

By: Representative McLeod

To: Ways and Means

HOUSE BILL NO. 1644

1 AN ACT TO AMEND SECTION 27-55-11, MISSISSIPPI CODE OF 1972,
2 TO INCREASE THE RATE OF THE GASOLINE EXCISE TAX; TO AMEND SECTIONS
3 27-55-519 AND 27-55-521, MISSISSIPPI CODE OF 1972, TO INCREASE THE
4 RATE OF THE SPECIAL FUEL EXCISE TAX ON DIESEL FUEL; TO AMEND
5 SECTION 27-5-101, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A
6 PORTION OF THE REVENUE FROM THE INCREASED GASOLINE EXCISE TAX AND
7 THE SPECIAL FUEL EXCISE TAX ON DIESEL FUEL SHALL BE DEPOSITED INTO
8 SPECIAL FUNDS IN THE STATE TREASURY AND USED TO ASSIST COUNTIES
9 AND MUNICIPALITIES IN PAYING COSTS ASSOCIATED WITH THE REPAIR,
10 MAINTENANCE AND RECONSTRUCTION OF ROADS, STREETS AND BRIDGES IN
11 COUNTIES AND MUNICIPALITIES; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** Section 27-55-11, Mississippi Code of 1972, is
14 amended as follows:

15 **[Through June 30, 2026, this section shall read as follows:]**

16 27-55-11. (1) (a) (i) Any person in business as a
17 distributor of gasoline or who acts as a distributor of gasoline,
18 as defined in this article, shall pay for the privilege of
19 engaging in such business or acting as such distributor an excise
20 tax equal to Eighteen Cents (18¢) per gallon until the date
21 specified in Section 65-39-35, and Fourteen and Four-tenths Cents
22 (14.4¢) per gallon thereafter, on all gasoline and blend stock



23 stored, sold, distributed, manufactured, refined, distilled,
24 blended or compounded in this state or received in this state for
25 sale, use on the highways, storage, distribution, or for any
26 purpose.

27 (ii) In addition to the tax imposed under
28 subparagraph (i) of this paragraph (a), any person in business as
29 a distributor of gasoline or who acts as a distributor of
30 gasoline, as defined in this article, shall pay for the privilege
31 of engaging in such business or acting as such distributor an
32 excise tax as provided in this subparagraph (ii) on all gasoline
33 and blend stock stored, sold, distributed, manufactured, refined,
34 distilled, blended or compounded in this state or received in this
35 state for sale, use on the highways, storage, distribution, or for
36 any purpose. The amount of the tax imposed under this
37 subparagraph (ii) shall be as follows:

38 1. From and after July 1, 2018, through June
39 30, 2019, the tax shall be at the rate of Three and One-third Cents
40 (3-1/3¢) per gallon;

41 2. From and after July 1, 2019, through June
42 30, 2020, the tax shall be at the rate of Six and Two-thirds Cents
43 (6-2/3¢) per gallon; and

44 3. From and after July 1, 2020, the tax shall
45 be at the rate of Ten Cents (10¢) per gallon.

46 (b) Any person in business as a distributor of aviation
47 gasoline, or who acts as a distributor of aviation gasoline, shall



pay for the privilege of engaging in such business or acting as such distributor an excise tax equal to Six and Four-tenths Cents (6.4¢) per gallon on all aviation gasoline stored, sold, distributed, manufactured, refined, distilled, blended or compounded in this state or received in this state for sale, storage, distribution or for any purpose.

(c) The excise taxes collected under this section shall be paid and distributed in accordance with Section 27-5-101.

