

By: Representative Banks

To: Transportation; Ways and Means

HOUSE BILL NO. 626

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT FROM THE PROCEEDS OF GASOLINE, DIESEL FUEL OR
3 KEROSENE TAXES, AN AMOUNT EQUAL TO 1% OF THE REVENUE FROM GASOLINE
4 AND DIESEL FUEL TAXES ON GASOLINE, DIESEL FUEL AND KEROSENE SOLD
5 WITHIN THE CITY OF JACKSON, MISSISSIPPI, SHALL BE ALLOCATED FOR
6 DISTRIBUTION TO THE CITY OF JACKSON AND PAID TO THE CITY; TO AMEND
7 SECTION 27-5-101, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO;
8 AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Section 27-65-75, Mississippi Code of 1972, is
11 amended as follows:

12 27-65-75. On or before the fifteenth day of each month, the
13 revenue collected under the provisions of this chapter during the
14 preceding month shall be paid and distributed as follows:

15 (1) (a) On or before August 15, 1992, and each succeeding
16 month thereafter through July 15, 1993, eighteen percent (18%) of
17 the total sales tax revenue collected during the preceding month
18 under the provisions of this chapter, except that collected under
19 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
20 business activities within a municipal corporation shall be
21 allocated for distribution to the municipality and paid to the



22 municipal corporation. Except as otherwise provided in this
23 paragraph (a), on or before August 15, 1993, and each succeeding
24 month thereafter, eighteen and one-half percent (18-1/2%) of the
25 total sales tax revenue collected during the preceding month under
26 the provisions of this chapter, except that collected under the
27 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
28 27-65-24, on business activities within a municipal corporation
29 shall be allocated for distribution to the municipality and paid
30 to the municipal corporation. However, in the event the State
31 Auditor issues a certificate of noncompliance pursuant to Section
32 21-35-31, the Department of Revenue shall withhold ten percent
33 (10%) of the allocations and payments to the municipality that
34 would otherwise be payable to the municipality under this
35 paragraph (a) until such time that the department receives written
36 notice of the cancellation of a certificate of noncompliance from
37 the State Auditor.

38 A municipal corporation, for the purpose of distributing the
39 tax under this subsection, shall mean and include all incorporated
40 cities, towns and villages.

41 Monies allocated for distribution and credited to a municipal
42 corporation under this paragraph may be pledged as security for a
43 loan if the distribution received by the municipal corporation is
44 otherwise authorized or required by law to be pledged as security
45 for such a loan.



46 In any county having a county seat that is not an
47 incorporated municipality, the distribution provided under this
48 subsection shall be made as though the county seat was an
49 incorporated municipality; however, the distribution to the
50 municipality shall be paid to the county treasury in which the
51 municipality is located, and those funds shall be used for road,
52 bridge and street construction or maintenance in the county.

53 (b) On or before August 15, 2006, and each succeeding
54 month thereafter, eighteen and one-half percent (18-1/2%) of the
55 total sales tax revenue collected during the preceding month under
56 the provisions of this chapter, except that collected under the
57 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
58 business activities on the campus of a state institution of higher
59 learning or community or junior college whose campus is not
60 located within the corporate limits of a municipality, shall be
61 allocated for distribution to the state institution of higher
62 learning or community or junior college and paid to the state
63 institution of higher learning or community or junior college.

64 (c) On or before August 15, 2018, and each succeeding
65 month thereafter until August 14, 2019, two percent (2%) of the
66 total sales tax revenue collected during the preceding month under
67 the provisions of this chapter, except that collected under the
68 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
69 27-65-24, on business activities within the corporate limits of
70 the City of Jackson, Mississippi, shall be deposited into the



71 Capitol Complex Improvement District Project Fund created in
72 Section 29-5-215. On or before August 15, 2019, and each
73 succeeding month thereafter until August 14, 2020, four percent
74 (4%) of the total sales tax revenue collected during the preceding
75 month under the provisions of this chapter, except that collected
76 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
77 and 27-65-24, on business activities within the corporate limits
78 of the City of Jackson, Mississippi, shall be deposited into the
79 Capitol Complex Improvement District Project Fund created in
80 Section 29-5-215. On or before August 15, 2020, and each
81 succeeding month thereafter, six percent (6%) of the total sales
82 tax revenue collected during the preceding month under the
83 provisions of this chapter, except that collected under the
84 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
85 27-65-24, on business activities within the corporate limits of
86 the City of Jackson, Mississippi, shall be deposited into the
87 Capitol Complex Improvement District Project Fund created in
88 Section 29-5-215.

89 (2) (a) On or before September 15, 1987, and each
90 succeeding month thereafter, from the revenue collected under this
91 chapter during the preceding month, One Million One Hundred
92 Twenty-five Thousand Dollars (\$1,125,000.00) shall be allocated
93 for distribution to municipal corporations as defined under
94 subsection (1) of this section in the proportion that the number
95 of gallons of gasoline and diesel fuel sold by distributors to



96 consumers and retailers in each such municipality during the
97 preceding fiscal year bears to the total gallons of gasoline and
98 diesel fuel sold by distributors to consumers and retailers in
99 municipalities statewide during the preceding fiscal year. The
100 Department of Revenue shall require all distributors of gasoline
101 and diesel fuel to report to the department monthly the total
102 number of gallons of gasoline and diesel fuel sold by them to
103 consumers and retailers in each municipality during the preceding
104 month. The Department of Revenue shall have the authority to
105 promulgate such rules and regulations as is necessary to determine
106 the number of gallons of gasoline and diesel fuel sold by
107 distributors to consumers and retailers in each municipality. In
108 determining the percentage allocation of funds under this
109 subsection for the fiscal year beginning July 1, 1987, and ending
110 June 30, 1988, the Department of Revenue may consider gallons of
111 gasoline and diesel fuel sold for a period of less than one (1)
112 fiscal year. For the purposes of this subsection, the term
113 "fiscal year" means the fiscal year beginning July 1 of a year.

