed by Section 27-65-24 or
2692 Section 27-65-17, 27-65-19 or 27-65-25, or has already been

2693 included in the measure of a sales tax imposed by another state in
2694 which the property was sold or use tax imposed by some other state
2695 in which the property was used. If the rate of sales or use tax
2696 paid another state by the person using the property in Mississippi
2697 is not equal to or greater than the rate imposed by this article,
2698 then the user or purchaser shall apply the difference in these
2699 rates to the purchase price or value of the property and pay to
2700 the commissioner the amount of tax thus computed. Persons using
2701 business property in this state which has been used by them in
2702 other states shall be entitled to a credit for sales and/or use
2703 tax paid to other states equal to the aggregate of all such state
2704 rates multiplied by the value of the property at the time of
2705 importation into this state. Persons using business property in
2706 this state which was acquired from another person who used it in
2707 other states shall be entitled to a credit equal to the applicable
2708 rate in the state of last prior use multiplied by the value of the
2709 property at the time of importation into this state. However,
2710 credit for use tax paid to another state shall not apply on the
2711 purchase price of tangible personal property that has been only
2712 stored or warehoused in the other state and the first use of the
2713 property occurs in Mississippi. Provided further, that credit for
2714 sales or use tax paid to another state shall not apply on the
2715 purchase price or value of automobiles, trucks, truck-tractors,
2716 semitrailers, trailers, boats, travel trailers, motorcycles and
2717 all-terrain cycles imported and first used in Mississippi.

2718 Credit for sales or use tax paid to another state as provided
2719 in this paragraph (a) shall be evidenced by an invoice clearly and
2720 correctly showing the amount of the tax as a separate item, and no
2721 credit shall be allowed otherwise.

2722 (b) On the use, storage or consumption of tangible
2723 personal property to the extent that sales of similar property in
2724 Mississippi are either excluded or specifically exempt from sales
2725 tax or are taxed at the wholesale rate.

2726 This exemption shall be confined to the use of property the
2727 sale of which is an itemized exemption in the Mississippi Sales
2728 Tax Law, or to use by persons who are listed in the Mississippi
2729 Sales Tax Law as being exempt from sales tax.

2730 (c) On the use, storage or consumption of tangible
2731 personal property brought into this state by a nonresident for his
2732 or her use or enjoyment while temporarily within the state, but
2733 not including tangible personal property brought in for use in
2734 connection with a business activity. This exemption shall not
2735 apply to property which remains situated in this state for the
2736 repeated use, storage or consumption by out-of-state visitors, or
2737 which is acquired by visitors and first used in this state.

2738 (d) On the use of a motor vehicle for which a
2739 registration is required by the motor vehicle law, when such motor
2740 vehicle was purchased by a natural person for his personal or
2741 family use while such person was a bona fide resident of another
2742 state and who thereafter became a resident of this state, but not
2743 to include a motor vehicle which is transferred by the owner for
2744 commercial use or for use by another person within this state.

2745 (e) On the use of personal and household effects by a
2746 natural person acquired while the person was a bona fide resident
2747 of another state, and who thereafter became a resident of this
2748 state.

2749 (f) On the use or rental of motion picture film,
2750 video-audio tapes and phonograph records for exhibition either by
2751 a person paying Mississippi sales tax on gross income from
2752 admissions for the exhibitions or by a person operating a
2753 television or radio broadcasting station.

2754 (g) On any vehicle purchased in another state for use
2755 outside of this state by a Mississippi citizen serving in the
2756 Armed Forces and stationed in another state who elects to license
2757 the vehicle in Mississippi.

2758 (h) On the cost or value and on the use, storage and
2759 consumption of rail rolling stock and component parts thereof.

2760 (i) On the use, storage or consumption of literature,
2761 video tapes and photographic slides used by religious institutions
2762 for the propagation of their creeds or for carrying on their
2763 customary nonprofit religious activities, and on the use of any
2764 tangible personal property purchased and first used in another
2765 state by religious institutions for the propagation of their
2766 creeds or for carrying on their customary nonprofit religious
2767 activities. "Religious institution," for the purpose of this
2768 exemption, means any religious institution granted an exemption
2769 under 26 USCS Section 501(c)(3). Any exemption under this
2770 paragraph obtained by fraud, misstatement or misrepresentation,
2771 shall be cancelled by the State Tax Commission, and the person
2772 committing the fraud, misstatement or misrepresentation shall be
2773 liable for prosecution for fraud on the assessment, and, on
2774 conviction, shall be fined not less than One Thousand Dollars
2775 (\$1,000.00), or punished by imprisonment in the State Penitentiary
2776 for a term not to exceed five (5) years, or both, within the
2777 discretion of the court.

2778 (j) The tax on the cost or value of farm machinery used
2779 in the harvesting of agricultural products shall be limited to the
2780 ratio of use within this state to the life of the property.

2781 (k) On the use, storage or consumption, between July 1,
2782 1993, and June 30, 1994, of machinery and equipment to
2783 corporations qualified as tax-exempt organizations under Section
2784 501(c)(4) of the Internal Revenue Code and established in response
2785 to the Federal Oil Pollution Act of 1990 to provide a private
2786 capability to respond to major oil spills. For purposes of this
2787 exemption, "machinery and equipment" means property with a useful
2788 life of at least three (3) years which is used primarily in the
2789 operations of the Marine Oil Spill Response Corporation and shall

2790 include, without limitation, vessels, barges, booms and skimmers.
2791 This paragraph shall stand repealed on July 1, 1995.