(2) (a) The tax herein imposed and assessed shall be collected and paid to the State of Mississippi but once in respect to any gasoline. The basis for determining the tax liability shall be the correct invoiced gallons, adjusted to sixty (60) degrees Fahrenheit at the refinery or point of origin of shipment when such shipment is made by tank car or by motor carrier. The point of origin of shipment of gasoline transported into this state by pipelines shall be deemed to be that point in this state where such gasoline is withdrawn from the pipeline for storage or distribution, and adjustment to sixty (60) degrees Fahrenheit shall there be made. The basis for determining the tax liability on gasoline shipped into this state in barge cargoes and by pipeline shall be the actual number of gallons adjusted to sixty (60) degrees Fahrenheit unloaded into storage tanks or other containers in this state, such gallonage to be determined by measurement and/or gauge of storage tank or tanks or by any other method authorized by the commission. The tank or tanks into which



73 barge cargoes of gasoline are discharged, or into which gasoline
74 transported by pipeline is discharged, shall have correct gauge
75 tables listing capacity, such gauge tables to be prepared by some
76 recognized calibrating agency and to be approved by the
77 commission.

78 (b) The tax levied herein shall accrue at the time
79 gasoline is withdrawn from a refinery in this state except when
80 withdrawal is by pipeline, barge, ship or vessel. The refiner
81 shall pay to the commission the tax levied herein when gasoline is
82 sold or delivered to persons who do not hold gasoline distributor
83 permits. The refiner shall report to the commission all sales and
84 deliveries of gasoline to bonded distributors of gasoline. The
85 bonded distributor of gasoline who purchases, receives or acquires
86 gasoline from a refinery in this state shall report such gasoline
87 and pay the tax levied herein.

88 (c) Gasoline imported by common carrier shall be deemed
89 to be received by the distributor of gasoline, and the tax levied
90 herein shall accrue, when the car or tank truck containing such
91 gasoline is unloaded by the carrier.

92 (d) With respect to distributors or other persons who
93 bring, ship, have transported, or have brought into this state
94 gasoline by means other than through a common carrier, the tax
95 accrues and the tax liability attaches on the distributor or other
96 person for each gallon of gasoline brought into the state at the



97 time when and at the point where such gasoline is brought into the
98 state.

99 (e) The tax levied herein shall accrue on blend stock
100 at the time it is blended with gasoline. The blender shall pay to
101 the commission the tax levied herein when blend stock is sold or
102 delivered to persons who do not hold gasoline distributor permits.
103 The blender shall report to the commission all sales and
104 deliveries of blend stock to bonded distributors of gasoline. The
105 bonded distributor of gasoline who purchases, receives or acquires
106 blend stock from a blender in this state shall report blend stock
107 and pay the tax levied herein.

108 [From and after July 1, 2026, this section shall read as
109 follows:]

110 27-55-11. Any person in business as a distributor of
111 gasoline or who acts as a distributor of gasoline, as defined in
112 this article, shall pay for the privilege of engaging in such
113 business or acting as such distributor an excise tax equal to
114 Eighteen Cents (18¢) per gallon until the date specified in
115 Section 65-39-35, and Fourteen and Four-tenths Cents (14.4¢) per
116 gallon thereafter, on all gasoline and blend stock stored, sold,
117 distributed, manufactured, refined, distilled, blended or
118 compounded in this state or received in this state for sale, use
119 on the highways, storage, distribution, or for any purpose.

120 Any person in business as a distributor of aviation gasoline,
121 or who acts as a distributor of aviation gasoline, shall pay for



the privilege of engaging in such business or acting as such distributor an excise tax equal to Six and Four-tenths Cents (6.4¢) per gallon on all aviation gasoline stored, sold, distributed, manufactured, refined, distilled, blended or compounded in this state or received in this state for sale, storage, distribution or for any purpose.

The excise taxes collected under this section shall be paid and distributed in accordance with Section 27-5-101.

The tax herein imposed and assessed shall be collected and paid to the State of Mississippi but once in respect to any gasoline. The basis for determining the tax liability shall be the correct invoiced gallons, adjusted to sixty (60) degrees Fahrenheit at the refinery or point of origin of shipment when such shipment is made by tank car or by motor carrier. The point of origin of shipment of gasoline transported into this state by pipelines shall be deemed to be that point in this state where such gasoline is withdrawn from the pipeline for storage or distribution, and adjustment to sixty (60) degrees Fahrenheit shall there be made. The basis for determining the tax liability on gasoline shipped into this state in barge cargoes and by pipeline shall be the actual number of gallons adjusted to sixty (60) degrees Fahrenheit unloaded into storage tanks or other containers in this state, such gallonage to be determined by measurement and/or gauge of storage tank or tanks or by any other method authorized by the commission. The tank or tanks into which



147 barge cargoes of gasoline are discharged, or into which gasoline
148 transported by pipeline is discharged, shall have correct gauge
149 tables listing capacity, such gauge tables to be prepared by some
150 recognized calibrating agency and to be approved by the
151 commission.