114 (b) On or before August 15, 2018, and each succeeding
115 month thereafter, from the proceeds of gasoline, diesel fuel or
116 kerosene taxes as provided for in Section 27-5-101(a)(ii), an
117 amount equal to one percent (1%) of the revenue from fuel taxes on
118 gasoline, diesel fuel and kerosene sold within the City of
119 Jackson, Mississippi, shall be allocated for distribution to the
120 City of Jackson and paid to the city. Money allocated to the City



121 of Jackson pursuant to this paragraph (b) shall not be considered
122 by the city as general fund revenue but shall be dedicated to and
123 expended solely for street construction and repair and
124 infrastructure maintenance and improvements. The payment to the
125 City of Jackson under this paragraph (b) is for the purpose of
126 assisting the city defray the ad valorem tax loss the city
127 sustains as a result of the state ownership of property described
128 in Section 27-31-1(b) and for defraying increased infrastructure
129 and law enforcement and other public safety costs the city incurs
130 as a result of being the seat of state government. The amount
131 paid to the City of Jackson under this paragraph (b) shall be in
132 addition to any other funds allocated for distribution to the city
133 under any other provision of this section.

134 (3) On or before September 15, 1987, and on or before the
135 fifteenth day of each succeeding month, until the date specified
136 in Section 65-39-35, the proceeds derived from contractors' taxes
137 levied under Section 27-65-21 on contracts for the construction or
138 reconstruction of highways designated under the highway program
139 created under Section 65-3-97 shall, except as otherwise provided
140 in Section 31-17-127, be deposited into the State Treasury to the
141 credit of the State Highway Fund to be used to fund that highway
142 program. The Mississippi Department of Transportation shall
143 provide to the Department of Revenue such information as is
144 necessary to determine the amount of proceeds to be distributed
145 under this subsection.



146 (4) On or before August 15, 1994, and on or before the
147 fifteenth day of each succeeding month through July 15, 1999, from
148 the proceeds of gasoline, diesel fuel or kerosene taxes as
149 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
150 (\$4,000,000.00) shall be deposited in the State Treasury to the
151 credit of a special fund designated as the "State Aid Road Fund,"
152 created by Section 65-9-17. On or before August 15, 1999, and on
153 or before the fifteenth day of each succeeding month, from the
154 total amount of the proceeds of gasoline, diesel fuel or kerosene
155 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
156 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
157 one-fourth percent (23-1/4%) of those funds, whichever is the
158 greater amount, shall be deposited in the State Treasury to the
159 credit of the "State Aid Road Fund," created by Section 65-9-17.
160 Those funds shall be pledged to pay the principal of and interest
161 on state aid road bonds heretofore issued under Sections 19-9-51
162 through 19-9-77, in lieu of and in substitution for the funds
163 previously allocated to counties under this section. Those funds
164 may not be pledged for the payment of any state aid road bonds
165 issued after April 1, 1981; however, this prohibition against the
166 pledging of any such funds for the payment of bonds shall not
167 apply to any bonds for which intent to issue those bonds has been
168 published for the first time, as provided by law before March 29,
169 1981. From the amount of taxes paid into the special fund under
170 this subsection and subsection (9) of this section, there shall be



171 first deducted and paid the amount necessary to pay the expenses
172 of the Office of State Aid Road Construction, as authorized by the
173 Legislature for all other general and special fund agencies. The
174 remainder of the fund shall be allocated monthly to the several
175 counties in accordance with the following formula:

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

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

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

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

189 The amount of funds allocated to any county under this
190 subsection for any fiscal year after fiscal year 1994 shall not be
191 less than the amount allocated to the county for fiscal year 1994.

192 Any reference in the general laws of this state or the
193 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
194 construed to refer and apply to subsection (4) of Section
195 27-65-75.



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

202 (6) An amount each month beginning August 15, 1983, through
203 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
204 1983, shall be paid into the special fund known as the
205 Correctional Facilities Construction Fund created in Section 6,
206 Chapter 542, Laws of 1983.

207 (7) On or before August 15, 1992, and each succeeding month
208 thereafter through July 15, 2000, two and two hundred sixty-six
209 one-thousandths percent (2.266%) of the total sales tax revenue
210 collected during the preceding month under the provisions of this
211 chapter, except that collected under the provisions of Section
212 27-65-17(2), shall be deposited by the department into the School
213 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
214 or before August 15, 2000, and each succeeding month thereafter,
215 two and two hundred sixty-six one-thousandths percent (2.266%) of
216 the total sales tax revenue collected during the preceding month
217 under the provisions of this chapter, except that collected under
218 the provisions of Section 27-65-17(2), shall be deposited into the
219 School Ad Valorem Tax Reduction Fund created under Section
220 37-61-35 until such time that the total amount deposited into the



221 fund during a fiscal year equals Forty-two Million Dollars
222 (\$42,000,000.00). Thereafter, the amounts diverted under this
223 subsection (7) during the fiscal year in excess of Forty-two
224 Million Dollars (\$42,000,000.00) shall be deposited into the
225 Education Enhancement Fund created under Section 37-61-33 for
226 appropriation by the Legislature as other education needs and
227 shall not be subject to the percentage appropriation requirements
228 set forth in Section 37-61-33.

229 (8) On or before August 15, 1992, and each succeeding month
230 thereafter, nine and seventy-three one-thousandths percent
231 (9.073%) of the total sales tax revenue collected during the
232 preceding month under the provisions of this chapter, except that
233 collected under the provisions of Section 27-65-17(2), shall be
234 deposited into the Education Enhancement Fund created under
235 Section 37-61-33.

236 (9) On or before August 15, 1994, and each succeeding month
237 thereafter, from the revenue collected under this chapter during
238 the preceding month, Two Hundred Fifty Thousand Dollars
239 (\$250,000.00) shall be paid into the State Aid Road Fund.

240 (10) On or before August 15, 1994, and each succeeding month
241 thereafter through August 15, 1995, from the revenue collected
242 under this chapter during the preceding month, Two Million Dollars
243 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
244 Valorem Tax Reduction Fund established in Section 27-51-105.



245 (11) Notwithstanding any other provision of this section to
246 the contrary, on or before February 15, 1995, and each succeeding
247 month thereafter, the sales tax revenue collected during the
248 preceding month under the provisions of Section 27-65-17(2) and
249 the corresponding levy in Section 27-65-23 on the rental or lease
250 of private carriers of passengers and light carriers of property
251 as defined in Section 27-51-101 shall be deposited, without
252 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
253 established in Section 27-51-105.

