

By: Senator(s) Simmons (13th)

To: Finance

SENATE BILL NO. 2504

1 AN ACT TO CREATE A STATE LOTTERY; TO PROVIDE THAT THE STATE
2 LOTTERY SHALL BE ADMINISTERED BY THE MISSISSIPPI GAMING
3 COMMISSION; TO PROVIDE THE POWERS AND DUTIES OF THE MISSISSIPPI
4 GAMING COMMISSION REGARDING THE STATE LOTTERY; TO PROVIDE FOR THE
5 DISPOSITION OF PROCEEDS RECEIVED FROM THE SALE OF LOTTERY TICKETS;
6 TO CREATE THE MISSISSIPPI ADEQUATE EDUCATION SUPPLEMENT FUND INTO
7 WHICH 25% OF THE PROCEEDS COLLECTED FROM THE SALE OF LOTTERY
8 TICKETS SHALL BE DEPOSITED; TO PROVIDE THAT THE MONEY IN THE FUND
9 SHALL BE APPROPRIATED ANNUALLY BY THE LEGISLATURE TO SUPPLEMENT
10 THE MISSISSIPPI ADEQUATE EDUCATION PROGRAM; TO CREATE THE
11 EDUCATION INFRASTRUCTURE SUPPLEMENT FUND INTO WHICH 75% OF THE
12 PROCEEDS COLLECTED FROM THE SALE OF LOTTERY TICKETS SHALL BE
13 DEPOSITED; TO PROVIDE THAT 15% OF THE MONEY IN SUCH FUND SHALL BE
14 APPROPRIATED ANNUALLY BY THE LEGISLATURE TO THE STATE BOARD FOR
15 COMMUNITY AND JUNIOR COLLEGES TO BE ALLOCATED BY SUCH BOARD FOR
16 CAPITAL IMPROVEMENTS AT THE VARIOUS COMMUNITY AND JUNIOR COLLEGES
17 IN THIS STATE IN THE AMOUNT RECOMMENDED BY THE INFRASTRUCTURE
18 COMMISSION FOR EDUCATION; TO PROVIDE THAT 20% OF THE MONEY IN SUCH
19 FUND SHALL BE APPROPRIATED ANNUALLY BY THE LEGISLATURE TO THE
20 BOARD OF TRUSTEES FOR STATE INSTITUTIONS OF HIGHER LEARNING TO BE
21 ALLOCATED BY SUCH BOARD FOR CAPITAL IMPROVEMENTS AT THE VARIOUS
22 PUBLIC UNIVERSITIES IN THIS STATE IN THE AMOUNT RECOMMENDED BY THE
23 INFRASTRUCTURE COMMISSION FOR EDUCATION; TO PROVIDE THAT 65% OF
24 THE MONEY IN SUCH FUND SHALL BE APPROPRIATED ANNUALLY BY THE
25 LEGISLATURE TO THE STATE DEPARTMENT OF EDUCATION TO BE ALLOCATED
26 TO PUBLIC SCHOOLS LOCATED IN PUBLIC SCHOOL DISTRICTS IN WHICH THE
27 VALUE OF ONE MILL IS LESS THAN \$200,000.00 AND TO PROVIDE THAT THE
28 STATE DEPARTMENT OF EDUCATION SHALL ALLOCATE SUCH FUNDS TO
29 ELIGIBLE PUBLIC SCHOOL DISTRICTS IN THE AMOUNT RECOMMENDED BY THE
30 INFRASTRUCTURE COMMISSION FOR EDUCATION; TO PROVIDE THAT FUNDS
31 RECEIVED BY A PUBLIC SCHOOL DISTRICT SHALL BE USED SOLELY FOR
32 CAPITAL IMPROVEMENTS TO PUBLIC SCHOOL INSTRUCTIONAL BUILDINGS
33 AND/OR CONSTRUCTION OF PUBLIC SCHOOL INSTRUCTIONAL BUILDINGS; TO
34 CREATE THE INFRASTRUCTURE COMMISSION FOR EDUCATION; TO PROVIDE THE



35 MEMBERSHIP AND POWERS AND DUTIES OF SUCH COMMISSION; TO AMEND
36 SECTIONS 67-1-71, 75-76-3, 75-76-5, 97-33-9, 97-33-11, 97-33-13,
37 97-33-21, 97-33-23, 97-33-31, 97-33-33, 97-33-35, 97-33-37,
38 97-33-39, 97-33-41, 97-33-43, 97-33-45, 97-33-47 AND 97-33-49,
39 MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE PROVISIONS OF THIS
40 ACT; TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972, TO
41 EXEMPT FROM SALES TAXATION THE SALE OF LOTTERY TICKETS; AND FOR
42 RELATED PURPOSES.

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

44 **SECTION 1.** As used in this section and Section 2 of this
45 act, the following words and phrases shall have the meanings
46 ascribed in this section unless the context clearly indicates
47 otherwise:

48 (a) "Commission" means the Mississippi Gaming
49 Commission.

50 (b) "Distributor" means any person authorized by the
51 Mississippi Gaming Commission to distribute lottery tickets to
52 retailers. A person having a gaming license issued under Section
53 75-76-1 et seq. may be a distributor.

54 (c) "Lottery" means any activity approved by the
55 Mississippi Gaming Commission in which:

56 (i) The player or players pay or agree to pay
57 something of value for chances, represented and differentiated by
58 tickets, slips of paper or other physical and tangible
59 documentation upon which appear numbers, symbols, characters or
60 other distinctive marks used to identify and designate the winner
61 or winners;

62 (ii) The winning chance or chances are to be
63 determined by a drawing or similar selection method based



64 predominately upon the element of chance or random selection
65 rather than upon the skill or judgment of the player or players;

66 (iii) The holder or holders of the winning chance
67 or chances are to receive a prize or something of valuable
68 consideration; and

69 (iv) The activity is conducted and participated in
70 without regard to geographical location, with the player or
71 players not being required to be present upon any particular
72 premises or at any particular location in order to participate or
73 to win.

74 (d) "Person" means any association, corporation, firm,
75 partnership, trust or other form of business association as well
76 as a natural person.

77 (e) "Retailer" means any person authorized by the
78 Mississippi Gaming Commission to sell lottery tickets to the
79 public. A person having a gaming license issued under Section
80 75-76-1 et seq. may be a retailer if located in a county that has
81 elected to participate in the state lottery.

82 **SECTION 2.** (1) There is created and established a state
83 lottery.