152 The tax levied herein shall accrue at the time gasoline is
153 withdrawn from a refinery in this state except when withdrawal is
154 by pipeline, barge, ship or vessel. The refiner shall pay to the
155 commission the tax levied herein when gasoline is sold or
156 delivered to persons who do not hold gasoline distributor permits.
157 The refiner shall report to the commission all sales and
158 deliveries of gasoline to bonded distributors of gasoline. The
159 bonded distributor of gasoline who purchases, receives or acquires
160 gasoline from a refinery in this state shall report such gasoline
161 and pay the tax levied herein.

162 Gasoline imported by common carrier shall be deemed to be
163 received by the distributor of gasoline, and the tax levied herein
164 shall accrue, when the car or tank truck containing such gasoline
165 is unloaded by the carrier.

166 With respect to distributors or other persons who bring,
167 ship, have transported, or have brought into this state gasoline
168 by means other than through a common carrier, the tax accrues and
169 the tax liability attaches on the distributor or other person for
170 each gallon of gasoline brought into the state at the time when
171 and at the point where such gasoline is brought into the state.



172 The tax levied herein shall accrue on blend stock at the time
173 it is blended with gasoline. The blender shall pay to the
174 commission the tax levied herein when blend stock is sold or
175 delivered to persons who do not hold gasoline distributor permits.
176 The blender shall report to the commission all sales and
177 deliveries of blend stock to bonded distributors of gasoline. The
178 bonded distributor of gasoline who purchases, receives or acquires
179 blend stock from a blender in this state shall report blend stock
180 and pay the tax levied herein.

181 **SECTION 2.** Section 27-55-519, Mississippi Code of 1972, is
182 amended as follows:

183 **[Through June 30, 2026, this section shall read as follows:]**

184 27-55-519. (1) Any person engaged in business as a
185 distributor of special fuel or who acts as a distributor of
186 special fuel, as defined in this article, shall pay for the
187 privilege of engaging in such business or acting as such
188 distributor an excise tax on all special fuel stored, used, sold,
189 distributed, manufactured, refined, distilled, blended or
190 compounded in this state or received in this state for sale,
191 storage, distribution or for any purpose, adjusted to sixty (60)
192 degrees Fahrenheit.

193 The excise tax shall become due and payable when:

194 (a) Special fuel is withdrawn from storage at a
195 refinery, marine or pipeline terminal, except when withdrawal is
196 by barge or pipeline.



(b) Special fuel imported by a common carrier is unloaded by that carrier unless the special fuel is unloaded directly into the storage tanks of a refinery, marine or pipeline terminal.

(c) Special fuel imported by any person other than a common carrier enters the State of Mississippi unless the special fuel is unloaded directly into the storage tanks of a refinery, marine or pipeline terminal.

(d) Special fuel is blended in this state unless such blending occurs in a refinery, marine or pipeline terminal.

(e) Special fuel is acquired tax free.

(2) The special fuel excise tax shall be as follows:

(a) (i) Eighteen Cents (18¢) per gallon on undyed diesel fuel until the date specified in Section 65-39-35 and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter;

(ii) In addition to the tax imposed under subparagraph (i) of this paragraph (a), there shall be imposed a special fuel excise tax as follows:

1. From and after July 1, 2018, through June 30, 2019, Three and One-third Cents (3-1/3¢) per gallon on undyed diesel fuel;

2. From and after July 1, 2019, through June 30, 2020, Six and Two-thirds Cents (6-2/3¢) per gallon on undyed diesel fuel; and



221 3. From and after July 1, 2020, Ten Cents
222 (10¢) per gallon on undyed diesel fuel;

223 (b) Five and Three-fourths Cents (5.75¢) per gallon on
224 all special fuel except undyed diesel fuel and special fuel used
225 as fuels in aircraft; and

226 (c) Five and One-fourth Cents (5.25¢) per gallon on
227 special fuel used as fuel in aircraft.