2792 (l) On the use of machinery and equipment; special
2793 tooling such as dies, molds, jigs and similar items treated as
2794 special tooling for federal income tax purposes; or repair parts
2795 therefor or replacements thereof; or repair services thereon; by a
2796 taxpayer other than the manufacturer when the manufacturer still
2797 holds title to the items and the items are purchased by the
2798 manufacturer as a part of a project as defined in Section
2799 57-75-5(f)(iv)1 or Section 57-75-5(f)(xxi).

2800 (m) On the use, storage or consumption of utilities
2801 purchased by a manufacturer described in Section 27-65-101(x).

2802 (n) On the use, storage or consumption of utilities
2803 purchased by an enterprise described in Section 27-65-101(cc).

2804 (o) On the use, storage or consumption of jet aircraft
2805 engines that are temporarily located within the State of
2806 Mississippi and are brought into the state for research and/or
2807 testing purposes at a jet aircraft engine research and testing
2808 facility.

2809 **SECTION 17.** As used in Sections 17 through 21 of this act,
2810 the following words and phrases shall have the meanings ascribed
2811 in this section unless the context clearly indicates otherwise:

2812 (a) "Qualified business or industry" means any company
2813 and affiliates thereof, pursuant to rules and regulations of the
2814 MDA, which is a project that has been certified by the Mississippi
2815 Major Economic Impact Authority (MMEIA) as a project defined in
2816 Section 57-75-5(f)(xxi) and creates at least one thousand five
2817 hundred (1,500) jobs within sixty (60) months of the beginning of
2818 the project.

2819 (b) "Qualified job" means full-time employment in this
2820 state within the project site of a qualified business or industry
2821 that has qualified to receive an incentive payment pursuant to
2822 Sections 17 through 21 of this act, which employment did not exist

2823 in this state before the date of approval by the MDA of the
2824 application of the qualified business or industry pursuant to the
2825 provisions of Sections 17 through 21 of this act. "Qualified job"
2826 also shall include full-time employment in this state of employees
2827 who are employed by an entity other than the establishment that
2828 has qualified to receive an incentive payment such as employees
2829 who are leased to and managed by the qualified business or
2830 industry, if such employment did not exist in this state before
2831 the date of approval by the MDA of the application of the
2832 establishment; provided, however, that in order for a qualified
2833 business or industry to receive incentive payments for such
2834 employees, the actual employer of the employees must agree to such
2835 payments being made to the qualified business or industry.

2836 (c) "Full-time employment" means a job of at least
2837 thirty-five (35) hours per week.

2838 (d) "Rebate amount" means the amount of Mississippi
2839 income taxes withheld from employees in qualified jobs that is
2840 available for rebate to the qualified business or industry,
2841 provided that:

2842 (i) Except as otherwise provided in this paragraph
2843 (d), the rebate amount shall be three and one-half percent
2844 (3-1/2%) of the wages and taxable benefits for qualified jobs; and

2845 (ii) In no event shall incentive payments exceed
2846 the actual Mississippi income taxes withheld from employees in
2847 qualified jobs that are available for rebate to the qualified
2848 business or industry.

2849 (e) "MDA" means the Mississippi Development Authority.

2850 **SECTION 18.** (1) Except as otherwise provided in this
2851 section, a qualified business or industry that meets the
2852 qualifications specified in Sections 17 through 21 of this act may
2853 receive quarterly incentive payments for a period not to exceed
2854 twenty-five (25) years from the State Tax Commission pursuant to
2855 the provisions of Sections 17 through 21 of this act in an amount

2856 which shall be equal to the lesser of three and one-half percent
2857 (3-1/2%) of the wages and taxable benefits for qualified jobs or
2858 the actual amount of Mississippi income tax withheld by the
2859 employer for the qualified jobs. A qualified business or industry
2860 may elect the date upon which the twenty-five-year period will
2861 begin. Such date may not be later than sixty (60) months after
2862 the date the business or industry applied for incentive payments.

2863 (2) In order to receive incentive payments, an establishment
2864 shall apply to the MDA. The application shall be on a form
2865 prescribed by the MDA and shall contain such information as may be
2866 required by the MDA to determine if the applicant is qualified.

2867 (3) In order to qualify to receive such payments, the
2868 establishment applying shall be required to:

2869 (a) Be engaged in a qualified business or industry; and

2870 (b) The business or industry must create and maintain a
2871 minimum of one thousand five hundred (1,500) qualified jobs.

2872 Establishments that are approved as a qualified business or
2873 industry under Sections 17 through 21 of this act may not receive
2874 incentive payments under Section 57-62-1 et seq.

2875 (4) Upon approval of such an application, the MDA shall
2876 notify the State Tax Commission and shall provide it with a copy
2877 of the approved application. The State Tax Commission may require
2878 the qualified business or industry to submit such additional
2879 information as may be necessary to administer the provisions of
2880 Sections 17 through 21 of this act. The qualified business or
2881 industry shall report to the State Tax Commission periodically to
2882 show its continued eligibility for incentive payments. The
2883 qualified business or industry may be audited by the State Tax
2884 Commission to verify such eligibility.