84 (2) The Mississippi Gaming Commission shall administer the
85 state lottery and shall have the authority to:

86 (a) Prescribe the method and form of application which
87 an applicant for a distributor's license or retailer's license, or



88 both, must follow and complete before consideration of his
89 application by the commission;

90 (b) Prescribe guidelines for the review of applications
91 for licenses and the approval or disapproval of such applications;

92 (c) Require an applicant to pay all or any part of the
93 fees and costs of investigation of such applicant as may be
94 determined by the commission, except that no applicant for an
95 initial license shall be required to pay any part of the fees or
96 costs of the investigation of the applicant with regard to the
97 initial license;

98 (d) Prescribe the manner and method of collection and
99 payment of fees and issuance of licenses;

100 (e) Prescribe conditions under which a licensee may be
101 subject to revocation or suspension of his license;

102 (f) Prescribe guidelines regarding the conduct of
103 specific lottery games, including, but not limited to:

104 (i) The types of games to be conducted;

105 (ii) The sale price of tickets;

106 (iii) The number and amount of prizes;

107 (iv) The method and location of selecting or
108 validating winning tickets;

109 (v) The frequency and means of conducting drawings
110 which shall be open to the public;

111 (vi) The manner of payment of prizes;

112 (vii) The frequency of games and drawings; and



113 (viii) Any other matters necessary or desirable
114 for the efficient and effective operation of lottery games;

115 (g) Enter into contracts with distributors for the
116 distribution of lottery tickets to retailers; and

117 (h) Take any action necessary for the implementation
118 and administration of the provisions of this section and Section 1
119 of this act and promulgate rules and regulations necessary for the
120 implementation and administration of the provisions of this
121 section and Section 1 of this act.

122 (3) No ticket shall knowingly be sold to any person under
123 the age of eighteen (18), but this subsection (3) does not
124 prohibit the purchase of a ticket by a person eighteen (18) years
125 of age or older for the purpose of making a gift to any person of
126 any age. In such case, the commission shall direct payment to an
127 adult member of the person's family or the legal guardian of the
128 person on behalf of such person.

129 (4) The proceeds received from the actual sale of lottery
130 tickets, less a reasonable percentage determined by the commission
131 to be retained by a retailer selling a ticket, shall be remitted
132 to the commission on a monthly basis. The commission shall
133 deposit the proceeds into the State Treasury on the day collected.
134 At the end of each month, the commission shall certify the total
135 proceeds collected from the sale of lottery tickets to the State
136 Treasurer who shall distribute such collections as follows:



137 (a) As nearly as practicable, forty-five percent (45%)
138 of the proceeds collected during the preceding month from the sale
139 of lottery tickets in the state shall be allocated as prize money,
140 to be distributed by the commission, provided that this provision
141 shall not create any lien, entitlement, cause of action, or other
142 private right, and any rights of holders of lottery tickets shall
143 be determined by the commission in administering the lottery;

144 (b) A reasonable percentage, as determined by the
145 commission, of the proceeds collected during the preceding month
146 from the sale of lottery tickets in the state shall be allocated
147 for distribution to the commission and paid to the commission to
148 defray the costs of administering the provisions of this section
149 and Section 1 of this act;

150 (c) Four percent (4%) of the proceeds collected during
151 the preceding month from the sale of lottery tickets within a
152 county shall be allocated for distribution to such county and paid
153 to such county;

154 (d) Twenty-five percent (25%) of the remainder of the
155 proceeds collected during the preceding month from the sale of
156 lottery tickets in the state shall be deposited into the
157 Mississippi Adequate Education Supplement Fund created in Section
158 3 of this act, and Seventy-five percent (75%) of such remainder
159 shall be deposited into the Education Infrastructure Supplement
160 Fund created in Section 4 of this act.



161 **SECTION 3.** (1) There is created in the State Treasury a
162 special fund to be designated as the "Mississippi Adequate
163 Education Supplement Fund," into which shall be deposited such
164 funds as provided in Section 2(4)(d) of this act. All investment
165 earnings or interest earned on amounts in the fund shall be
166 deposited to the credit of the fund. Amounts remaining in the
167 fund at the end of a fiscal year shall not lapse into the State
168 General Fund.

169 (2) Each fiscal year, the Legislature shall appropriate the
170 amount in the fund for the exclusive purpose of providing funds to
171 supplement the Mississippi Adequate Education Program.

172 **SECTION 4.** (1) There is created in the State Treasury a
173 special fund to be designated as the "Education Infrastructure
174 Supplement Fund," into which shall be deposited such funds as
175 provided in Section 2(4)(d) of this act. All investment earnings
176 or interest earned on amounts in the fund shall be deposited to
177 the credit of the fund. Amounts remaining in the fund at the end
178 of a fiscal year shall not lapse into the State General Fund.

179 (2) Each fiscal year, the Legislature shall appropriate the
180 amount in the fund as follows:

181 (a) Fifteen percent (15%) shall be appropriated to the
182 State Board for Community and Junior Colleges to be allocated by
183 the board for capital improvements at the various community and
184 junior colleges in this state in the amount recommended by the
185 Infrastructure Commission for Education.



186 (b) Twenty percent (20%) shall be appropriated to the
187 Board of Trustees for State Institutions of Higher Learning to be
188 allocated by the board for capital improvements at the various
189 public universities in this state in the amount recommended by the
190 Infrastructure Commission for Education.

191 (c) Sixty-five percent (65%) shall be appropriated to
192 the State Department of Education to be allocated to public
193 schools located in public school districts in which the value of
194 one (1) mill is less than Two Hundred Thousand Dollars
195 (\$200,000.00). The State Department of Education shall allocate
196 such funds to eligible public school districts in the amount
197 recommended by the Infrastructure Commission for Education. Funds
198 received by a public school district shall be used solely for
199 capital improvements to public school instructional buildings
200 and/or construction of public school instructional buildings.

201 **SECTION 5.** (1) There is created the Infrastructure
202 Commission for Education which shall consist of the following
203 members:

- 204 (a) The State Treasurer;
- 205 (b) The State Superintendant of Education;
- 206 (c) One (1) member appointed by the Governor;
- 207 (d) One (1) member appointed by the Lieutenant
208 Governor;
- 209 (d) One (1) member appointed by the Attorney General;



210 (e) One (1) member of the State Board of Education
211 selected by the State Board of Education;

212 (f) One (1) member of the Board of Trustees of State
213 Institutions of Higher learning selected by the Board of Trustees
214 of State Institutions of Higher Learning; and

215 (g) One (1) member of the State Board for Community
216 Colleges and Junior Colleges selected by the State Board for
217 Community and Junior Colleges.

218 (2) The members appointed by the Governor, Lieutenant
219 Governor and Attorney General shall receive per diem as provided
220 by Section 25-3-69 and reimbursement of travel expenses as
221 provided in Section 25-3-41 for expenses incurred in carrying out
222 their duties as members of the commission.

223 (3) The commission, by majority vote, shall determine the
224 place and time of its meetings and shall spread the same on its
225 minutes. A majority of the members shall constitute a quorum, and
226 final action of the commission shall require the affirmative vote
227 of a majority of those present and voting. The commission shall
228 elect a chairman and a vice chairman who shall preside in the
229 absence or incapacity of the chairman and such other officers as
230 it deems necessary and as established by its rules of order.
231 Extraordinary meetings may be held upon call of the chairman or
232 upon petition of any four (4) members of the board should the
233 chairman refuse to call a meeting. The initial meeting of the
234 board shall convene upon call of the chairman.