254 (12) Notwithstanding any other provision of this section to
255 the contrary, on or before August 15, 1995, and each succeeding
256 month thereafter, the sales tax revenue collected during the
257 preceding month under the provisions of Section 27-65-17(1) on
258 retail sales of private carriers of passengers and light carriers
259 of property, as defined in Section 27-51-101 and the corresponding
260 levy in Section 27-65-23 on the rental or lease of these vehicles,
261 shall be deposited, after diversion, into the Motor Vehicle Ad
262 Valorem Tax Reduction Fund established in Section 27-51-105.

263 (13) On or before July 15, 1994, and on or before the
264 fifteenth day of each succeeding month thereafter, that portion of
265 the avails of the tax imposed in Section 27-65-22 that is derived
266 from activities held on the Mississippi State Fairgrounds Complex
267 shall be paid into a special fund that is created in the State
268 Treasury and shall be expended upon legislative appropriation



269 solely to defray the costs of repairs and renovation at the Trade
270 Mart and Coliseum.

271 (14) On or before August 15, 1998, and each succeeding month
272 thereafter through July 15, 2005, that portion of the avails of
273 the tax imposed in Section 27-65-23 that is derived from sales by
274 cotton compresses or cotton warehouses and that would otherwise be
275 paid into the General Fund shall be deposited in an amount not to
276 exceed Two Million Dollars (\$2,000,000.00) into the special fund
277 created under Section 69-37-39. On or before August 15, 2007, and
278 each succeeding month thereafter through July 15, 2010, that
279 portion of the avails of the tax imposed in Section 27-65-23 that
280 is derived from sales by cotton compresses or cotton warehouses
281 and that would otherwise be paid into the General Fund shall be
282 deposited in an amount not to exceed Two Million Dollars
283 (\$2,000,000.00) into the special fund created under Section
284 69-37-39 until all debts or other obligations incurred by the
285 Certified Cotton Growers Organization under the Mississippi Boll
286 Weevil Management Act before January 1, 2007, are satisfied in
287 full. On or before August 15, 2010, and each succeeding month
288 thereafter through July 15, 2011, fifty percent (50%) of that
289 portion of the avails of the tax imposed in Section 27-65-23 that
290 is derived from sales by cotton compresses or cotton warehouses
291 and that would otherwise be paid into the General Fund shall be
292 deposited into the special fund created under Section 69-37-39
293 until such time that the total amount deposited into the fund



294 during a fiscal year equals One Million Dollars (\$1,000,000.00).
295 On or before August 15, 2011, and each succeeding month
296 thereafter, that portion of the avails of the tax imposed in
297 Section 27-65-23 that is derived from sales by cotton compresses
298 or cotton warehouses and that would otherwise be paid into the
299 General Fund shall be deposited into the special fund created
300 under Section 69-37-39 until such time that the total amount
301 deposited into the fund during a fiscal year equals One Million
302 Dollars (\$1,000,000.00).

303 (15) Notwithstanding any other provision of this section to
304 the contrary, on or before September 15, 2000, and each succeeding
305 month thereafter, the sales tax revenue collected during the
306 preceding month under the provisions of Section
307 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
308 without diversion, into the Telecommunications Ad Valorem Tax
309 Reduction Fund established in Section 27-38-7.

310 (16) (a) On or before August 15, 2000, and each succeeding
311 month thereafter, the sales tax revenue collected during the
312 preceding month under the provisions of this chapter on the gross
313 proceeds of sales of a project as defined in Section 57-30-1 shall
314 be deposited, after all diversions except the diversion provided
315 for in subsection (1) of this section, into the Sales Tax
316 Incentive Fund created in Section 57-30-3.

317 (b) On or before August 15, 2007, and each succeeding
318 month thereafter, eighty percent (80%) of the sales tax revenue



319 collected during the preceding month under the provisions of this
320 chapter from the operation of a tourism project under the
321 provisions of Sections 57-26-1 through 57-26-5, shall be
322 deposited, after the diversions required in subsections (7) and
323 (8) of this section, into the Tourism Project Sales Tax Incentive
324 Fund created in Section 57-26-3.

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

332 (18) [Repealed]

333 (19) (a) On or before August 15, 2005, and each succeeding
334 month thereafter, the sales tax revenue collected during the
335 preceding month under the provisions of this chapter on the gross
336 proceeds of sales of a business enterprise located within a
337 redevelopment project area under the provisions of Sections
338 57-91-1 through 57-91-11, and the revenue collected on the gross
339 proceeds of sales from sales made to a business enterprise located
340 in a redevelopment project area under the provisions of Sections
341 57-91-1 through 57-91-11 (provided that such sales made to a
342 business enterprise are made on the premises of the business
343 enterprise), shall, except as otherwise provided in this



344 subsection (19), be deposited, after all diversions, into the
345 Redevelopment Project Incentive Fund as created in Section
346 57-91-9.

347 (b) For a municipality participating in the Economic
348 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
349 the diversion provided for in subsection (1) of this section
350 attributable to the gross proceeds of sales of a business
351 enterprise located within a redevelopment project area under the
352 provisions of Sections 57-91-1 through 57-91-11, and attributable
353 to the gross proceeds of sales from sales made to a business
354 enterprise located in a redevelopment project area under the
355 provisions of Sections 57-91-1 through 57-91-11 (provided that
356 such sales made to a business enterprise are made on the premises
357 of the business enterprise), shall be deposited into the
358 Redevelopment Project Incentive Fund as created in Section
359 57-91-9, as follows:

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

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



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

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

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

379 (20) On or before January 15, 2007, and each succeeding
380 month thereafter, eighty percent (80%) of the sales tax revenue
381 collected during the preceding month under the provisions of this
382 chapter from the operation of a tourism project under the
383 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
384 after the diversions required in subsections (7) and (8) of this
385 section, into the Tourism Sales Tax Incentive Fund created in
386 Section 57-28-3.

387 (21) (a) On or before April 15, 2007, and each succeeding
388 month thereafter through June 15, 2013, One Hundred Fifty Thousand
389 Dollars (\$150,000.00) of the sales tax revenue collected during
390 the preceding month under the provisions of this chapter shall be
391 deposited into the MMEIA Tax Incentive Fund created in Section
392 57-101-3.



393 (b) On or before July 15, 2013, and each succeeding
394 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
395 of the sales tax revenue collected during the preceding month
396 under the provisions of this chapter shall be deposited into the
397 Mississippi Development Authority Job Training Grant Fund created
398 in Section 57-1-451.