2885 **SECTION 19.** (1) There is created in the State Treasury a
2886 special fund to be known as the "MMEIA Withholding Rebate Fund,"
2887 into which shall be deposited withholding tax revenue required to
2888 be deposited into such fund pursuant to Section 27-7-312. The

2889 money in the fund shall be used for the purpose of making the
2890 incentive payments authorized under Sections 17 through 21 of this
2891 act.

2892 (2) The liability of the State of Mississippi to make the
2893 incentive payments authorized under Sections 17 through 21 of this
2894 act shall be limited to the balance contained in the fund.

2895 **SECTION 20.** (1) As soon as practicable after the end of a
2896 calendar quarter for which a qualified business or industry has
2897 qualified to receive an incentive payment, the qualified business
2898 or industry shall file a claim for the payment with the State Tax
2899 Commission and shall specify the actual number of qualified jobs
2900 created and maintained by the business or industry for the
2901 calendar quarter and the wages and taxable benefits thereof. The
2902 State Tax Commission shall verify the actual number of qualified
2903 jobs created and maintained by the business or industry. If the
2904 State Tax Commission is not able to provide such verification
2905 utilizing all available resources, the State Tax Commission may
2906 request such additional information from the business or industry
2907 as may be necessary.

2908 (2) (a) The business or industry must meet the job
2909 requirements of Sections 17 through 21 of this act for four (4)
2910 consecutive calendar quarters prior to payment of the first
2911 incentive payment. If the business or industry does not maintain
2912 the job requirements of Sections 17 through 21 of this act at any
2913 other time during the twenty-five-year period after the date the
2914 first payment was made, the incentive payments shall not be made
2915 and shall not be resumed until such time as the actual verified
2916 number of qualified jobs created and maintained by the business or
2917 industry equals or exceeds the requirements of Sections 17 through
2918 21 of this act for one (1) calendar quarter.

2919 (3) An establishment that has qualified pursuant to Sections
2920 17 through 21 of this act may receive payments only in accordance
2921 with the provision under which it initially applied and was

2922 approved. If an establishment that is receiving incentive
2923 payments expands, it may apply for additional incentive payments
2924 based on the wages and taxable benefits for qualified jobs
2925 anticipated from the expansion only, pursuant to Sections 17
2926 through 21 of this act.

2927 (4) As soon as practicable after verification of the
2928 qualified business or industry meeting the requirements of
2929 Sections 17 through 21 of this act and all rules and regulations,
2930 the Department of Finance and Administration, upon requisition of
2931 the State Tax Commission, shall issue a warrant drawn on the MMEIA
2932 Withholding Rebate Fund to the establishment in the amount of the
2933 rebate as determined pursuant to subsection (1) of this section
2934 for the calendar quarter.

2935 **SECTION 21.** The MDA and the State Tax Commission shall
2936 promulgate rules and regulations, in accordance with the
2937 Mississippi Administrative Procedures Law, and all application
2938 forms and other forms necessary to implement their respective
2939 duties and responsibilities under the provisions of Sections 17
2940 through 21 of this act.

2941 **SECTION 22.** Section 27-7-312, Mississippi Code of 1972, is
2942 amended as follows:

2943 27-7-312. (1) Of the revenue collected under the provisions
2944 of this article from the new direct jobs of a qualified business
2945 or industry as defined in Section 57-62-5 of the Mississippi
2946 Advantage Jobs Act, an amount equal to the estimated amount of the
2947 quarterly incentive payment for which such qualified business or
2948 industry is eligible shall be deposited into the Mississippi
2949 Advantage Jobs Incentive Payment Fund created pursuant to Section
2950 57-62-1 et seq., on or before the twentieth day of the month
2951 following the close of each calendar quarter.

2952 (2) Of the revenue collected under the provisions of this
2953 article from the qualified jobs of a qualified business or
2954 industry as defined in Section 17 of Senate Bill No. 3215, 2007

2955 Regular Session, an amount equal to the estimated amount of the
2956 quarterly incentive payment for which such qualified business or
2957 industry is eligible shall be deposited into the MMEIA Withholding
2958 Rebate Fund created pursuant to Section 19 of Senate Bill No.
2959 3215, 2007 Regular Session, on or before the twentieth day of the
2960 month following the close of each calendar quarter.

2961 **SECTION 23.** As used in Sections 23 through 25 of this act,
2962 the following terms and phrases shall have the meanings ascribed
2963 in this section unless the context clearly indicates otherwise:

2964 (a) "Component construction material costs" means
2965 actual costs incurred for a project that has been certified by the
2966 Mississippi Major Economic Impact Authority (MMEIA) as a project
2967 as defined in Section 57-75-5(f)(xxi) for component materials
2968 eligible for purchase under a material purchase certificate issued
2969 by the State Tax Commission.

2970 (b) "MDA" means the Mississippi Development Authority.

2971 (c) "MMEIA construction rebate project" means any
2972 project that has been certified by the Mississippi Major Economic
2973 Impact Authority as a project as defined in Section
2974 57-75-5(f)(xxi).