235 (4) The commission shall recommend the allocation of the
236 funds in the Education Infrastructure Supplement Fund in the
237 manner provided in Section 4 of this act.

238 **SECTION 6.** Section 67-1-71, Mississippi Code of 1972, is
239 amended as follows:

240 67-1-71. The department may revoke or suspend any permit
241 issued by it for a violation by the permittee of any of the
242 provisions of this chapter or of the regulations promulgated under
243 it by the department.

244 Permits must be revoked or suspended for the following
245 causes:

246 (a) Conviction of the permittee for the violation of
247 any of the provisions of this chapter;

248 (b) Willful failure or refusal by any permittee to
249 comply with any of the provisions of this chapter or of any rule
250 or regulation adopted pursuant thereto;

251 (c) The making of any materially false statement in any
252 application for a permit;

253 (d) Conviction of one or more of the clerks, agents or
254 employees of the permittee, of any violation of this chapter upon
255 the premises covered by such permit within a period of time as
256 designated by the rules or regulations of the department;

257 (e) The possession on the premises of any retail
258 permittee of any alcoholic beverages upon which the tax has not
259 been paid;



260 (f) The willful failure of any permittee to keep the
261 records or make the reports required by this chapter, or to allow
262 an inspection of such records by any duly authorized person;

263 (g) The suspension or revocation of a permit issued to
264 the permittee by the federal government, or conviction of
265 violating any federal law relating to alcoholic beverages;

266 (h) The failure to furnish any bond required by Section
267 27-71-21 within fifteen (15) days after notice from the
268 department; and

269 (i) The conducting of any form of illegal gambling on
270 the premises of any permittee or on any premises connected
271 therewith or the presence on any such premises of any gambling
272 device with the knowledge of the permittee.

273 The provisions of paragraph (i) of this section shall not
274 apply to gambling or the presence of any gambling devices, with
275 knowledge of the permittee, on board a cruise vessel in the waters
276 within the State of Mississippi, which lie adjacent to the State
277 of Mississippi south of the three (3) most southern counties in
278 the State of Mississippi, or on any vessel as defined in Section
279 27-109-1 whenever such vessel is on the Mississippi River or
280 navigable waters within any county bordering on the Mississippi
281 River. The department may, in its discretion, issue on-premises
282 retailer's permits to a common carrier of the nature described in
283 this paragraph.



284 The provisions of paragraph (i) of this section shall not
285 apply to the operation of any game or lottery authorized by
286 Sections 1 and 2 of this act.

287 No permit shall be suspended or revoked until after the
288 permittee has been provided reasonable notice of the charges
289 against him for which suspension or revocation is sought and the
290 opportunity to a hearing before the Board of Tax Appeals to
291 contest such charges and the suspension or revocation proposed.
292 Opportunity to a hearing is provided without an actual hearing if
293 the permittee, after receiving reasonable notice, including notice
294 of his right to a hearing, fails to timely request a hearing. The
295 permittee may also at any time waive his rights to reasonable
296 notice and/or to the opportunity to a hearing by agreeing to a
297 suspension or revocation offered by the department.

298 Notwithstanding the requirement above that a permit may not be
299 suspended without notice and opportunity to a hearing, sales of
300 alcoholic beverages by a permittee under a permit for which the
301 bond under Section 27-71-21 has been cancelled shall be suspended
302 from and after issuance of the notice provided in subsection (h)
303 above and shall continue to be suspended until the bond is
304 reinstated, a new bond is posted or sufficient cash or securities
305 as provided under Section 27-71-21 are deposited with the State
306 Treasurer for this permit.

307 In addition to the causes specified in this section and other
308 provisions of this chapter, the department shall be authorized to



309 suspend the permit of any permit holder for being out of
310 compliance with an order for support, as defined in Section
311 93-11-153. The procedure for suspension of a permit for being out
312 of compliance with an order for support, and the procedure for the
313 reissuance or reinstatement of a permit suspended for that
314 purpose, and the payment of any fees for the reissuance or
315 reinstatement of a permit suspended for that purpose, shall be
316 governed by Section 93-11-157 or 93-11-163, as the case may be.
317 If there is any conflict between any provision of Section
318 93-11-157 or 93-11-163 and any provision of this chapter, the
319 provisions of Section 93-11-157 or 93-11-163, as the case may be,
320 shall control.

321 **SECTION 7.** Section 75-76-3, Mississippi Code of 1972, is
322 amended as follows:

323 75-76-3. (1) The provisions of this chapter shall not be
324 construed to legalize any form of gaming which is prohibited under
325 the Mississippi Constitution or the laws of this state. All legal
326 gaming which is conducted in this state and which is otherwise
327 authorized by law shall be regulated and licensed pursuant to the
328 provisions of this chapter, unless the Legislature specifically
329 provides otherwise. Nothing in this chapter shall be construed as
330 encouraging the legalization of gambling in this state.

331 (2) The Legislature hereby finds and declares that lotteries
332 and gaming both consist of the material element of chance. The
333 Legislature is * * * permitted by virtue of its inherent powers to



334 legislate upon lotteries and gaming as the occasion arises. The
335 Legislature derives its power to legislate upon lotteries and
336 gaming or gambling devices from its inherent authority over the
337 morals and policy of the people * * *.

338 (3) The Legislature hereby finds, and declares it to be the
339 public policy of this state, that:

340 (a) Regulation of lotteries and licensed gaming is
341 important in order that * * * it be conducted honestly and
342 competitively, that the rights of the creditors of licensees are
343 protected and that * * * it is free from criminal and corruptive
344 elements.

345 (b) Public confidence and trust can only be maintained
346 by strict regulation of all persons, locations, practices,
347 associations and activities related to the operation of lotteries
348 and licensed gaming establishments and the manufacture or
349 distribution of gambling devices and equipment.

350 (c) All establishments where lotteries or gaming * * *,
351 or both, are conducted and * * * manufacturers, sellers and
352 distributors of certain * * * lottery and gaming devices and
353 equipment must therefore be licensed, controlled and assisted to
354 protect the public health, safety, morals, good order and general
355 welfare of the inhabitants of the state.

356 (4) It is the intent of the Legislature that gaming
357 licensees and any entity authorized to conduct a lottery, to the
358 extent practicable, employ residents of Mississippi as * * *



359 employees * * * in the operation of their * * * establishments
360 located in this state.

361 (5) No applicant for a license or other affirmative
362 commission approval has any right to a license or the granting of
363 the approval sought. Any license issued or other commission
364 approval granted pursuant to the provisions of this chapter is a
365 revocable privilege, and no holder acquires any vested right
366 therein or thereunder.

367 * * *

368 **SECTION 8.** Section 75-76-5, Mississippi Code of 1972, is
369 amended as follows:

370 75-76-5. As used in this chapter, unless the context
371 requires otherwise:

372 (a) "Applicant" means any person who has applied for or
373 is about to apply for a state gaming license, registration or
374 finding of suitability under the provisions of this chapter or
375 approval of any act or transaction for which approval is required
376 or permitted under the provisions of this chapter.

