

By: Representatives Aldridge, Ward, Coleman  
(29th), Dedeaux

To: Agriculture; Ways and  
Means

## HOUSE BILL NO. 1566

1 AN ACT TO AMEND SECTION 27-65-103, MISSISSIPPI CODE OF 1972,  
2 TO CLARIFY THE DESCRIPTION OF CERTAIN FOOD PRODUCTS GROWN, MADE OR  
3 PROCESSED IN MISSISSIPPI AND SOLD AT FARMERS' MARKETS CERTIFIED BY  
4 THE DEPARTMENT OF AGRICULTURE AND COMMERCE FOR PURPOSES OF THE  
5 EXEMPTION FROM SALES TAX FOR AGRICULTURAL PRODUCTS; AND FOR  
6 RELATED PURPOSES.

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

8 **SECTION 1.** Section 27-65-103, Mississippi Code of 1972, is  
9 amended as follows:

10 27-65-103. The exemptions from the provisions of this  
11 chapter which are of an agricultural nature or which are more  
12 properly classified as agricultural exemptions than any other  
13 exemption classification of this chapter shall be confined to  
14 those persons or property exempted by this section or by  
15 provisions of the Constitution of the United States or the State  
16 of Mississippi. No agricultural exemption as now provided by any  
17 other section shall be valid as against the tax herein levied.  
18 Any subsequent agricultural exemption from the tax levied  
19 hereunder shall be provided by amendment to this section.

20 No exemption provided in this section shall apply to taxes  
21 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

22 The tax levied by this chapter shall not apply to the  
23 following:

24 (a) The gross proceeds of sales of lint cotton, seed  
25 cotton, baled cotton, whether compressed or not, and cottonseed  
26 and soybeans in their original condition. Retail sales of seeds,  
27 livestock feed, poultry feed, fish feed and fertilizers. Sales of  
28 defoliants, insecticides, fungicides, herbicides and baby chicks



29 used in growing agricultural products for market. Bagging and  
30 ties for baling cotton, hay baling wire and twine, boxes, bags and  
31 cans used in growing or preparing agricultural products for market  
32 when possession thereof will pass to the customer at the time of  
33 sale of the product contained therein. Sales of ice to commercial  
34 fishermen purchased for use in the preservation of seafood or to  
35 producers for use in the refrigeration of vegetables for market.

36 (b) The sales by producers of livestock, poultry, fish  
37 or other products of farm, grove or garden when such products are  
38 sold in the original state or condition of preparation for sale,  
39 and food products that are grown, made or processed in Mississippi  
40 and sold from farmers' markets that have been certified by the  
41 Mississippi Department of Agriculture and Commerce. Provided,  
42 however, that this exemption shall not apply to ornamental plants  
43 which bear no fruit of commercial value. All sales by  
44 agricultural cooperative associations organized under Article 9 of  
45 Chapter 7 of Title 69, or under Chapters 17 or 19 of Title 79,  
46 Mississippi Code of 1972, of agricultural products produced by  
47 members for market before such products are subjected to any  
48 manufacturing process.

49 (c) The gross proceeds of retail sales of mules, horses  
50 and other livestock.

51 (d) Income from grading, excavating, ditching, dredging  
52 or landscaping activities performed for a farmer on a farm for  
53 agricultural or soil erosion purposes.

54 (e) The gross proceeds of sales of all antibiotics,  
55 hormones and hormone preparations, drugs, medicines and other  
56 medications including serums and vaccines, vitamins, minerals or  
57 other nutrients for use in the production and growing of fish,  
58 livestock and poultry by whomever sold. Such exemption shall be  
59 in addition to the exemption provided in this section for feed for  
60 fish, livestock and poultry.



61           **SECTION 2.** Nothing in this act shall affect or defeat any  
62 claim, assessment, appeal, suit, right or cause of action for  
63 taxes due or accrued under the sales tax laws before the date on  
64 which this act becomes effective, whether such claims,  
65 assessments, appeals, suits or actions have been begun before the  
66 date on which this act becomes effective or are begun thereafter;  
67 and the provisions of the sales tax laws are expressly continued  
68 in full force, effect and operation for the purpose of the  
69 assessment, collection and enrollment of liens for any taxes due  
70 or accrued and the execution of any warrant under such laws before  
71 the date on which this act becomes effective, and for the  
72 imposition of any penalties, forfeitures or claims for failure to  
73 comply with such laws.

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