2975 **SECTION 24.** (1) (a) There is created in the State Treasury
2976 a special fund to be known as the "MMEIA Tax Incentive Fund," into
2977 which shall be deposited such money as provided in Section
2978 27-65-75(21). The monies in the fund shall be used for the
2979 purpose of making the incentive payments authorized in Sections 23
2980 through 25 of this act. The fund shall be administered by the
2981 MDA. Unexpended amounts remaining in the fund at the end of a
2982 fiscal year shall not lapse into the State General Fund, and any
2983 interest earned on or investment earnings on the amounts in the
2984 fund shall be deposited to the credit of the fund. The MDA may
2985 use not more than one percent (1%) of interest earned or
2986 investment earnings, or both, on amounts in the fund for

2987 administration and management of the incentive program authorized
2988 under Sections 23 through 25 of this act.

2989 (b) Subject to the provisions of this section,
2990 incentive payments may be made by the MDA to an approved
2991 participant that incurs component construction material costs to
2992 locate an MMEIA construction rebate project in the state. The
2993 payments to an approved participant shall be for an amount equal
2994 to three and one-half percent (3-1/2%) of the component
2995 construction material costs. The MDA shall make payments to an
2996 approved participant on a monthly basis. The MDA shall make the
2997 calculations necessary to make the payments provided for in this
2998 section. The MDA shall cease making incentive payments to an
2999 approved participant when construction of the commercial real
3000 property on the project site is completed. At such time that
3001 incentive payments are no longer required to be made to an
3002 approved participant, the MDA shall notify the State Tax
3003 Commission and the sales tax revenue shall no longer be deposited
3004 into the MMEIA Tax Incentive Fund. Any amounts remaining in the
3005 fund that were collected from such project shall be transferred to
3006 the State General Fund.

3007 **SECTION 25.** (1) The MDA shall develop, implement and
3008 administer the incentive program authorized in Sections 23 through
3009 25 of this act and shall promulgate rules and regulations
3010 necessary for the development, implementation and administration
3011 of such program.

3012 (2) An approved participant qualifying for incentive
3013 payments under Sections 23 through 25 of this act must submit
3014 requests for such payments. MDA shall review the request and
3015 determine if the incentive payment is due. If the request is
3016 approved, MDA will issue the incentive payment as provided for in
3017 Sections 23 through 25 of this act on a monthly basis. The
3018 liability of the State of Mississippi to make the incentive

3019 payments under Sections 23 through 25 of this act shall be limited
3020 to the balance contained in the fund.

3021 **SECTION 26.** Section 27-65-75, Mississippi Code of 1972, is
3022 amended as follows:

3023 27-65-75. On or before the fifteenth day of each month, the
3024 revenue collected under the provisions of this chapter during the
3025 preceding month shall be paid and distributed as follows:

3026 (1) (a) On or before August 15, 1992, and each succeeding
3027 month thereafter through July 15, 1993, eighteen percent (18%) of
3028 the total sales tax revenue collected during the preceding month
3029 under the provisions of this chapter, except that collected under
3030 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
3031 business activities within a municipal corporation shall be
3032 allocated for distribution to the municipality and paid to the
3033 municipal corporation. On or before August 15, 1993, and each
3034 succeeding month thereafter, eighteen and one-half percent
3035 (18-1/2%) of the total sales tax revenue collected during the
3036 preceding month under the provisions of this chapter, except that
3037 collected under the provisions of Sections 27-65-15, 27-65-19(3)
3038 and 27-65-21, on business activities within a municipal
3039 corporation shall be allocated for distribution to the
3040 municipality and paid to the municipal corporation.

3041 A municipal corporation, for the purpose of distributing the
3042 tax under this subsection, shall mean and include all incorporated
3043 cities, towns and villages.

3044 Monies allocated for distribution and credited to a municipal
3045 corporation under this subsection may be pledged as security for a
3046 loan if the distribution received by the municipal corporation is
3047 otherwise authorized or required by law to be pledged as security
3048 for such a loan.

3049 In any county having a county seat that is not an
3050 incorporated municipality, the distribution provided under this
3051 subsection shall be made as though the county seat was an

3052 incorporated municipality; however, the distribution to the
3053 municipality shall be paid to the county treasury in which the
3054 municipality is located, and those funds shall be used for road,
3055 bridge and street construction or maintenance in the county.

3056 (b) On or before August 15, 2006, and each succeeding
3057 month thereafter, eighteen and one-half percent (18-1/2%) of the
3058 total sales tax revenue collected during the preceding month under
3059 the provisions of this chapter, except that collected under the
3060 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
3061 business activities on the campus of a state institution of higher
3062 learning or community or junior college whose campus is not
3063 located within the corporate limits of a municipality, shall be
3064 allocated for distribution to the state institution of higher
3065 learning or community or junior college and paid to the state
3066 institution of higher learning or community or junior college.