377 (b) "Application" means a request for the issuance of a
378 state gaming license, registration or finding of suitability under
379 the provisions of this chapter or for approval of any act or
380 transaction for which approval is required or permitted under the
381 provisions of this chapter but does not include any supplemental
382 forms or information that may be required with the application.



383 (c) "Associated equipment" means any equipment or
384 mechanical, electromechanical or electronic contrivance, component
385 or machine used remotely or directly in connection with gaming or
386 with any game, race book or sports pool that would not otherwise
387 be classified as a gaming device, including dice, playing cards,
388 links which connect to progressive slot machines, equipment which
389 affects the proper reporting of gross revenue, computerized
390 systems of betting at a race book or sports pool, computerized
391 systems for monitoring slot machines, and devices for weighing or
392 counting money.

393 (d) "Chairman" means the Chairman of the Mississippi
394 Gaming Commission except when used in the term "Chairman of the
395 State Tax Commission." "Chairman of the State Tax Commission" or
396 "commissioner" means the Commissioner of Revenue of the Department
397 of Revenue.

398 (e) "Commission" or "Mississippi Gaming Commission"
399 means the Mississippi Gaming Commission.

400 (f) "Commission member" means a member of the
401 Mississippi Gaming Commission.

402 (g) "Credit instrument" means a writing which evidences
403 a gaming debt owed to a person who holds a license at the time the
404 debt is created, and includes any writing taken in consolidation,
405 redemption or payment of a prior credit instrument.



406 (h) "Enforcement division" means a particular division
407 supervised by the executive director that provides enforcement
408 functions.

409 (i) "Establishment" means any premises wherein or
410 whereon any gaming is done.

411 (j) "Executive director" means the Executive Director
412 of the Mississippi Gaming Commission.

413 (k) Except as otherwise provided by law, "game," or
414 "gambling game" means any banking or percentage game played with
415 cards, with dice or with any mechanical, electromechanical or
416 electronic device or machine for money, property, checks, credit
417 or any representative of value, including, without limiting, the
418 generality of the foregoing, faro, monte, roulette, keno, fan-tan,
419 twenty-one, blackjack, seven-and-a-half, big injun, klondike,
420 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de
421 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,
422 or any other game or device approved by the commission. However,
423 "game" or "gambling game" shall not include bingo games or raffles
424 which are held pursuant to the provisions of Section
425 97-33-51, * * * the illegal gambling activities described in
426 Section 97-33-8, or any game authorized by Sections 1 and 2 of
427 this act.

428 The commission shall not be required to recognize any game
429 hereunder with respect to which the commission determines it does
430 not have sufficient experience or expertise.



431 (1) "Gaming" or "gambling" means to deal, operate,
432 carry on, conduct, maintain or expose for play any game as defined
433 in this chapter.

434 (m) "Gaming device" means any mechanical,
435 electromechanical or electronic contrivance, component or machine
436 used in connection with gaming or any game which affects the
437 result of a wager by determining win or loss. The term includes a
438 system for processing information which can alter the normal
439 criteria of random selection, which affects the operation of any
440 game, or which determines the outcome of a game. The term does
441 not include a system or device which affects a game solely by
442 stopping its operation so that the outcome remains undetermined,
443 and does not include any antique coin machine as defined in
444 Section 27-27-12.

445 (n) "Gaming employee" means any person connected
446 directly with the operation of a gaming establishment licensed to
447 conduct any game, including:

- 448 (i) Boxmen;
- 449 (ii) Cashiers;
- 450 (iii) Change personnel;
- 451 (iv) Counting room personnel;
- 452 (v) Dealers;
- 453 (vi) Floormen;
- 454 (vii) Hosts or other persons empowered to extend
455 credit or complimentary services;



- 456 (viii) Keno runners;
- 457 (ix) Keno writers;
- 458 (x) Machine mechanics;
- 459 (xi) Security personnel;
- 460 (xii) Shift or pit bosses;
- 461 (xiii) Shills;
- 462 (xiv) Supervisors or managers; and
- 463 (xv) Ticket writers.

464 The term "gaming employee" also includes employees of
465 manufacturers or distributors of gaming equipment within this
466 state whose duties are directly involved with the manufacture,
467 repair or distribution of gaming equipment.

468 "Gaming employee" does not include bartenders, cocktail
469 waitresses or other persons engaged in preparing or serving food
470 or beverages unless acting in some other capacity.

471 (o) "Gaming license" means any license issued by the
472 state which authorizes the person named therein to engage in
473 gaming.

474 (p) "Gross revenue" means the total of all of the
475 following, less the total of all cash paid out as losses to
476 patrons and those amounts paid to purchase annuities to fund
477 losses paid to patrons over several years by independent financial
478 institutions:

- 479 (i) Cash received as winnings;



480 (ii) Cash received in payment for credit extended
481 by a licensee to a patron for purposes of gaming; and

482 (iii) Compensation received for conducting any
483 game in which the licensee is not party to a wager.

484 For the purposes of this definition, cash or the value of
485 noncash prizes awarded to patrons in a contest or tournament are
486 not losses.

487 The term does not include:

488 (i) Counterfeit money or tokens;

489 (ii) Coins of other countries which are received
490 in gaming devices;

491 (iii) Cash taken in fraudulent acts perpetrated
492 against a licensee for which the licensee is not reimbursed; or

493 (iv) Cash received as entry fees for contests or
494 tournaments in which the patrons compete for prizes.

495 (q) "Hearing examiner" means a member of the
496 Mississippi Gaming Commission or other person authorized by the
497 commission to conduct hearings.

498 (r) "Investigation division" means a particular
499 division supervised by the executive director that provides
500 investigative functions.

501 (s) "License" means a gaming license or a
502 manufacturer's, seller's or distributor's license.

503 (t) "Licensee" means any person to whom a valid license
504 has been issued.



505 (u) "License fees" means monies required by law to be
506 paid to obtain or continue a gaming license or a manufacturer's,
507 seller's or distributor's license.

508 (v) "Licensed gaming establishment" means any premises
509 licensed pursuant to the provisions of this chapter wherein or
510 whereon gaming is done.

511 (w) "Manufacturer's," "seller's" or "distributor's"
512 license means a license issued pursuant to Section 75-76-79.

513 (x) "Navigable waters" shall have the meaning ascribed
514 to such term under Section 27-109-1.

515 (y) "Operation" means the conduct of gaming.

516 (z) "Party" means the Mississippi Gaming Commission and
517 any licensee or other person appearing of record in any proceeding
518 before the commission; or the Mississippi Gaming Commission and
519 any licensee or other person appearing of record in any proceeding
520 for judicial review of any action, decision or order of the
521 commission.

522 (aa) "Person" includes any association, corporation,
523 firm, partnership, trust or other form of business association as
524 well as a natural person.

525 (bb) "Premises" means land, together with all
526 buildings, improvements and personal property located thereon, and
527 includes all parts of any vessel or cruise vessel.



528 (cc) "Race book" means the business of accepting wagers
529 upon the outcome of any event held at a track which uses the
530 pari-mutuel system of wagering.