228 [From and after July 1, 2026, this section shall read as
229 follows:]

230 27-55-519. (1) Any person engaged in business as a
231 distributor of special fuel or who acts as a distributor of
232 special fuel, as defined in this article, shall pay for the
233 privilege of engaging in such business or acting as such
234 distributor an excise tax on all special fuel stored, used, sold,
235 distributed, manufactured, refined, distilled, blended or
236 compounded in this state or received in this state for sale,
237 storage, distribution or for any purpose, adjusted to sixty (60)
238 degrees Fahrenheit.

239 The excise tax shall become due and payable when:

240 (a) Special fuel is withdrawn from storage at a
241 refinery, marine or pipeline terminal, except when withdrawal is
242 by barge or pipeline.

243 (b) Special fuel imported by a common carrier is
244 unloaded by that carrier unless the special fuel is unloaded



directly into the storage tanks of a refinery, marine or pipeline terminal.

(c) Special fuel imported by any person other than a common carrier enters the State of Mississippi unless the special fuel is unloaded directly into the storage tanks of a refinery, marine or pipeline terminal.

(d) Special fuel is blended in this state unless such blending occurs in a refinery, marine or pipeline terminal.

(e) Special fuel is acquired tax free.

(2) The special fuel excise tax shall be as follows:

(a) Eighteen Cents (18¢) per gallon on undyed diesel fuel until the date specified in Section 65-39-35 and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter;

(b) Five and Three-fourths Cents (5.75¢) per gallon on all special fuel except undyed diesel fuel and special fuel used as fuels in aircraft; and

(c) Five and One-fourth Cents (5.25¢) per gallon on special fuel used as fuel in aircraft.

SECTION 3. Section 27-55-521, Mississippi Code of 1972, is amended as follows:

[Through June 30, 2026, this section shall read as follows:]

27-55-521. (1) An excise tax at the rate of Eighteen Cents (18¢) per gallon until the date specified in Section 65-39-35, Mississippi Code of 1972, and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter is levied on any person engaged in



business as a distributor of special fuel or who acts as such who
sells:

(a) Special fuel for use in performing contracts for
construction, reconstruction, maintenance or repairs, where such
contracts are entered into with the State of Mississippi, any
political subdivision of the State of Mississippi, or any
department, agency, institution of the State of Mississippi or any
political subdivision thereof.

(b) Dyed diesel fuel or kerosene to a state or local
governmental entity for use on the highways in a motor vehicle.

(c) Special fuel for use on the highway.

(2) An excise tax at the rate of Eighteen Cents (18¢) per
gallon until the date specified in Section 65-39-35, Mississippi
Code of 1972, and Fourteen and Three-fourths Cents (14.75¢) per
gallon thereafter is levied on any person who:

(a) Uses dyed diesel fuel or kerosene in a motor
vehicle on the highways of this state in violation of Section
27-55-539.

(b) Purchases or acquires undyed diesel fuel or
kerosene for nonhighway use and subsequently uses such diesel fuel
or kerosene in a motor vehicle on the highways of this state.

(c) Purchases or acquires special fuel for use in
performing contracts as specified in this section.

(3) In addition to the tax levied under subsection (1) of
this section, an excise tax at the rate provided in Section



27-55-519(2)(a) is levied on any person engaged in business as a distributor of special fuel or who acts as such who sells:

(a) Diesel fuel for use in performing contracts for construction, reconstruction, maintenance or repairs, where such contracts are entered into with the State of Mississippi, any political subdivision of the State of Mississippi, or any department, agency, institution of the State of Mississippi or any political subdivision thereof.

(b) Dyed diesel fuel to a state or local governmental entity for use on the highways in a motor vehicle.