3067 (2) On or before September 15, 1987, and each succeeding
3068 month thereafter, from the revenue collected under this chapter
3069 during the preceding month, One Million One Hundred Twenty-five
3070 Thousand Dollars (\$1,125,000.00) shall be allocated for
3071 distribution to municipal corporations as defined under subsection
3072 (1) of this section in the proportion that the number of gallons
3073 of gasoline and diesel fuel sold by distributors to consumers and
3074 retailers in each such municipality during the preceding fiscal
3075 year bears to the total gallons of gasoline and diesel fuel sold
3076 by distributors to consumers and retailers in municipalities
3077 statewide during the preceding fiscal year. The State Tax
3078 Commission shall require all distributors of gasoline and diesel
3079 fuel to report to the commission monthly the total number of
3080 gallons of gasoline and diesel fuel sold by them to consumers and
3081 retailers in each municipality during the preceding month. The
3082 State Tax Commission shall have the authority to promulgate such
3083 rules and regulations as is necessary to determine the number of
3084 gallons of gasoline and diesel fuel sold by distributors to

3085 consumers and retailers in each municipality. In determining the
3086 percentage allocation of funds under this subsection for the
3087 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
3088 State Tax Commission may consider gallons of gasoline and diesel
3089 fuel sold for a period of less than one (1) fiscal year. For the
3090 purposes of this subsection, the term "fiscal year" means the
3091 fiscal year beginning July 1 of a year.

3092 (3) On or before September 15, 1987, and on or before the
3093 fifteenth day of each succeeding month, until the date specified
3094 in Section 65-39-35, the proceeds derived from contractors' taxes
3095 levied under Section 27-65-21 on contracts for the construction or
3096 reconstruction of highways designated under the highway program
3097 created under Section 65-3-97 shall, except as otherwise provided
3098 in Section 31-17-127, be deposited into the State Treasury to the
3099 credit of the State Highway Fund to be used to fund that highway
3100 program. The Mississippi Department of Transportation shall
3101 provide to the State Tax Commission such information as is
3102 necessary to determine the amount of proceeds to be distributed
3103 under this subsection.

3104 (4) On or before August 15, 1994, and on or before the
3105 fifteenth day of each succeeding month through July 15, 1999, from
3106 the proceeds of gasoline, diesel fuel or kerosene taxes as
3107 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
3108 (\$4,000,000.00) shall be deposited in the State Treasury to the
3109 credit of a special fund designated as the "State Aid Road Fund,"
3110 created by Section 65-9-17. On or before August 15, 1999, and on
3111 or before the fifteenth day of each succeeding month, from the
3112 total amount of the proceeds of gasoline, diesel fuel or kerosene
3113 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
3114 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
3115 one-fourth percent (23-1/4%) of those funds, whichever is the
3116 greater amount, shall be deposited in the State Treasury to the
3117 credit of the "State Aid Road Fund," created by Section 65-9-17.

3118 Those funds shall be pledged to pay the principal of and interest
3119 on state aid road bonds heretofore issued under Sections 19-9-51
3120 through 19-9-77, in lieu of and in substitution for the funds
3121 previously allocated to counties under this section. Those funds
3122 may not be pledged for the payment of any state aid road bonds
3123 issued after April 1, 1981; however, this prohibition against the
3124 pledging of any such funds for the payment of bonds shall not
3125 apply to any bonds for which intent to issue those bonds has been
3126 published, for the first time, as provided by law before March 29,
3127 1981. From the amount of taxes paid into the special fund under
3128 this subsection and subsection (9) of this section, there shall be
3129 first deducted and paid the amount necessary to pay the expenses
3130 of the Office of State Aid Road Construction, as authorized by the
3131 Legislature for all other general and special fund agencies. The
3132 remainder of the fund shall be allocated monthly to the several
3133 counties in accordance with the following formula:

3134 (a) One-third (1/3) shall be allocated to all counties
3135 in equal shares;

3136 (b) One-third (1/3) shall be allocated to counties
3137 based on the proportion that the total number of rural road miles
3138 in a county bears to the total number of rural road miles in all
3139 counties of the state; and

3140 (c) One-third (1/3) shall be allocated to counties
3141 based on the proportion that the rural population of the county
3142 bears to the total rural population in all counties of the state,
3143 according to the latest federal decennial census.

3144 For the purposes of this subsection, the term "gasoline,
3145 diesel fuel or kerosene taxes" means such taxes as defined in
3146 paragraph (f) of Section 27-5-101.

3147 The amount of funds allocated to any county under this
3148 subsection for any fiscal year after fiscal year 1994 shall not be
3149 less than the amount allocated to the county for fiscal year 1994.

3150 Any reference in the general laws of this state or the
3151 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
3152 construed to refer and apply to subsection (4) of Section
3153 27-65-75.

3154 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
3155 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
3156 the special fund known as the "State Public School Building Fund"
3157 created and existing under the provisions of Sections 37-47-1
3158 through 37-47-67. Those payments into that fund are to be made on
3159 the last day of each succeeding month hereafter.

3160 (6) An amount each month beginning August 15, 1983, through
3161 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
3162 of 1983, shall be paid into the special fund known as the
3163 Correctional Facilities Construction Fund created in Section 6 of
3164 Chapter 542, Laws of 1983.