531 (dd) "Regulation" means a rule, standard, directive or
532 statement of general applicability which effectuates law or policy
533 or which describes the procedure or requirements for practicing
534 before the commission. The term includes a proposed regulation
535 and the amendment or repeal of a prior regulation but does not
536 include:

537 (i) A statement concerning only the internal
538 management of the commission and not affecting the rights or
539 procedures available to any licensee or other person;

540 (ii) A declaratory ruling;

541 (iii) An interagency memorandum;

542 (iv) The commission's decision in a contested case
543 or relating to an application for a license; or

544 (v) Any notice concerning the fees to be charged
545 which are necessary for the administration of this chapter.

546 (ee) "Respondent" means any licensee or other person
547 against whom a complaint has been filed with the commission.

548 (ff) "Slot machine" means any mechanical, electrical or
549 other device, contrivance or machine which, upon insertion of a
550 coin, token or similar object, or upon payment of any
551 consideration, is available to play or operate, the play or
552 operation of which, whether by reason of the skill of the operator



553 or application of the element of chance, or both, may deliver or
554 entitle the person playing or operating the machine to receive
555 cash, premiums, merchandise, tokens or anything of value, whether
556 the payoff is made automatically from the machine or in any other
557 manner. The term does not include any antique coin machine as
558 defined in Section 27-27-12.

559 (gg) "Sports pool" means the business of accepting
560 wagers on sporting events, except for athletic events, by any
561 system or method of wagering other than the system known as the
562 "pari-mutuel method of wagering."

563 (hh) "State Tax Commission" or "department" means the
564 Department of Revenue of the State of Mississippi.

565 (ii) "Temporary work permit" means a work permit which
566 is valid only for a period not to exceed ninety (90) days from its
567 date of issue and which is not renewable.

568 (jj) "Vessel" or "cruise vessel" shall have the
569 meanings ascribed to such terms under Section 27-109-1.

570 (kk) "Work permit" means any card, certificate or
571 permit issued by the commission, whether denominated as a work
572 permit, registration card or otherwise, authorizing the employment
573 of the holder as a gaming employee. A document issued by any
574 governmental authority for any employment other than gaming is not
575 a valid work permit for the purposes of this chapter.



576 (ll) "School or training institution" means any school
577 or training institution which is licensed by the commission to
578 teach or train gaming employees pursuant to Section 75-76-34.

579 (mm) "Cheat" means to alter the selection of criteria
580 that determine:

581 (i) The rules of a game; or

582 (ii) The amount or frequency of payment in a game.

583 (nn) "Promotional activity" means an activity or event
584 conducted or held for the purpose of promoting or marketing the
585 individual licensed gaming establishment that is engaging in the
586 promotional activity. The term includes, but is not limited to, a
587 game of any kind other than as defined in paragraph (k) of this
588 section, a tournament, a contest, a drawing, or a promotion of any
589 kind.

590 **SECTION 9.** Section 97-33-9, Mississippi Code of 1972, is
591 amended as follows:

592 97-33-9. Except as otherwise provided in Section 97-33-8, if
593 any person shall be guilty of keeping or exhibiting any game or
594 gaming table commonly called A.B.C. or E.O. roulette or
595 rowley-powley, or rouge et noir, roredo, keno, monte, or any
596 faro-bank, or other game, gaming table, or bank of the same or
597 like kind or any other kind or description under any other name
598 whatever, or shall be in any manner either directly or indirectly
599 interested or concerned in any gaming tables, banks, or games,
600 either by furnishing money or articles for the purpose of carrying



601 on the same, being interested in the loss or gain of said table,
602 bank or games, or employed in any manner in conducting, carrying
603 on, or exhibiting said gaming tables, games, or banks, every
604 person so offending and being thereof convicted, shall be fined
605 not less than Twenty-five Dollars (\$25.00) nor more than Two
606 Thousand Dollars (\$2,000.00), or be imprisoned in the county jail
607 not longer than two (2) months, or by both such fine and
608 imprisonment, in the discretion of the court. Nothing in this
609 section shall apply to any person who owns, possesses, controls,
610 installs, procures, repairs or transports any gambling device,
611 machine or equipment in accordance with subsection (4) of Section
612 97-33-7 or Section 75-76-34.

613 This section shall not apply to the operation of any game or
614 lottery authorized by Sections 1 and 2 of this act.

615 **SECTION 10.** Section 97-33-11, Mississippi Code of 1972, is
616 amended as follows:

617 97-33-11. It shall not be lawful for any association of
618 persons of the character commonly known as a "club," whether such
619 association be incorporated or not, in any manner, either directly
620 or indirectly, to have any interest or concern in any gambling
621 tables, banks, or games, by means of what is sometimes called a
622 "rake-off" or "take-out," or by means of an assessment upon
623 certain combinations, or hands at cards, or by means of a
624 percentage extracted from players, or an assessment made upon, or
625 a contribution from them, or by any other means, device or



626 contrivance whatsoever. It shall not be lawful for such an
627 association to lend or advance money or any other valuable thing
628 to any person engaged or about to engage in playing any game of
629 chance prohibited by law, or to become responsible directly or
630 indirectly for any money or other valuable thing lost, or which
631 may be lost, by any player in any such game. If any such
632 association shall violate any of the provisions of this section
633 each and every member thereof shall be guilty of a misdemeanor
634 and, upon conviction thereof, shall be fined in a sum not more
635 than Five Hundred Dollars (\$500.00); and unless such fine and
636 costs be immediately paid, shall be imprisoned in the county jail
637 for not less than five (5) nor more than twenty (20) days. Each
638 grand jury shall cause such of the members of such an association
639 as it may choose to appear before them and submit to examination
640 touching the observance or nonobservance by such association of
641 the provisions hereof.

642 This section shall not apply to the operation of any game or
643 lottery authorized by Sections 1 and 2 of this act.

644 **SECTION 11.** Section 97-33-13, Mississippi Code of 1972, is
645 amended as follows:

646 97-33-13. Any owner, lessee, or occupant of any outhouse or
647 other building, who shall knowingly permit or suffer any of the
648 before mentioned tables, banks, or games, or any other game
649 prohibited by law, to be carried on, kept, or exhibited in his
650 said house or other building, or on his lot or premises, being



651 thereof convicted, shall be fined not less than One Hundred
652 Dollars (\$100.00) nor more than Two Thousand Dollars (\$2,000.00).

653 This section shall not apply to the operation of any game or
654 lottery authorized by Sections 1 and 2 of this act.

655 **SECTION 12.** Section 97-33-21, Mississippi Code of 1972, is
656 amended as follows:

657 97-33-21. Any person of full age who shall bet any money or
658 thing of any value with a minor, or allow a minor to bet at any
659 game or gaming table exhibited by him, or in which he is
660 interested or in any manner concerned, on conviction thereof,
661 shall be fined not less than Three Hundred Dollars (\$300.00) and
662 imprisoned not less than three (3) months.