399 (22) Notwithstanding any other provision of this section to
400 the contrary, on or before August 15, 2009, and each succeeding
401 month thereafter, the sales tax revenue collected during the
402 preceding month under the provisions of Section 27-65-201 shall be
403 deposited, without diversion, into the Motor Vehicle Ad Valorem
404 Tax Reduction Fund established in Section 27-51-105.

405 (23) The remainder of the amounts collected under the
406 provisions of this chapter shall be paid into the State Treasury
407 to the credit of the General Fund.

408 (24) (a) It shall be the duty of the municipal officials of
409 any municipality that expands its limits, or of any community that
410 incorporates as a municipality, to notify the commissioner of that
411 action thirty (30) days before the effective date. Failure to so
412 notify the commissioner shall cause the municipality to forfeit
413 the revenue that it would have been entitled to receive during
414 this period of time when the commissioner had no knowledge of the
415 action.

416 (b) (i) Except as otherwise provided in subparagraph
417 (ii) of this paragraph, if any funds have been erroneously



418 disbursed to any municipality or any overpayment of tax is
419 recovered by the taxpayer, the commissioner may make correction
420 and adjust the error or overpayment with the municipality by
421 withholding the necessary funds from any later payment to be made
422 to the municipality.

423 (ii) Subject to the provisions of Sections
424 27-65-51 and 27-65-53, if any funds have been erroneously
425 disbursed to a municipality under subsection (1) of this section
426 for a period of three (3) years or more, the maximum amount that
427 may be recovered or withheld from the municipality is the total
428 amount of funds erroneously disbursed for a period of three (3)
429 years beginning with the date of the first erroneous disbursement.
430 However, if during such period, a municipality provides written
431 notice to the Department of Revenue indicating the erroneous
432 disbursement of funds, then the maximum amount that may be
433 recovered or withheld from the municipality is the total amount of
434 funds erroneously disbursed for a period of one (1) year beginning
435 with the date of the first erroneous disbursement.

436 **SECTION 2.** Section 27-5-101, Mississippi Code of 1972, is
437 amended as follows:

438 **[With regard to any county which is exempt from the**
439 **provisions of Section 19-2-3, this section shall read as follows:]**

440 27-5-101. Unless otherwise provided in this section, on or
441 before the fifteenth day of each month, all gasoline, diesel fuel
442 or kerosene taxes which are levied under the laws of this state



443 and collected during the previous month shall be paid and
444 apportioned by the * * * Department of Revenue as follows:

445 (a) (i) Except as otherwise provided in Section
446 31-17-127, from the gross amount of gasoline, diesel fuel or
447 kerosene taxes produced by the state, there shall be deducted an
448 amount equal to one-sixth (1/6) of principal and interest
449 certified by the State Treasurer to the * * * Department of
450 Revenue to be due on the next semiannual bond and interest payment
451 date, as required under the provisions of Chapter 130, Laws of
452 1938, and subsequent acts authorizing the issuance of bonds
453 payable from gasoline, diesel fuel or kerosene tax revenue on a
454 parity with the bonds issued under authority of said Chapter 130.
455 The State Treasurer shall certify to the * * * Department of
456 Revenue on or before the fifteenth day of each month the amount to
457 be paid to the "Highway Bonds Sinking Fund" as provided by said
458 Chapter 130, Laws of 1938, and subsequent acts authorizing the
459 issuance of bonds payable from gasoline, diesel fuel or kerosene
460 tax revenue, on a parity with the bonds issued under authority of
461 said Chapter 130; and the * * * Department of Revenue shall, on or
462 before the twenty-fifth day of each month, pay into the State
463 Treasury for credit to the "Highway Bonds Sinking Fund" the amount
464 so certified to him by the State Treasurer due to be paid into
465 such fund each month. The payments to the "Highway Bonds Sinking
466 Fund" shall be made out of gross gasoline, diesel fuel or kerosene
467 tax collections before deductions of any nature are considered;



468 however, such payments shall be deducted from the allocation to
469 the Mississippi Department of Transportation under paragraph (c)
470 of this section.

471 (ii) From collections derived from the portion of
472 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
473 from the portion of the tax on aviation gas under Section 27-55-11
474 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
475 portion of the special fuel tax levied under Sections 27-55-519
476 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
477 Cents (10¢) per gallon, from the portion of the taxes levied under
478 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
479 gallon that exceeds One Cent (1¢) per gallon on special fuel and
480 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
481 as aircraft fuel, from the portion of the excise tax on compressed
482 gas used as a motor fuel that exceeds the rate of tax in effect on
483 June 30, 1987, and from the portion of the gasoline excise tax in
484 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
485 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
486 shall be deducted:

487 1. An amount as provided in Section
488 27-65-75(4) to the credit of a special fund designated as the
489 "Office of State Aid Road Construction."

490 2. An amount equal to the tax collections
491 derived from Two Cents (2¢) per gallon of the gasoline excise tax
492 for distribution to the State Highway Fund to be used exclusively



493 for the construction, reconstruction and maintenance of highways
494 of the State of Mississippi or the payment of interest and
495 principal on bonds when specifically authorized by the Legislature
496 for that purpose.

497 3. An amount as provided in Section 27-65-75
498 (2)(b) to the credit of the City of Jackson, Mississippi.

499 * * *4. The balance shall be deposited in
500 the State Treasury to the credit of the State Highway Fund.

501 (b) Subject to the provisions that said basis of
502 distribution shall in nowise affect adversely the amount
503 specifically pledged in paragraph (a) of this section to be paid
504 into the "Highway Bonds Sinking Fund," the following shall be
505 deducted from the amount produced by the state tax on gasoline,
506 diesel fuel or kerosene tax collections, excluding collections
507 derived from the portion of the gasoline excise tax that exceeds
508 Seven Cents (7¢) per gallon, from the portion of the tax on
509 aviation gas under Section 27-55-11 that exceeds Six and
510 Four-tenths Cents (6.4¢) per gallon, from the portion of the
511 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
512 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
513 gallon, from the portion of the taxes levied under Section
514 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
515 exceeds One Cent (1¢) per gallon on special fuel and Five and
516 One-fourth Cents (5.25¢) per gallon on special fuel used as
517 aircraft fuel, from the portion of the excise tax on compressed



518 gas used as a motor fuel that exceeds the rate of tax in effect on
519 June 30, 1987, and from the portion of the gasoline excise tax in
520 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
521 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