3165 (7) On or before August 15, 1992, and each succeeding month
3166 thereafter through July 15, 2000, two and two hundred sixty-six
3167 one-thousandths percent (2.266%) of the total sales tax revenue
3168 collected during the preceding month under the provisions of this
3169 chapter, except that collected under the provisions of Section
3170 27-65-17(2) shall be deposited by the commission into the School
3171 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
3172 or before August 15, 2000, and each succeeding month thereafter,
3173 two and two hundred sixty-six one-thousandths percent (2.266%) of
3174 the total sales tax revenue collected during the preceding month
3175 under the provisions of this chapter, except that collected under
3176 the provisions of Section 27-65-17(2), shall be deposited into the
3177 School Ad Valorem Tax Reduction Fund created under Section
3178 37-61-35 until such time that the total amount deposited into the
3179 fund during a fiscal year equals Forty-two Million Dollars
3180 (\$42,000,000.00). Thereafter, the amounts diverted under this
3181 subsection (7) during the fiscal year in excess of Forty-two
3182 Million Dollars (\$42,000,000.00) shall be deposited into the

3183 Education Enhancement Fund created under Section 37-61-33 for
3184 appropriation by the Legislature as other education needs and
3185 shall not be subject to the percentage appropriation requirements
3186 set forth in Section 37-61-33.

3187 (8) On or before August 15, 1992, and each succeeding month
3188 thereafter, nine and seventy-three one-thousandths percent
3189 (9.073%) of the total sales tax revenue collected during the
3190 preceding month under the provisions of this chapter, except that
3191 collected under the provisions of Section 27-65-17(2), shall be
3192 deposited into the Education Enhancement Fund created under
3193 Section 37-61-33.

3194 (9) On or before August 15, 1994, and each succeeding month
3195 thereafter, from the revenue collected under this chapter during
3196 the preceding month, Two Hundred Fifty Thousand Dollars
3197 (\$250,000.00) shall be paid into the State Aid Road Fund.

3198 (10) On or before August 15, 1994, and each succeeding month
3199 thereafter through August 15, 1995, from the revenue collected
3200 under this chapter during the preceding month, Two Million Dollars
3201 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
3202 Valorem Tax Reduction Fund established in Section 27-51-105.

3203 (11) Notwithstanding any other provision of this section to
3204 the contrary, on or before February 15, 1995, and each succeeding
3205 month thereafter, the sales tax revenue collected during the
3206 preceding month under the provisions of Section 27-65-17(2) and
3207 the corresponding levy in Section 27-65-23 on the rental or lease
3208 of private carriers of passengers and light carriers of property
3209 as defined in Section 27-51-101 shall be deposited, without
3210 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
3211 established in Section 27-51-105.

3212 (12) Notwithstanding any other provision of this section to
3213 the contrary, on or before August 15, 1995, and each succeeding
3214 month thereafter, the sales tax revenue collected during the
3215 preceding month under the provisions of Section 27-65-17(1) on

3216 retail sales of private carriers of passengers and light carriers
3217 of property, as defined in Section 27-51-101 and the corresponding
3218 levy in Section 27-65-23 on the rental or lease of these vehicles,
3219 shall be deposited, after diversion, into the Motor Vehicle Ad
3220 Valorem Tax Reduction Fund established in Section 27-51-105.

3221 (13) On or before July 15, 1994, and on or before the
3222 fifteenth day of each succeeding month thereafter, that portion of
3223 the avails of the tax imposed in Section 27-65-22 that is derived
3224 from activities held on the Mississippi State Fairgrounds Complex,
3225 shall be paid into a special fund that is created in the State
3226 Treasury and shall be expended upon legislative appropriation
3227 solely to defray the costs of repairs and renovation at the Trade
3228 Mart and Coliseum.

3229 (14) On or before August 15, 1998, and each succeeding month
3230 thereafter through July 15, 2005, that portion of the avails of
3231 the tax imposed in Section 27-65-23 that is derived from sales by
3232 cotton compresses or cotton warehouses and that would otherwise be
3233 paid into the General Fund, shall be deposited in an amount not to
3234 exceed Two Million Dollars (\$2,000,000.00) into the special fund
3235 created under Section 69-37-39.

3236 (15) Notwithstanding any other provision of this section to
3237 the contrary, on or before September 15, 2000, and each succeeding
3238 month thereafter, the sales tax revenue collected during the
3239 preceding month under the provisions of Section 27-65-19(1)(f) and
3240 (g)(i)2, shall be deposited, without diversion, into the
3241 Telecommunications Ad Valorem Tax Reduction Fund established in
3242 Section 27-38-7.

3243 (16) On or before August 15, 2000, and each succeeding month
3244 thereafter, the sales tax revenue collected during the preceding
3245 month under the provisions of this chapter on the gross proceeds
3246 of sales of a project as defined in Section 57-30-1 shall be
3247 deposited, after all diversions except the diversion provided for

3248 in subsection (1) of this section, into the Sales Tax Incentive
3249 Fund created in Section 57-30-3.

3250 (17) Notwithstanding any other provision of this section to
3251 the contrary, on or before April 15, 2002, and each succeeding
3252 month thereafter, the sales tax revenue collected during the
3253 preceding month under Section 27-65-23 on sales of parking
3254 services of parking garages and lots at airports shall be
3255 deposited, without diversion, into the special fund created under
3256 Section 27-5-101(d).

3257 (18) On or before August 15, 2007, and each succeeding month
3258 thereafter through July 15, 2008, from the sales tax revenue
3259 collected during the preceding month under the provisions of this
3260 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)
3261 shall be deposited into the Special Funds Transfer Fund created in
3262 Section 4 of Chapter 556, Laws of 2003.

