

By: Representative Smith

To: Judiciary B

HOUSE BILL NO. 1304

1 AN ACT TO PROVIDE THAT IT IS UNLAWFUL TO KNOWINGLY CREATE,  
 2 DESIGN, MANUFACTURE, SELL, PURCHASE, LEASE, INSTALL, UPDATE,  
 3 REPAIR, SERVICE, TRANSFER, USE, OR POSSESS OR OTHERWISE MAKE  
 4 AVAILABLE AUTOMATED SALES SUPPRESSION DEVICES OR OTHER DEVICES OR  
 5 PROGRAMS THAT CAN BE USED TO FALSIFY OR MANIPULATE CASH REGISTERS  
 6 AND OTHER FORMS OF POINT-OF-SALE SYSTEMS AND RECORDS; TO DEFINE  
 7 CERTAIN TERMS FOR THE PURPOSES OF THIS ACT; TO PROVIDE PENALTIES  
 8 FOR VIOLATIONS OF THIS ACT; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** (1) As used in this section, the following words  
 11 and phrases shall have the meanings ascribed herein unless the  
 12 context clearly indicates otherwise:

13 (a) "Automated sales suppression device" or "zapper"  
 14 means a software program carried on a memory stick or other flash  
 15 memory data storage device, or on a removable optical disc or  
 16 accessed through an Internet link, or by any other means, that  
 17 falsifies the electronic records of electronic cash registers and  
 18 other point-of-sale systems, including, but not limited to,  
 19 transaction data and transaction reports.

20 (b) "Electronic cash register" means a device that  
 21 keeps an electronic record, register, or supporting documentation,



22 through the use of an electronic device or computer system, of  
23 data for the purpose of computing, compiling, or processing retail  
24 sales transaction data, and includes a cash register or any other  
25 point-of-sale system.

26 (c) "Phantom-ware" means a hidden or concealed  
27 programming option embedded in the operating system of, or  
28 hardwired into, an electronic cash register that can be used to  
29 create a second or alternate set of records or to eliminate or  
30 manipulate transaction records, which may or may not be preserved  
31 in digital format, to represent either the actual or the  
32 manipulated record of transactions.

33 (d) "Transaction data" means data relating to a  
34 transaction which includes, but is not limited to, data  
35 identifying each item purchased by a customer; the price for each  
36 item; a taxability determination for each item; a segregated tax  
37 amount for each of the taxed items; the amount of cash or credit  
38 tendered; the net amount returned to a customer in change; the  
39 date and time of a purchase; the name, address and identification  
40 number of a vendor; and the receipt or invoice number of a  
41 transaction.

42 (e) "Transaction report" means:

43 (i) A report that contains, but is not limited to,  
44 documentation of the sales, taxes, or fees collected, media  
45 totals, and discount voids of an electronic cash register and that



46 is printed on cash register tape or other hard copy at the end of  
47 a day or shift;

48 (ii) A report that documents every action  
49 performed on or by an electronic cash register and that is stored  
50 electronically, and/or

51 (iii) Any variation of reports described in  
52 subparagraphs (i) and (ii) of this paragraph (e).

53 (2) It shall be unlawful for any person to knowingly create,  
54 design, manufacture, sell, purchase, lease, install, update,  
55 repair, service, transfer, use, or possess or otherwise make  
56 available any automated sales suppression device, zapper, or  
57 phantom-ware.

58 (3) Any person who violates the provisions of this section  
59 shall be guilty of a felony and, upon conviction thereof, shall be  
60 fined not more than One Hundred Thousand Dollars (\$100,000.00) or  
61 imprisoned for not more than five (5) years, or both.

62 (4) An automated sales suppression device, zapper or  
63 phantom-ware and any device containing such device or software  
64 shall be contraband and shall be forfeited to the state.

65 **SECTION 2.** This act shall take effect and be in force from  
66 and after July 1, 2018.