522 (i) Twenty percent (20%) of such amount which
523 shall be earmarked and set aside for the construction,
524 reconstruction and maintenance of the highways and roads of the
525 state, provided that if such twenty percent (20%) should reduce
526 any county to a lesser amount than that received in the fiscal
527 year ending June 30, 1966, then such twenty percent (20%) shall be
528 reduced to a percentage to provide that no county shall receive
529 less than its portion for the fiscal year ending June 30, 1966;

530 (ii) The amount allowed as refund on gasoline or
531 as tax credit on diesel fuel or kerosene used for agricultural,
532 maritime, industrial, domestic, and nonhighway purposes;

533 (iii) Five percent (5%) of such amount shall be
534 paid to the State Highway Fund;

535 (iv) The amount or portion thereof authorized by
536 legislative appropriation to the Fisheries and Wildlife Fund
537 created under Section 59-21-25;

538 (v) The amount for deposit into the special
539 aviation fund under paragraph (d) of this section; and

540 (vi) The remainder shall be divided on a basis of
541 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
542 same basis as Four and One-half Cents (4-1/2¢) and Two and



543 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
544 six and forty-three one-hundredths (6.43) and three and
545 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
546 fuel or kerosene). The amount produced by the nine-fourteenths
547 (9/14) division shall be allocated to the * * * Department of
548 Transportation and paid into the State Treasury as provided in
549 this section and in Section 27-5-103 and the five-fourteenths
550 (5/14) division shall be returned to the counties of the state on
551 the following basis:

552 1. In each fiscal year, each county shall be
553 paid each month the same percentage of the monthly total to be
554 distributed as was paid to that county during the same month in
555 the fiscal year which ended April 9, 1960, until the county
556 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
557 fiscal year, at which time funds shall be distributed under the
558 provisions of paragraph (b)(vi)4 of this section.

559 2. If after payments in 1 above, any county
560 has not received a total of One Hundred Ninety Thousand Dollars
561 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
562 and each fiscal year thereafter, then any available funds not
563 distributed under 1 above shall be used to bring such county or
564 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
565 or such funds shall be divided equally among such counties not
566 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if



567 there is not sufficient money to bring all the counties to said
568 One Hundred Ninety Thousand Dollars (\$190,000.00).

569 3. When a county has been paid an amount
570 equal to the total which was paid to the same county during the
571 fiscal year ended April 9, 1960, such county shall receive no
572 further payments during the then current fiscal year until the
573 last month of such current fiscal year, at which time distribution
574 will be made under 2 above, except as set out in 4 below.

575 4. During the last month of the current
576 fiscal year, should it be determined that there are funds
577 available in excess of the amount distributed for the year under 1
578 and 2 above, then such excess funds shall be distributed among the
579 various counties as follows:

580 One-third (1/3) of such excess to be
581 divided equally among the counties;

582 One-third (1/3) of such excess to be paid
583 to the counties in the proportion which the population of each
584 county bears to the total population of the state according to the
585 last federal census;

586 One-third (1/3) of such excess to be paid
587 to the counties in the proportion which the number of square miles
588 of each county bears to the total square miles in the state.

589 5. It is the declared purpose and intent of
590 the Legislature that no county shall be paid less than was paid
591 during the year ended April 9, 1960, unless the amount to be



592 distributed to all counties in any year is less than the amount
593 distributed to all counties during the year ended April 9, 1960.

594 The Municipal Aid Fund as established by Section 27-5-103
595 shall not participate in any portion of any funds allocated to any
596 county hereunder over and above One Hundred Ninety Thousand
597 Dollars (\$190,000.00).

598 In any county having countywide road or bridge bonds, or
599 supervisors district or district road or bridge bonds outstanding,
600 which exceed, in the aggregate, twelve percent (12%) of the
601 assessed valuation of the taxable property of the county or
602 district, it shall be the duty of the board of supervisors to set
603 aside not less than sixty percent (60%) of such county's share or
604 district's share of the gasoline, diesel fuel or kerosene taxes to
605 be used in paying the principal and interest on such road or
606 bridge bonds as they mature.

607 In any county having such countywide road or bridge bonds or
608 district road or bridge bonds outstanding which exceed, in the
609 aggregate, eight percent (8%) of the assessed valuation of the
610 taxable property of the county, but which do not exceed, in the
611 aggregate, twelve percent (12%) of the assessed valuation of the
612 taxable property of the county, it shall be the duty of the board
613 of supervisors to set aside not less than thirty-five percent
614 (35%) of such county's share of the gasoline, diesel fuel or
615 kerosene taxes to be used in paying the principal and interest of
616 such road or bridge bonds as they mature.



617 In any county having such countywide road or bridge bonds or
618 district road or bridge bonds outstanding which exceed, in the
619 aggregate, five percent (5%) of the assessed valuation of the
620 taxable property of the county, but which do not exceed, in the
621 aggregate, eight percent (8%) of the assessed valuation of the
622 taxable property of the county, it shall be the duty of the board
623 of supervisors to set aside not less than twenty percent (20%) of
624 such county's share of the gasoline, diesel fuel or kerosene taxes
625 to be used in paying the principal and interest of such road and
626 bridge bonds as they mature.

627 In any county having such countywide road or bridge bonds or
628 district road or bridge bonds outstanding which do not exceed, in
629 the aggregate, five percent (5%) of the assessed valuation of the
630 taxable property of the county, it shall be the duty of the board
631 of supervisors to set aside not less than ten percent (10%) of
632 such county's share of the gasoline, diesel fuel or kerosene taxes
633 to be used in paying the principal and interest on such road or
634 bridge bonds as they mature.

635 The portion of any such county's share of the gasoline,
636 diesel fuel or kerosene taxes thus set aside for the payment of
637 the principal and interest of road or bridge bonds, as provided
638 for in this section, shall be used first in paying the currently
639 maturing installments of the principal and interest of such
640 countywide road or bridge bonds, if there be any such countywide
641 road or bridge bonds outstanding, and secondly, in paying the



642 currently maturing installments of principal and interest of
643 district road or bridge bonds outstanding. It shall be the duty
644 of the board of supervisors to pay bonds and interest maturing in
645 each supervisors district out of the supervisors district's share
646 of the gasoline, diesel fuel or kerosene taxes of such district.

647 The remaining portion of such county's share of the gasoline,
648 diesel fuel or kerosene taxes, after setting aside the portion
649 above provided for the payment of the principal and interest of
650 bonds, shall be used in the construction and maintenance of any
651 public highways, bridges, or culverts of the county, including the
652 roads in special or separate road districts, in the discretion of
653 the board of supervisors, or in paying the interest and principal
654 of county road and bridge bonds or district road and bridge bonds,
655 in the discretion of the board of supervisors.