3263 (19) (a) On or before August 15, 2005, and each succeeding
3264 month thereafter, the sales tax revenue collected during the
3265 preceding month under the provisions of this chapter on the gross
3266 proceeds of sales of a business enterprise located within a
3267 redevelopment project area under the provisions of Sections
3268 57-91-1 through 57-91-11, and the revenue collected on the gross
3269 proceeds of sales from sales made to a business enterprise located
3270 in a redevelopment project area under the provisions of Sections
3271 57-91-1 through 57-91-11 (provided that such sales made to a
3272 business enterprise are made on the premises of the business
3273 enterprise), shall, except as otherwise provided in this
3274 subsection (19), be deposited, after all diversions, into the
3275 Redevelopment Project Incentive Fund as created in Section
3276 57-91-9.

3277 (b) For a municipality participating in the Economic
3278 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
3279 the diversion provided for in subsection (1) of this section
3280 attributable to the gross proceeds of sales of a business

3281 enterprise located within a redevelopment project area under the
3282 provisions of Sections 57-91-1 through 57-91-11, and attributable
3283 to the gross proceeds of sales from sales made to a business
3284 enterprise located in a redevelopment project area under the
3285 provisions of Sections 57-91-1 through 57-91-11 (provided that
3286 such sales made to a business enterprise are made on the premises
3287 of the business enterprise), shall be deposited into the
3288 Redevelopment Project Incentive Fund as created in Section
3289 57-91-9, as follows:

3290 (i) For the first six (6) years in which payments
3291 are made to a developer from the Redevelopment Project Incentive
3292 Fund, one hundred percent (100%) of the diversion shall be
3293 deposited into the fund;

3294 (ii) For the seventh year in which such payments
3295 are made to a developer from the Redevelopment Project Incentive
3296 Fund, eighty percent (80%) of the diversion shall be deposited
3297 into the fund;

3298 (iii) For the eighth year in which such payments
3299 are made to a developer from the Redevelopment Project Incentive
3300 Fund, seventy percent (70%) of the diversion shall be deposited
3301 into the fund;

3302 (iv) For the ninth year in which such payments are
3303 made to a developer from the Redevelopment Project Incentive Fund,
3304 sixty percent (60%) of the diversion shall be deposited into the
3305 fund; and

3306 (v) For the tenth year in which such payments are
3307 made to a developer from the Redevelopment Project Incentive Fund,
3308 fifty percent (50%) of the funds shall be deposited into the fund.

3309 (20) On or before January 15, 2007, and each succeeding
3310 month thereafter, eighty percent (80%) of the sales tax revenue
3311 collected during the preceding month under the provisions of this
3312 chapter from the operation of a tourism project under the
3313 provisions of Sections 57-28-1 through 57-28-5, shall be

3314 deposited, after the diversions required in subsections (7) and
3315 (8) of this section, into the Tourism Sales Tax Incentive Fund
3316 created in Section 57-28-3.

3317 (21) On or before April 15, 2007, and each succeeding month
3318 thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00) of
3319 the sales tax revenue collected during the preceding month under
3320 the provisions of this chapter shall be deposited into the MMEIA
3321 Tax Incentive Fund created in Section 24 of Senate Bill No. 3215,
3322 2007 Regular Session.

3323 (22) The remainder of the amounts collected under the
3324 provisions of this chapter shall be paid into the State Treasury
3325 to the credit of the General Fund.

3326 (23) It shall be the duty of the municipal officials of any
3327 municipality that expands its limits, or of any community that
3328 incorporates as a municipality, to notify the commissioner of that
3329 action thirty (30) days before the effective date. Failure to so
3330 notify the commissioner shall cause the municipality to forfeit
3331 the revenue that it would have been entitled to receive during
3332 this period of time when the commissioner had no knowledge of the
3333 action. If any funds have been erroneously disbursed to any
3334 municipality or any overpayment of tax is recovered by the
3335 taxpayer, the commissioner may make correction and adjust the
3336 error or overpayment with the municipality by withholding the
3337 necessary funds from any later payment to be made to the
3338 municipality.

3339 **SECTION 27.** Section 27-31-48, Mississippi Code of 1972, is
3340 amended as follows:

3341 27-31-48. (1) Except as otherwise provided in subsection
3342 (2) of this section, the term "vendor tooling" means any special
3343 tools such as dies, molds, jigs and similar items treated as
3344 special tooling for federal income tax purposes, owned by a
3345 business enterprise operating a motor vehicle production and
3346 assembly plant that are held for use in motor vehicle and motor

3347 vehicle parts production and assembly and are located off the site
3348 of the motor vehicle production and assembly plant of such
3349 business enterprise. For purposes of this subsection "business
3350 enterprise operating a motor vehicle production and assembly
3351 plant" means a business enterprise that produces not less than
3352 fifty thousand (50,000) motor vehicles annually.

3353 (2) For a project that has been certified by the Mississippi
3354 Major Economic Impact Authority as a project as defined in Section
3355 57-75-5(f)(xxi), the term "vendor tooling" means any special tools
3356 such as dies, molds, jigs and similar items treated as special
3357 tooling for federal income tax purposes, owned by a business
3358 enterprise operating a motor vehicle production and assembly plant
3359 that are held for use in motor vehicle and motor vehicle parts
3360 production and assembly and are located on or off the site of the
3361 motor vehicle production and assembly plant of such business
3362 enterprise.