(c) Diesel fuel, for use on the highway.

(4) In addition to the tax levied under subsection (2) of this section, an excise tax at the rate provided in Section 27-55-519(2)(a) is levied on any person who:

(a) Uses dyed diesel fuel in a motor vehicle on the highways of this state in violation of Section 27-55-539.

(b) Purchases or acquires undyed diesel fuel for nonhighway use and subsequently uses such diesel fuel in a motor vehicle on the highways of this state.

(c) Purchases or acquires diesel fuel, for use in performing contracts as specified in this section.

[From and after July 1, 2026, this section shall read as follows:]

27-55-521. (1) An excise tax at the rate of Eighteen Cents (18¢) per gallon until the date specified in Section 65-39-35,



Mississippi Code of 1972, and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter is levied on any person engaged in business as a distributor of special fuel or who acts as such who sells:

(a) Special fuel for use in performing contracts for construction, reconstruction, maintenance or repairs, where such contracts are entered into with the State of Mississippi, any political subdivision of the State of Mississippi, or any department, agency, institution of the State of Mississippi or any political subdivision thereof.

(b) Dyed diesel fuel or kerosene to a state or local governmental entity for use on the highways in a motor vehicle.

(c) Special fuel for use on the highway.

(2) An excise tax at the rate of Eighteen Cents (18¢) per gallon until the date specified in Section 65-39-35, Mississippi Code of 1972, and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter is levied on any person who:

(a) Uses dyed diesel fuel or kerosene in a motor vehicle on the highways of this state in violation of Section 27-55-539.

(b) Purchases or acquires undyed diesel fuel or kerosene for nonhighway use and subsequently uses such diesel fuel or kerosene in a motor vehicle on the highways of this state.

(c) Purchases or acquires special fuel for use in performing contracts as specified in this section.



SECTION 4. Section 27-5-101, Mississippi Code of 1972, is amended as follows:

[Through June 30, 2026, this section shall read as follows:]

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

27-5-101. Unless otherwise provided in this section, on or before the fifteenth day of each month, all gasoline, diesel fuel or kerosene taxes which are levied under the laws of this state and collected during the previous month shall be paid and apportioned by the * * * Department of Revenue as follows:

(a) (i) Except as otherwise provided in Section 31-17-127, from the gross amount of gasoline, diesel fuel or kerosene taxes produced by the state, there shall be deducted an amount equal to one-sixth (1/6) of principal and interest certified by the State Treasurer to the * * * Department of Revenue to be due on the next semiannual bond and interest payment date, as required under the provisions of Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene tax revenue on a parity with the bonds issued under authority of said Chapter 130. The State Treasurer shall certify to the * * * Department of Revenue on or before the fifteenth day of each month the amount to be paid to the "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene



tax revenue, on a parity with the bonds issued under authority of said Chapter 130; and the * * * Department of Revenue shall, on or before the twenty-fifth day of each month, pay into the State Treasury for credit to the "Highway Bonds Sinking Fund" the amount so certified to him by the State Treasurer due to be paid into such fund each month. The payments to the "Highway Bonds Sinking Fund" shall be made out of gross gasoline, diesel fuel or kerosene tax collections before deductions of any nature are considered; however, such payments shall be deducted from the allocation to the Mississippi Department of Transportation under paragraph (c) of this section.

(ii) From collections derived from the portion of the gasoline excise tax that exceeds Seven Cents (7¢) per gallon, from the portion of the tax on aviation gas under Section 27-55-11 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the portion of the special fuel tax levied under Sections 27-55-519 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per gallon, from the portion of the taxes levied under Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that exceeds One Cent (1¢) per gallon on special fuel and Five and One-fourth Cents (5.25¢) per gallon on special fuel used as aircraft fuel, from the portion of the excise tax on compressed gas used as a motor fuel that exceeds the rate of tax in effect on June 30, 1987, and from the portion of the gasoline excise tax in excess of Seven Cents (7¢) per gallon and the diesel excise tax in



excess of Ten Cents (10¢) per gallon under Section 27-61-5 there shall be deducted:

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

2. An amount equal to the tax collections derived from Two Cents (2¢) per gallon of the gasoline excise tax for distribution to the State Highway Fund to be used exclusively for the construction, reconstruction and maintenance of highways of the State of Mississippi or the payment of interest and principal on bonds when specifically authorized by the Legislature for that purpose.