663 This section shall apply to minors under the age of eighteen
664 (18) as it might apply to the operation of any game or lottery
665 authorized by Sections 1 and 2 of this act.

666 **SECTION 13.** Section 97-33-23, Mississippi Code of 1972, is
667 amended as follows:

668 97-33-23. Any person of full age who shall bet any money or
669 thing of value with a minor, knowing such minor to be under the
670 age of twenty-one (21) years, or allowing any such minor to bet at
671 any game or games, or at any gaming table exhibited by him, or in
672 which he is interested or in any manner concerned, on conviction
673 thereof, shall be punished by imprisonment in the Penitentiary not
674 exceeding two (2) years.



675 This section shall apply to minors under the age of eighteen
676 (18) with regard to the operation of any game or lottery
677 authorized by Sections 1 and 2 of this act.

678 **SECTION 14.** Section 97-33-31, Mississippi Code of 1972, is
679 amended as follows:

680 97-33-31. If any person, in order to raise money for himself
681 or another, or for any purpose whatever, shall publicly or
682 privately put up a lottery to be drawn or adventured for, he
683 shall, on conviction, be imprisoned in the Penitentiary not
684 exceeding five (5) years.

685 This section shall not apply to the operation of any game or
686 lottery authorized by Sections 1 and 2 of this act.

687 **SECTION 15.** Section 97-33-33, Mississippi Code of 1972, is
688 amended as follows:

689 97-33-33. If any person shall in any way advertise any
690 lottery whatever, no matter where located, or shall knowingly have
691 in his possession any posters or other lottery advertisements of
692 any kind, save a regularly issued newspaper containing such an
693 advertisement without intent to circulate the same as an
694 advertisement, he shall, on conviction, be fined not less than
695 Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars
696 (\$100.00), or be imprisoned in the county jail not exceeding three
697 (3) months, or both.

698 This section shall not apply to the operation of any game or
699 lottery authorized by Sections 1 and 2 of this act.



700 **SECTION 16.** Section 97-33-35, Mississippi Code of 1972, is
701 amended as follows:

702 97-33-35. If any newspaper published or circulated in this
703 state shall contain an advertisement of any lottery whatever, or
704 any matter intended to advertise a lottery, no matter where
705 located, the editor or editors, publisher or publishers, and the
706 owner or owners thereof permitting the same, shall be guilty of a
707 misdemeanor and, on conviction, shall be fined not less than One
708 Hundred Dollars (\$100.00) nor more than One Thousand Dollars
709 (\$1,000.00), and be imprisoned in the county jail not less than
710 ten (10) days nor more than three (3) months, for each offense.
711 The issuance of each separate daily or weekly edition of the
712 newspaper that shall contain such an advertisement shall be
713 considered a separate offense.

714 This section shall not apply to the operation of any game or
715 lottery authorized by Sections 1 and 2 of this act.

716 **SECTION 17.** Section 97-33-37, Mississippi Code of 1972, is
717 amended as follows:

718 97-33-37. If any newsdealer or other person shall, directly
719 or indirectly, sell or offer for sale any newspaper or other
720 publication containing a lottery advertisement, he shall be guilty
721 of a misdemeanor * * * and, upon conviction, shall be fined not
722 less than Ten Dollars (\$10.00) or imprisoned not less than ten
723 (10) days, or both.



724 This section shall not apply to the operation of any game or
725 lottery authorized by Sections 1 and 2 of this act.

726 **SECTION 18.** Section 97-33-39, Mississippi Code of 1972, is
727 amended as follows:

728 97-33-39. If any person shall sell, or offer or expose for
729 sale, any lottery ticket, whether the lottery be in or out of this
730 state, or for or in any other state, territory, district, or
731 country, he shall, on conviction, be fined not less than
732 Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars
733 (\$100.00), or imprisoned in the county jail not less than ten (10)
734 days nor more than sixty (60) days, or both.

735 This section shall not apply to the operation of any game or
736 lottery authorized by Sections 1 and 2 of this act.

737 **SECTION 19.** Section 97-33-41, Mississippi Code of 1972, is
738 amended as follows:

739 97-33-41. If any person shall buy in this state any lottery
740 ticket, whether the lottery be in or out of this state, or of or
741 in any other state, territory, district, or country, he shall, on
742 conviction, be fined not less than Five Dollars (\$5.00) nor more
743 than Twenty-five Dollars (\$25.00), or be imprisoned in the county
744 jail not exceeding ten (10) days, or both.

745 This section shall not apply to the operation of any game or
746 lottery authorized by Sections 1 and 2 of this act.

747 **SECTION 20.** Section 97-33-43, Mississippi Code of 1972, is
748 amended as follows:



749 97-33-43. If any railroad company shall suffer or permit the
750 sale of a lottery ticket of any kind on its cars, or at its depots
751 or depot grounds, or by its employees, no matter where the lottery
752 is located, it shall be guilty of a misdemeanor and, on
753 conviction, shall be fined not less than Twenty Dollars (\$20.00)
754 nor more than One Hundred Dollars (\$100.00) for every such ticket
755 so sold.

756 This section shall not apply to the operation of any game or
757 lottery authorized by Sections 1 and 2 of this act.

758 **SECTION 21.** Section 97-33-45, Mississippi Code of 1972, is
759 amended as follows:

760 97-33-45. If the owner or owners of any steamboat shall
761 suffer or permit the sale of a lottery ticket of any kind on his
762 or their boat, or by his or their employees, no matter where the
763 lottery is located, he or they shall be guilty of a misdemeanor
764 and shall, on conviction, be punished as prescribed in Section
765 97-33-43.

766 This section shall not apply to the operation of any game or
767 lottery authorized by Sections 1 and 2 of this act.

768 **SECTION 22.** Section 97-33-47, Mississippi Code of 1972, is
769 amended as follows:

770 97-33-47. If any person shall act as agent for any lottery
771 or lottery company, no matter where domiciled or located, or if he
772 shall assume to so act as agent, or if he receive any money or
773 other thing for any such lottery or lottery company, or deliver to



774 any person any ticket or tickets, prize or prizes, or other thing
775 from such lottery or lottery company, he shall, on conviction, be
776 fined not less than One Hundred Dollars (\$100.00), nor more than
777 Five Hundred Dollars (\$500.00), and be imprisoned in the county
778 jail not less than three (3) months nor more than six (6) months.

779 This section shall not apply to the operation of any game or
780 lottery authorized by Sections 1 and 2 of this act.

781 **SECTION 23.** Section 97-33-49, Mississippi Code of 1972, is
782 amended as follows:

783 97-33-49. Except as otherwise provided in Section 97-33-51,
784 if any person, in order to raise money for himself or another,
785 shall publicly or privately put up or in any way offer any prize
786 or thing to be raffled or played for, he shall, on conviction, be
787 fined not more than Twenty Dollars (\$20.00), or be imprisoned not
788 more than one (1) month in the county jail.