3363 (3) Vendor tooling shall be exempt from ad valorem taxation.

3364 **SECTION 28.** Section 27-31-104, Mississippi Code of 1972, is
3365 amended as follows:

3366 27-31-104. County boards of supervisors and municipal
3367 authorities are hereby authorized and empowered to grant a fee in
3368 lieu of taxes, including taxes levied for school purposes, for
3369 projects totaling over One Hundred Million Dollars
3370 (\$100,000,000.00). In addition to those new enterprises
3371 enumerated in Section 27-31-101, Mississippi Code of 1972, the
3372 term "projects," as used in this section, shall include a private
3373 company (as such term is defined in Section 57-61-5, Mississippi
3374 Code of 1972) having a minimum capital investment of One Hundred
3375 Million Dollars (\$100,000,000.00).

3376 The fee-in-lieu shall be negotiated by and given final
3377 approval by the Mississippi Development Authority.

3378 The minimum sum allowable as a fee-in-lieu shall not be less
3379 than one-third (1/3) of the ad valorem levy, including ad valorem

3380 taxes for school district purposes, and except as otherwise
3381 provided, the sum allowed shall be apportioned between the county
3382 or municipality, as appropriate, and the school districts in such
3383 amounts as may be determined by the county board of supervisors or
3384 municipal governing authority, as the case may be, however, from
3385 the sum allowed the apportionment to school districts shall not be
3386 less than the school districts' pro rata share based upon the
3387 proportion that the millage imposed for the school districts by
3388 the appropriate levying authority bears to the millage imposed by
3389 such levying authority for all other county or municipal purposes.
3390 The agreement shall be for a term of not more than ten (10) years.

3391 The fee-in-lieu may be a stated fraction or percentage of the
3392 ad valorem taxes otherwise payable or a stated dollar amount. If
3393 the fee is a fraction or percentage of the ad valorem tax levy, it
3394 shall be annually computed on all ad valorem taxes otherwise
3395 payable, including school taxes, as the same may vary from year to
3396 year based upon changes in the millage rate or assessed value and
3397 shall not be less than one-third (1/3) of that amount. If the fee
3398 is a stated dollar amount, said amount shall be the higher of the
3399 sum provided for fixed payment or one-third (1/3) of the total of
3400 all ad valorem taxes otherwise payable as annually determined
3401 during each year of the fee-in-lieu.

3402 For a project as defined in Section 57-75-5(f)(xxi) and
3403 located in a county that is a member of a regional economic
3404 development alliance created under Section 57-64-1 et seq., the
3405 members of the regional economic development alliance may divide
3406 the sum allowed as a fee-in-lieu in a manner as determined by the
3407 alliance agreement, and the boards of supervisors of the member
3408 counties may then apportion the sum allowed between school
3409 district purposes and all other county purposes.

3410 **SECTION 29.** Section 11-27-85, Mississippi Code of 1972, is
3411 amended as follows:

3412 11-27-85. (1) Upon the filing of the report of the
3413 appraiser, the clerk shall within three (3) days mail notice to
3414 the parties and the court that the report has been filed. The
3415 court shall review the report of the appraiser and shall, after
3416 not less than five (5) days' notice thereof to the defendants,
3417 enter an order granting to the plaintiff title to the property,
3418 less and except all oil, gas and other minerals which may be
3419 produced through a well bore, and the right to immediate entry
3420 unless, for other cause shown or for uncertainty concerning the
3421 immediate public need for such property pursuant to Section
3422 11-27-83, the judge shall determine that such passing of title,
3423 and right of entry should be denied. However, no person lawfully
3424 occupying real property shall be required to move from a dwelling
3425 or to move his business or farm operation without at least ninety
3426 (90) days' written notice prior to the date by which such move is
3427 required.

3428 (2) Upon entry of said order, the plaintiff may deposit not
3429 less than eighty-five percent (85%) of the amount of the
3430 compensation and damages as determined by the appraiser with the
3431 clerk of the court, and upon so doing, the plaintiff shall be
3432 granted title to the property, less and except all oil, gas and
3433 other minerals which may be produced through a well bore, and
3434 shall have the right to immediate entry to said property. The
3435 defendant, or defendants, shall be entitled to receive the amount
3436 so paid to the clerk of the court, which shall be disbursed as
3437 their interest may appear, pursuant to order of the court.

3438 (3) Notwithstanding any provisions of subsections (1) and
3439 (2) of this section to the contrary, title and immediate
3440 possession to real property, including oil, gas and other mineral
3441 interests, may be granted under this section to (a) any county
3442 authorized to exercise the power of eminent domain under Section
3443 19-7-41 for the purpose of acquiring land for construction of a
3444 federal correctional facility or other federal penal

3445 institution, * * * (b) the Mississippi Major Economic Impact
3446 Authority for the purpose of acquiring land, property and
3447 rights-of-way for a project as defined in Section 57-75-5(f)(iv)1
3448 and any facility related to such project, and (c) a regional
3449 economic development alliance for the purpose of acquiring land,
3450 property and rights-of-way for a project as defined in Section
3451 57-75-5(f)(xxi) and any facility related to the project.

3452 **SECTION 30.** This act shall take effect and be in force from
3453 and after its passage.