656 In any county having no countywide road or bridge bonds or
657 district road or bridge bonds outstanding, all such county's share
658 of the gasoline, diesel fuel or kerosene taxes shall be used in
659 the construction, reconstruction, and maintenance of the public
660 highways, bridges, or culverts of the county as the board of
661 supervisors may determine.

662 In every county in which there are county road bonds or
663 seawall or road protection bonds outstanding which were issued for
664 the purpose of building bridges or constructing public roads or
665 seawalls, such funds shall be used in the manner provided by law.



666 (c) From the amount produced by the nine-fourteenths
667 (9/14) division allocated to the * * * Department of
668 Transportation, there shall be deducted:

669 (i) The amount paid to the State Treasurer for the
670 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

671 (ii) Any amounts due counties in accordance with
672 Section 65-33-45 which have outstanding bonds issued for seawall
673 or road protection purposes, issued under provisions of Chapter
674 319, Laws of 1924, and amendments thereto;

675 (iii) Except as otherwise provided in Section
676 31-17-127, the remainder shall be paid by the * * * Department of
677 Revenue to the State Treasurer on the fifteenth day of each month
678 next succeeding the month in which the gasoline, diesel fuel or
679 kerosene taxes were collected to the credit of the State Highway
680 Fund.

681 The funds allocated for the construction, reconstruction, and
682 improvement of state highways, bridges, and culverts, or so much
683 thereof as may be necessary, shall first be used in conjunction
684 with funds supplied by the federal government for such purposes
685 and allocated to the * * * Department of Transportation to be
686 expended on the state highway system. It is specifically provided
687 hereby that the necessary portion of such funds hereinabove
688 allocated to the * * * Department of Transportation may be used
689 for the prompt payment of principal and interest on highway bonds
690 heretofore issued, including such bonds issued or to be issued



691 under the provisions of Chapter 312, Laws of 1956, and amendments
692 thereto.

693 Nothing contained in this section shall be construed to
694 reduce the amount of such gasoline, diesel fuel or kerosene excise
695 taxes levied by the state, allotted under the provisions of Title
696 65, Chapter 33, Mississippi Code of 1972, to counties in which
697 there are outstanding bonds issued for seawall or road protection
698 purposes issued under the provisions of Chapter 319, Laws of 1924,
699 and amendments thereto; the amount of said gasoline, diesel fuel
700 or kerosene excise taxes designated in this section for the
701 payment of bonds and interest authorized and issued or to be
702 issued under the provisions of Chapter 130, Laws of 1938, and
703 subsequent acts authorizing the issuance of bonds payable from
704 gasoline, diesel fuel or kerosene tax revenue, shall, in such
705 counties, be considered as being paid "into the State Treasury to
706 the credit of the State Highway Fund" within the meaning of
707 Section 65-33-45 in computing the amount to be paid to such
708 counties under the provisions of said section, and this section
709 shall be administered in connection with Title 65, Chapter 33,
710 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
711 65-33-49 dealing with seawalls, as if made a part of this section.

712 (d) The proceeds of the Five and One-fourth Cents
713 (5.25¢) of the tax per gallon on oils used as a propellant for jet
714 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
715 per gallon on aviation gasoline and the tax of One Cent (1¢) per



716 gallon for each gallon of gasoline for which a refund has been
717 made pursuant to Section 27-55-23 because such gasoline was used
718 for aviation purposes, shall be paid to the State Treasury into a
719 special fund to be used exclusively, pursuant to legislative
720 appropriation, for the support and development of aeronautics as
721 defined in Section 61-1-3.

722 (e) State highway funds in an amount equal to the
723 difference between Forty-two Million Dollars (\$42,000,000.00) and
724 the annual debt service payable on the state's highway revenue
725 refunding bonds, Series 1985, shall be expended for the
726 construction or reconstruction of highways designated under the
727 highway program created under Section 65-3-97.

728 (f) "Gasoline, diesel fuel or kerosene taxes" as used
729 in this section shall be deemed to mean and include state
730 gasoline, diesel fuel or kerosene taxes levied and imposed on
731 distributors of gasoline, diesel fuel or kerosene, and all state
732 excise taxes derived from any fuel used to propel vehicles upon
733 the highways of this state, when levied by any statute.

734 **[With regard to any county which is required to operate on a**
735 **countywide system of road administration as described in Section**
736 **19-2-3, this section shall read as follows:]**

737 27-5-101. Unless otherwise provided in this section, on or
738 before the fifteenth day of each month, all gasoline, diesel fuel
739 or kerosene taxes which are levied under the laws of this state



740 and collected during the previous month shall be paid and
741 apportioned by the * * * Department of Revenue as follows:

742 (a) (i) Except as otherwise provided in Section
743 31-17-127, from the gross amount of gasoline, diesel fuel or
744 kerosene taxes produced by the state, there shall be deducted an
745 amount equal to one-sixth (1/6) of principal and interest
746 certified by the State Treasurer to the * * * Department of
747 Revenue to be due on the next semiannual bond and interest payment
748 date, as required under the provisions of Chapter 130, Laws of
749 1938, and subsequent acts authorizing the issuance of bonds
750 payable from gasoline, diesel fuel or kerosene tax revenue on a
751 parity with the bonds issued under authority of said Chapter 130.
752 The State Treasurer shall certify to the * * * Department of
753 Revenue on or before the fifteenth day of each month the amount to
754 be paid to the "Highway Bonds Sinking Fund" as provided by said
755 Chapter 130, Laws of 1938, and subsequent acts authorizing the
756 issuance of bonds payable from gasoline, diesel fuel or kerosene
757 tax revenue, on a parity with the bonds issued under authority of
758 said Chapter 130; and the * * * Department of Revenue shall, on or
759 before the twenty-fifth day of each month, pay into the State
760 Treasury for credit to the "Highway Bonds Sinking Fund" the amount
761 so certified to him by the State Treasurer due to be paid into
762 such fund each month. The payments to the "Highway Bonds Sinking
763 Fund" shall be made out of gross gasoline, diesel fuel or kerosene
764 tax collections before deductions of any nature are considered;



765 however, such payments shall be deducted from the allocation to
766 the * * * Department of Transportation under paragraph (c) of this
767 section.