789 This section shall not apply to the operation of any game or
790 lottery authorized by Sections 1 and 2 of this act.

791 **SECTION 24.** Section 27-65-111, Mississippi Code of 1972, is
792 amended as follows:

793 27-65-111. The exemptions from the provisions of this
794 chapter which are not industrial, agricultural or governmental, or
795 which do not relate to utilities or taxes, or which are not
796 properly classified as one (1) of the exemption classifications of
797 this chapter, shall be confined to persons or property exempted by
798 this section or by the Constitution of the United States or the



799 State of Mississippi. No exemptions as now provided by any other
800 section, except the classified exemption sections of this chapter
801 set forth herein, shall be valid as against the tax herein levied.
802 Any subsequent exemption from the tax levied hereunder, except as
803 indicated above, shall be provided by amendments to this section.

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

806 The tax levied by this chapter shall not apply to the
807 following:

808 (a) Sales of tangible personal property and services to
809 hospitals or infirmaries owned and operated by a corporation or
810 association in which no part of the net earnings inures to the
811 benefit of any private shareholder, group or individual, and which
812 are subject to and governed by Sections 41-7-123 through 41-7-127.

813 Only sales of tangible personal property or services which
814 are ordinary and necessary to the operation of such hospitals and
815 infirmaries are exempted from tax.

816 (b) Sales of daily or weekly newspapers, and
817 periodicals or publications of scientific, literary or educational
818 organizations exempt from federal income taxation under Section
819 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of
820 March 31, 1975, and subscription sales of all magazines.

821 (c) Sales of coffins, caskets and other materials used
822 in the preparation of human bodies for burial.



823 (d) Sales of tangible personal property for immediate
824 export to a foreign country.

825 (e) Sales of tangible personal property to an
826 orphanage, old men's or ladies' home, supported wholly or in part
827 by a religious denomination, fraternal nonprofit organization or
828 other nonprofit organization.

829 (f) Sales of tangible personal property, labor or
830 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,
831 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a
832 corporation or association in which no part of the net earnings
833 inures to the benefit of any private shareholder, group or
834 individual.

835 (g) Sales to elementary and secondary grade schools,
836 junior and senior colleges owned and operated by a corporation or
837 association in which no part of the net earnings inures to the
838 benefit of any private shareholder, group or individual, and which
839 are exempt from state income taxation, provided that this
840 exemption does not apply to sales of property or services which
841 are not to be used in the ordinary operation of the school, or
842 which are to be resold to the students or the public.

843 (h) The gross proceeds of retail sales and the use or
844 consumption in this state of drugs and medicines:

845 (i) Prescribed for the treatment of a human being
846 by a person authorized to prescribe the medicines, and dispensed



847 or prescription filled by a registered pharmacist in accordance
848 with law; or

849 (ii) Furnished by a licensed physician, surgeon,
850 dentist or podiatrist to his own patient for treatment of the
851 patient; or

852 (iii) Furnished by a hospital for treatment of any
853 person pursuant to the order of a licensed physician, surgeon,
854 dentist or podiatrist; or

855 (iv) Sold to a licensed physician, surgeon,
856 podiatrist, dentist or hospital for the treatment of a human
857 being; or

858 (v) Sold to this state or any political
859 subdivision or municipal corporation thereof, for use in the
860 treatment of a human being or furnished for the treatment of a
861 human being by a medical facility or clinic maintained by this
862 state or any political subdivision or municipal corporation
863 thereof.

864 "Medicines," as used in this paragraph (h), shall mean and
865 include any substance or preparation intended for use by external
866 or internal application to the human body in the diagnosis, cure,
867 mitigation, treatment or prevention of disease and which is
868 commonly recognized as a substance or preparation intended for
869 such use; provided that "medicines" do not include any auditory,
870 prosthetic, ophthalmic or ocular device or appliance, any dentures
871 or parts thereof or any artificial limbs or their replacement



872 parts, articles which are in the nature of splints, bandages,
873 pads, compresses, supports, dressings, instruments, apparatus,
874 contrivances, appliances, devices or other mechanical, electronic,
875 optical or physical equipment or article or the component parts
876 and accessories thereof, or any alcoholic beverage or any other
877 drug or medicine not commonly referred to as a prescription drug.

878 Notwithstanding the preceding sentence of this paragraph (h),
879 "medicines" as used in this paragraph (h), shall mean and include
880 sutures, whether or not permanently implanted, bone screws, bone
881 pins, pacemakers and other articles permanently implanted in the
882 human body to assist the functioning of any natural organ, artery,
883 vein or limb and which remain or dissolve in the body.

884 "Hospital," as used in this paragraph (h), shall have the
885 meaning ascribed to it in Section 41-9-3, Mississippi Code of
886 1972.

887 Insulin furnished by a registered pharmacist to a person for
888 treatment of diabetes as directed by a physician shall be deemed
889 to be dispensed on prescription within the meaning of this
890 paragraph (h).

891 (i) Retail sales of automobiles, trucks and
892 truck-tractors if exported from this state within forty-eight (48)
893 hours and registered and first used in another state.

894 (j) Sales of tangible personal property or services to
895 the Salvation Army and the Muscular Dystrophy Association, Inc.



896 (k) From July 1, 1985, through December 31, 1992,
897 retail sales of "alcohol blended fuel" as such term is defined in
898 Section 75-55-5. The gasoline-alcohol blend or the straight
899 alcohol eligible for this exemption shall not contain alcohol
900 distilled outside the State of Mississippi.

901 (l) Sales of tangible personal property or services to
902 the Institute for Technology Development.

903 (m) The gross proceeds of retail sales of food and
904 drink for human consumption made through vending machines serviced
905 by full line vendors from and not connected with other taxable
906 businesses.

907 (n) The gross proceeds of sales of motor fuel.

908 (o) Retail sales of food for human consumption
909 purchased with food stamps issued by the United States Department
910 of Agriculture, or other federal agency, from and after October 1,
911 1987, or from and after the expiration of any waiver granted
912 pursuant to federal law, the effect of which waiver is to permit
913 the collection by the state of tax on such retail sales of food
914 for human consumption purchased with food stamps.

915 (p) Sales of cookies for human consumption by the Girl
916 Scouts of America no part of the net earnings from which sales
917 inures to the benefit of any private group or individual.

918 (q) Gifts or sales of tangible personal property or
919 services to public or private nonprofit museums of art.



920 (r) Sales of tangible personal property or services to
921 alumni associations of state-supported colleges or universities.

922 (s) Sales of tangible personal property or services to
923 National Association of Junior Auxiliaries, Inc., and chapters of
924 the National Association of Junior Auxiliaries, Inc.

925 (t) Sales of tangible personal property or services to
926 domestic violence shelters which qualify for state funding under
927 Sections 93-21-101 through 93-21-113.

928 (u) Sales of tangible personal property or services to
929 the National Multiple Sclerosis Society, Mississippi Chapter.

930 (v) Retail sales of food for human consumption
931 purchased with food instruments issued the Mississippi Band of
932 Choctaw Indians under the Women, Infants and Children Program
933 (WIC) funded by the United States Department of Agriculture.

