

By: Representative Smith

To: Ways and Means

HOUSE BILL NO. 730

1 AN ACT TO AMEND SECTION 27-65-27, MISSISSIPPI CODE OF 1972,
 2 TO PROVIDE THAT THE COMMISSIONER OF REVENUE MAY DENY AN
 3 APPLICATION FOR A SALES TAX PERMIT OR REVOKE A SALES TAX PERMIT IF
 4 THE APPLICANT OR TAXPAYER IS AN ENTITY AND ANY PARTNER, MEMBER,
 5 PRINCIPAL OFFICER OR DIRECTOR OF SUCH ENTITY HAS FAILED TO SATISFY
 6 ALL OF THE FINALLY DETERMINED TAX LIABILITIES OWED BY THAT
 7 PARTNER, MEMBER, PRINCIPAL OFFICER OR DIRECTOR; AND FOR RELATED
 8 PURPOSES.

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

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

12 27-65-27. (1) Any person who engages, or who intends to
 13 engage, in any business or activity which will subject such person
 14 to a privilege tax imposed by this chapter, shall apply to the
 15 commissioner for a permit to engage in and to conduct any business
 16 or activity upon the condition that he shall pay the tax accruing
 17 to the State of Mississippi under the provisions of this chapter,
 18 and shall keep adequate records of such business or activity as
 19 required by this chapter. By making an application for a permit
 20 issued pursuant to this section, a person agrees, regardless of
 21 his presence in this state, to:



22 (a) Be subject to the jurisdiction of this state for
23 purposes of taxation;

24 (b) Collect and remit all taxes levied under this
25 chapter on the type of business or activity to be conducted by the
26 applicant;

27 (c) Be subject to all the provisions of this chapter.

28 (2) Upon receipt of the permit, the applicant shall be duly
29 licensed under this chapter to engage in and conduct the business
30 or activity. The permit shall continue in force so long as the
31 person to whom it is issued shall continue in the same business at
32 the same location, unless revoked by the commissioner for cause.

33 (3) The commissioner shall require of every person desiring
34 to engage in business within this state who maintains no permanent
35 place of business within this state, of every person desiring to
36 engage in the business of making sales of mobile homes, a cash
37 bond or an approved surety bond in an amount sufficient to cover
38 twice the estimated tax liability for a period of three (3)
39 months. However, the bond shall in no case be less than One
40 Hundred Dollars (\$100.00) and the tax may be prepaid in lieu of
41 filing bond if the amount is approved by the commissioner. This
42 bond shall be filed with the commissioner prior to the issuance of
43 a permit to do business and before any such person may engage in
44 business within this state. Failure to comply with the provision
45 will subject such person to the penalties provided by this
46 chapter.



47 (4) The commissioner is authorized to deny the application
48 for a permit or revoke the permit of any person who has failed or
49 is failing to comply with any of the provisions of this chapter.
50 The commissioner may also deny the application for a permit or
51 revoke the permit of any person who has failed to satisfy all of
52 the finally determined tax liabilities owed by that person. If
53 the applicant or taxpayer is an entity, the commissioner may deny
54 the application for a permit or revoke the permit if any partner,
55 member, principal officer or director of such entity has failed to
56 satisfy all of the finally determined tax liabilities owed by that
57 partner, member, principal officer or director. As used in this
58 subsection, "finally determined tax liabilities" means any state
59 tax, fee, penalty and/or interest owed by a person to the
60 Mississippi * * * Department of Revenue where the assessment of
61 the liability has been made against that person as provided by law
62 and such assessment is not subject to any further timely filed
63 administrative or judicial review. Revocation of such permit, or
64 engaging or continuing in business after such permit is revoked or
65 engaging in business without a permit, shall subject the person to
66 all the penalties imposed by this chapter.

67 (5) Any person liable for the tax who fails to obtain a
68 permit from the commissioner, or who continues in business after
69 such permit has been revoked, or who fails to make his returns for
70 taxation as provided, or who fails to keep adequate records and
71 invoices provided by this chapter, or who fails or refuses to



72 permit inspection of such records, or who fails to pay any taxes
73 due hereunder, shall forfeit his rights to do business in this
74 state until he complies with all the provisions of this chapter
75 and until he enters into a bond, with sureties, to be approved by
76 the commissioner, in an amount not to exceed twice the amount of
77 all taxes estimated to become due under this chapter by the person
78 for any period of three (3) months, conditioned to comply with the
79 provisions of this chapter, and pay all taxes legally due by him.

80 (6) If any person is engaged in or continuing in this state
81 in any business or activity without obtaining a permit, or after
82 the permit has been revoked, or without filing a required bond, or
83 without keeping and allowing inspection of all records required by
84 this chapter, or without making a return, or returns, and without
85 paying all taxes due by him hereunder, it shall be the duty of the
86 commissioner to proceed by injunction to prevent the continuance
87 of the business. Any temporary injunction enjoining the
88 continuance of the business shall be granted without notice by a
89 judge or chancellor now authorized to grant injunctions.

90 **SECTION 2.** This act shall take effect and be in force from
91 and after its passage.