768 (ii) From collections derived from the portion of
769 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
770 from the portion of the tax on aviation gas under Section 27-55-11
771 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
772 portion of the special fuel tax levied under Sections 27-55-519
773 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
774 Cents (10¢) per gallon, from the portion of the taxes levied under
775 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
776 gallon that exceeds One Cent (1¢) per gallon on special fuel and
777 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
778 as aircraft fuel, from the portion of the excise tax on compressed
779 gas used as a motor fuel that exceeds the rate of tax in effect on
780 June 30, 1987, and from the portion of the gasoline excise tax in
781 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
782 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
783 shall be deducted:

784 1. An amount as provided in Section
785 27-65-75(4) to the credit of a special fund designated as the
786 "Office of State Aid Road Construction."

787 2. An amount equal to the tax collections
788 derived from Two Cents (2¢) per gallon of the gasoline excise tax
789 for distribution to the State Highway Fund to be used exclusively



790 for the construction, reconstruction and maintenance of highways
791 of the State of Mississippi or the payment of interest and
792 principal on bonds when specifically authorized by the Legislature
793 for that purpose.

794 3. An amount as provided in Section 27-65-75
795 (2)(b) to the credit of the City of Jackson, Mississippi.

796 * * *4. The balance shall be deposited in
797 the State Treasury to the credit of the State Highway Fund.

798 (b) Subject to the provisions that said basis of
799 distribution shall in nowise affect adversely the amount
800 specifically pledged in paragraph (a) of this section to be paid
801 into the "Highway Bonds Sinking Fund," the following shall be
802 deducted from the amount produced by the state tax on gasoline,
803 diesel fuel or kerosene tax collections, excluding collections
804 derived from the portion of the gasoline excise tax that exceeds
805 Seven Cents (7¢) per gallon, from the portion of the tax on
806 aviation gas under Section 27-55-11 that exceeds Six and
807 Four-tenths Cents (6.4¢) per gallon, from the portion of the
808 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
809 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
810 gallon, from the portion of the taxes levied under Section
811 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
812 One Cent (1¢) per gallon on special fuel and Five and One-fourth
813 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
814 from the portion of the excise tax on compressed gas used as a



815 motor fuel that exceeds the rate of tax in effect on June 30,
816 1987, and from the portion of the gasoline excise tax in excess of
817 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
818 Ten Cents (10¢) per gallon under Section 27-61-5:

819 (i) Twenty percent (20%) of such amount which
820 shall be earmarked and set aside for the construction,
821 reconstruction and maintenance of the highways and roads of the
822 state, provided that if such twenty percent (20%) should reduce
823 any county to a lesser amount than that received in the fiscal
824 year ending June 30, 1966, then such twenty percent (20%) shall be
825 reduced to a percentage to provide that no county shall receive
826 less than its portion for the fiscal year ending June 30, 1966;

827 (ii) The amount allowed as refund on gasoline or
828 as tax credit on diesel fuel or kerosene used for agricultural,
829 maritime, industrial, domestic and nonhighway purposes;

830 (iii) Five percent (5%) of such amount shall be
831 paid to the State Highway Fund;

832 (iv) The amount or portion thereof authorized by
833 legislative appropriation to the Fisheries and Wildlife Fund
834 created under Section 59-21-25;

835 (v) The amount for deposit into the special
836 aviation fund under paragraph (d) of this section; and

837 (vi) The remainder shall be divided on a basis of
838 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
839 same basis as Four and One-half Cents (4-1/2¢) and Two and



840 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
841 six and forty-three one-hundredths (6.43) and three and
842 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
843 fuel or kerosene). The amount produced by the nine-fourteenths
844 (9/14) division shall be allocated to the * * * Department of
845 Transportation and paid into the State Treasury as provided in
846 this section and in Section 27-5-103 and the five-fourteenths
847 (5/14) division shall be returned to the counties of the state on
848 the following basis:

849 1. In each fiscal year, each county shall be
850 paid each month the same percentage of the monthly total to be
851 distributed as was paid to that county during the same month in
852 the fiscal year which ended April 9, 1960, until the county
853 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
854 fiscal year, at which time funds shall be distributed under the
855 provisions of paragraph (b)(vi)4 of this section.

856 2. If after payments in 1 above, any county
857 has not received a total of One Hundred Ninety Thousand Dollars
858 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
859 and each fiscal year thereafter, then any available funds not
860 distributed under 1 above shall be used to bring such county or
861 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
862 or such funds shall be divided equally among such counties not
863 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if



864 there is not sufficient money to bring all the counties to said
865 One Hundred Ninety Thousand Dollars (\$190,000.00).

866 3. When a county has been paid an amount
867 equal to the total which was paid to the same county during the
868 fiscal year ended April 9, 1960, such county shall receive no
869 further payments during the then current fiscal year until the
870 last month of such current fiscal year, at which time distribution
871 will be made under 2 above, except as set out in 4 below.

872 4. During the last month of the current
873 fiscal year, should it be determined that there are funds
874 available in excess of the amount distributed for the year under 1
875 and 2 above, then such excess funds shall be distributed among the
876 various counties as follows:

877 One-third (1/3) of such excess to be
878 divided equally among the counties;

879 One-third (1/3) of such excess to be paid
880 to the counties in the proportion which the population of each
881 county bears to the total population of the state according to the
882 last federal census;

883 One-third (1/3) of such excess to be paid
884 to the counties in the proportion which the number of square miles
885 of each county bears to the total square miles in the state.

886 5. It is the declared purpose and intent of
887 the Legislature that no county shall be paid less than was paid
888 during the year ended April 9, 1960, unless the amount to be



889 distributed to all counties in any year is less than the amount
890 distributed to all counties during the year ended April 9, 1960.

891 The Municipal Aid Fund as established by Section 27-5-103
892 shall not participate in any portion of any funds allocated to any
893 county hereunder over and above One Hundred Ninety Thousand
894 Dollars (\$190,000.00).

895 In any county having road or bridge bonds outstanding which
896 exceed, in the aggregate, twelve percent (12%) of the assessed
897 valuation of the taxable property of the county, it shall be the
898 duty of the board of supervisors to set aside not less than sixty
899 percent (60%) of such county's share of the gasoline, diesel fuel
900 or kerosene taxes to be used in paying the principal and interest
901 on such road or bridge bonds as they mature.