934 (w) Sales of tangible personal property or services to
935 a private company, as defined in Section 57-61-5, which is making
936 such purchases with proceeds of bonds issued under Section 57-61-1
937 et seq., the Mississippi Business Investment Act.

938 (x) The gross collections from the operation of
939 self-service, coin-operated car washing equipment and sales of the
940 service of washing motor vehicles with portable high-pressure
941 washing equipment on the premises of the customer.

942 (y) Sales of tangible personal property or services to
943 the Mississippi Technology Alliance.



944 (z) Sales of tangible personal property to nonprofit
945 organizations that provide foster care, adoption services and
946 temporary housing for unwed mothers and their children if the
947 organization is exempt from federal income taxation under Section
948 501(c) (3) of the Internal Revenue Code.

949 (aa) Sales of tangible personal property to nonprofit
950 organizations that provide residential rehabilitation for persons
951 with alcohol and drug dependencies if the organization is exempt
952 from federal income taxation under Section 501(c) (3) of the
953 Internal Revenue Code.

954 (bb) Retail sales of an article of clothing or footwear
955 designed to be worn on or about the human body if the sales price
956 of the article is less than One Hundred Dollars (\$100.00) and the
957 sale takes place during a period beginning at 12:01 a.m. on the
958 last Friday in July and ending at 12:00 midnight the following
959 Saturday. This paragraph (bb) shall not apply to:

960 (i) Accessories including jewelry, handbags,
961 luggage, umbrellas, wallets, watches, backpacks, briefcases,
962 garment bags and similar items carried on or about the human body,
963 without regard to whether worn on the body in a manner
964 characteristic of clothing;

965 (ii) The rental of clothing or footwear; and

966 (iii) Skis, swim fins, roller blades, skates and
967 similar items worn on the foot.



968 From and after January 1, 2010, the governing authorities of
969 a municipality, for retail sales occurring within the corporate
970 limits of the municipality, may suspend the application of the
971 exemption provided for in this paragraph (bb) by adoption of a
972 resolution to that effect stating the date upon which the
973 suspension shall take effect. A certified copy of the resolution
974 shall be furnished to the Department of Revenue at least ninety
975 (90) days prior to the date upon which the municipality desires
976 such suspension to take effect.

977 (cc) The gross proceeds of sales of tangible personal
978 property made for the sole purpose of raising funds for a school
979 or an organization affiliated with a school.

980 As used in this paragraph (cc), "school" means any public or
981 private school that teaches courses of instruction to students in
982 any grade from kindergarten through Grade 12.

983 (dd) Sales of durable medical equipment and home
984 medical supplies when ordered or prescribed by a licensed
985 physician for medical purposes of a patient. As used in this
986 paragraph (dd), "durable medical equipment" and "home medical
987 supplies" mean equipment, including repair and replacement parts
988 for the equipment or supplies listed under Title XVIII of the
989 Social Security Act or under the state plan for medical assistance
990 under Title XIX of the Social Security Act, prosthetics,
991 orthotics, hearing aids, hearing devices, prescription eyeglasses,
992 oxygen and oxygen equipment. Payment does not have to be made, in



993 whole or in part, by any particular person to be eligible for this
994 exemption. Purchases of home medical equipment and supplies by a
995 provider of home health services or a provider of hospice services
996 are eligible for this exemption if the purchases otherwise meet
997 the requirements of this paragraph.

998 (ee) Sales of tangible personal property or services to
999 Mississippi Blood Services.

1000 (ff) (i) Subject to the provisions of this paragraph
1001 (ff), retail sales of firearms, ammunition and hunting supplies if
1002 sold during the annual Mississippi Second Amendment Weekend
1003 holiday beginning at 12:01 a.m. on the last Friday in August and
1004 ending at 12:00 midnight the following Sunday. For the purposes
1005 of this paragraph (ff), "hunting supplies" means tangible personal
1006 property used for hunting, including, and limited to, archery
1007 equipment, firearm and archery cases, firearm and archery
1008 accessories, hearing protection, holsters, belts and slings.
1009 Hunting supplies does not include animals used for hunting.

1010 (ii) This paragraph (ff) shall apply only if one
1011 or more of the following occur:

1012 1. Title to and/or possession of an eligible
1013 item is transferred from a seller to a purchaser; and/or

1014 2. A purchaser orders and pays for an
1015 eligible item and the seller accepts the order for immediate
1016 shipment, even if delivery is made after the time period provided



1017 in subparagraph (i) of this paragraph (ff), provided that the
1018 purchaser has not requested or caused the delay in shipment.

1019 (gg) Sales of nonperishable food items to charitable
1020 organizations that are exempt from federal income taxation under
1021 Section 501(c)(3) of the Internal Revenue Code and operate a food
1022 bank or food pantry or food lines.

1023 (hh) Sales of tangible personal property or services to
1024 the United Way of the Pine Belt Region, Inc.

1025 (ii) Sales of tangible personal property or services to
1026 the Mississippi Children's Museum or any subsidiary or affiliate
1027 thereof operating a satellite or branch museum within this state.

1028 (jj) Sales of tangible personal property or services to
1029 the Jackson Zoological Park.

1030 (kk) Sales of tangible personal property or services to
1031 the Hattiesburg Zoo.

1032 (ll) Gross proceeds from sales of food, merchandise or
1033 other concessions at an event held solely for religious or
1034 charitable purposes at livestock facilities, agriculture
1035 facilities or other facilities constructed, renovated or expanded
1036 with funds for the grant program authorized under Section 18,
1037 Chapter 530, Laws of 1995.

1038 (mm) Sales of tangible personal property and services
1039 to the Diabetes Foundation of Mississippi and the Mississippi
1040 Chapter of the Juvenile Diabetes Research Foundation.



1041 (nn) Sales of potting soil, mulch, or other soil
1042 amendments used in growing ornamental plants which bear no fruit
1043 of commercial value when sold to commercial plant nurseries that
1044 operate exclusively at wholesale and where no retail sales can be
1045 made.

1046 (oo) Sales of tangible personal property or services to
1047 the University of Mississippi Medical Center Research Development
1048 Foundation.

1049 (pp) Sales of tangible personal property or services to
1050 Keep Mississippi Beautiful, Inc., and all affiliates of Keep
1051 Mississippi Beautiful, Inc.

1052 (qq) Sales of tangible personal property or services to
1053 the Friends of Children's Hospital.

1054 (rr) Sales of tangible personal property or services to
1055 the Pinecrest Weekend Backpacks for Kids located in Corinth,
1056 Mississippi.

1057 (ss) Sales of hearing aids when ordered or prescribed
1058 by a licensed physician, audiologist or hearing aid specialist for
1059 the medical purposes of a patient.

1060 (tt) Sales exempt under the Facilitating Business Rapid
1061 Response to State Declared Disasters Act of 2015 (Sections
1062 27-113-1 through 27-113-9).

1063 (uu) Sales of lottery tickets by a retailer as
1064 authorized by Sections 1 and 2 of this act.



1065 **SECTION 25.** This act shall take effect and be in force from
1066 and after July 1, 2017.