902 In any county having such road or bridge bonds outstanding
903 which exceed, in the aggregate, eight percent (8%) of the assessed
904 valuation of the taxable property of the county, but which do not
905 exceed, in the aggregate, twelve percent (12%) of the assessed
906 valuation of the taxable property of the county, it shall be the
907 duty of the board of supervisors to set aside not less than
908 thirty-five percent (35%) of such county's share of the gasoline,
909 diesel fuel or kerosene taxes to be used in paying the principal
910 and interest of such road or bridge bonds as they mature.

911 In any county having such road or bridge bonds outstanding
912 which exceed, in the aggregate, five percent (5%) of the assessed
913 valuation of the taxable property of the county, but which do not



914 exceed, in the aggregate, eight percent (8%) of the assessed
915 valuation of the taxable property of the county, it shall be the
916 duty of the board of supervisors to set aside not less than twenty
917 percent (20%) of such county's share of the gasoline, diesel fuel
918 or kerosene taxes to be used in paying the principal and interest
919 of such road and bridge bonds as they mature.

920 In any county having such road or bridge bonds outstanding
921 which do not exceed, in the aggregate, five percent (5%) of the
922 assessed valuation of the taxable property of the county, it shall
923 be the duty of the board of supervisors to set aside not less than
924 ten percent (10%) of such county's share of the gasoline, diesel
925 fuel or kerosene taxes to be used in paying the principal and
926 interest on such road or bridge bonds as they mature.

927 The portion of any such county's share of the gasoline,
928 diesel fuel or kerosene taxes thus set aside for the payment of
929 the principal and interest of road or bridge bonds, as provided
930 for in this section, shall be used in paying the currently
931 maturing installments of the principal and interest of such road
932 or bridge bonds, if there be any such road or bridge bonds
933 outstanding.

934 The remaining portion of such county's share of the gasoline,
935 diesel fuel or kerosene taxes, after setting aside the portion
936 above provided for the payment of the principal and interest of
937 bonds, shall be used in the construction and maintenance of any



938 public highways, bridges or culverts of the county, in the
939 discretion of the board of supervisors.

940 In any county having no road or bridge bonds outstanding, all
941 such county's share of the gasoline, diesel fuel or kerosene taxes
942 shall be used in the construction, reconstruction and maintenance
943 of the public highways, bridges or culverts of the county, as the
944 board of supervisors may determine.

945 In every county in which there are county road bonds or
946 seawall or road protection bonds outstanding which were issued for
947 the purpose of building bridges or constructing public roads or
948 seawalls, such funds shall be used in the manner provided by law.

949 (c) From the amount produced by the nine-fourteenths
950 (9/14) division allocated to the * * * Department of
951 Transportation, there shall be deducted:

952 (i) The amount paid to the State Treasurer for the
953 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

954 (ii) Any amounts due counties in accordance with
955 Section 65-33-45 which have outstanding bonds issued for seawall
956 or road protection purposes, issued under provisions of Chapter
957 319, Laws of 1924, and amendments thereto; and

958 (iii) Except as otherwise provided in Section
959 31-17-127, the remainder shall be paid by the * * * Department of
960 Revenue to the State Treasurer on the fifteenth day of each month
961 next succeeding the month in which the gasoline, diesel fuel or



962 kerosene taxes were collected to the credit of the State Highway
963 Fund.

964 The funds allocated for the construction, reconstruction and
965 improvement of state highways, bridges and culverts, or so much
966 thereof as may be necessary, shall first be used in conjunction
967 with funds supplied by the federal government for such purposes
968 and allocated to the * * * Department of Transportation to be
969 expended on the state highway system. It is specifically provided
970 hereby that the necessary portion of such funds hereinabove
971 allocated to the * * * Department of Transportation may be used
972 for the prompt payment of principal and interest on highway bonds
973 heretofore issued, including such bonds issued or to be issued
974 under the provisions of Chapter 312, Laws of 1956, and amendments
975 thereto.

976 Nothing contained in this section shall be construed to
977 reduce the amount of such gasoline, diesel fuel or kerosene excise
978 taxes levied by the state, allotted under the provisions of Title
979 65, Chapter 33, Mississippi Code of 1972, to counties in which
980 there are outstanding bonds issued for seawall or road protection
981 purposes issued under the provisions of Chapter 319, Laws of 1924,
982 and amendments thereto; the amount of said gasoline, diesel fuel
983 or kerosene excise taxes designated in this section for the
984 payment of bonds and interest authorized and issued or to be
985 issued under the provisions of Chapter 130, Laws of 1938, and
986 subsequent acts authorizing the issuance of bonds payable from



987 gasoline, diesel fuel or kerosene tax revenue, shall, in such
988 counties, be considered as being paid "into the State Treasury to
989 the credit of the State Highway Fund" within the meaning of
990 Section 65-33-45 in computing the amount to be paid to such
991 counties under the provisions of said section, and this section
992 shall be administered in connection with Title 65, Chapter 33,
993 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
994 65-33-49 dealing with seawalls, as if made a part of this section.

995 (d) The proceeds of the Five and One-fourth Cents
996 (5.25¢) of the tax per gallon on oils used as a propellant for jet
997 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
998 per gallon on aviation gasoline and the tax of One Cent (1¢) per
999 gallon for each gallon of gasoline for which a refund has been
1000 made pursuant to Section 27-55-23 because such gasoline was used
1001 for aviation purposes, shall be paid to the State Treasury into a
1002 special fund to be used exclusively, pursuant to legislative
1003 appropriation, for the support and development of aeronautics as
1004 defined in Section 61-1-3.

1005 (e) State highway funds in an amount equal to the
1006 difference between Forty-two Million Dollars (\$42,000,000.00) and
1007 the annual debt service payable on the state's highway revenue
1008 refunding bonds, Series 1985, shall be expended for the
1009 construction or reconstruction of highways designated under the
1010 highway program created under Section 65-3-97.



1011 (f) "Gasoline, diesel fuel or kerosene taxes" as used
1012 in this section shall be deemed to mean and include state
1013 gasoline, diesel fuel or kerosene taxes levied and imposed on
1014 distributors of gasoline, diesel fuel or kerosene, and all state
1015 excise taxes derived from any fuel used to propel vehicles upon
1016 the highways of this state, when levied by any statute.

1017 **SECTION 3.** This act shall take effect and be in force from
1018 and after July 1, 2018.