3. The balance shall be deposited in the State Treasury to the credit of the State Highway Fund.

(b) Subject to the provisions that said basis of distribution shall in nowise affect adversely the amount specifically pledged in paragraph (a) of this section to be paid into the "Highway Bonds Sinking Fund," the following shall be deducted from the amount produced by the state tax on gasoline, diesel fuel or kerosene tax collections, excluding collections derived from the portion of the gasoline excise tax that exceeds Seven Cents (7¢) per gallon, from the portion of the tax on aviation gas under Section 27-55-11 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the portion of the special fuel tax levied under Sections 27-55-519 and 27-55-521, at



420 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
421 gallon, from the portion of the taxes levied under Section
422 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
423 exceeds One Cent (1¢) per gallon on special fuel and Five and
424 One-fourth Cents (5.25¢) per gallon on special fuel used as
425 aircraft fuel, from the portion of the excise tax on compressed
426 gas used as a motor fuel that exceeds the rate of tax in effect on
427 June 30, 1987, and from the portion of the gasoline excise tax in
428 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
429 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

430 (i) Twenty percent (20%) of such amount which
431 shall be earmarked and set aside for the construction,
432 reconstruction and maintenance of the highways and roads of the
433 state, provided that if such twenty percent (20%) should reduce
434 any county to a lesser amount than that received in the fiscal
435 year ending June 30, 1966, then such twenty percent (20%) shall be
436 reduced to a percentage to provide that no county shall receive
437 less than its portion for the fiscal year ending June 30, 1966;

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

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



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

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

448 (vi) The remainder shall be divided on a basis of
449 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
450 same basis as Four and One-half Cents (4-1/2¢) and Two and
451 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
452 six and forty-three one-hundredths (6.43) and three and
453 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
454 fuel or kerosene). The amount produced by the nine-fourteenths
455 (9/14) division shall be allocated to the * * * Department of
456 Transportation and paid into the State Treasury as provided in
457 this section and in Section 27-5-103 and the five-fourteenths
458 (5/14) division shall be returned to the counties of the state on
459 the following basis:

460 1. In each fiscal year, each county shall be
461 paid each month the same percentage of the monthly total to be
462 distributed as was paid to that county during the same month in
463 the fiscal year which ended April 9, 1960, until the county
464 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
465 fiscal year, at which time funds shall be distributed under the
466 provisions of paragraph (b)(vi)4 of this section.



467 2. If after payments in 1 above, any county
468 has not received a total of One Hundred Ninety Thousand Dollars
469 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
470 and each fiscal year thereafter, then any available funds not
471 distributed under 1 above shall be used to bring such county or
472 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
473 or such funds shall be divided equally among such counties not
474 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
475 there is not sufficient money to bring all the counties to said
476 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

483 4. During the last month of the current
484 fiscal year, should it be determined that there are funds
485 available in excess of the amount distributed for the year under 1
486 and 2 above, then such excess funds shall be distributed among the
487 various counties as follows:

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

490 One-third (1/3) of such excess to be paid
491 to the counties in the proportion which the population of each



county bears to the total population of the state according to the last federal census;

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

5. It is the declared purpose and intent of the Legislature that no county shall be paid less than was paid during the year ended April 9, 1960, unless the amount to be distributed to all counties in any year is less than the amount distributed to all counties during the year ended April 9, 1960.

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

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

In any county having such countywide road or bridge bonds or district road or bridge bonds outstanding which exceed, in the



517 aggregate, eight percent (8%) of the assessed valuation of the
518 taxable property of the county, but which do not exceed, in the
519 aggregate, twelve percent (12%) of the assessed valuation of the
520 taxable property of the county, it shall be the duty of the board
521 of supervisors to set aside not less than thirty-five percent
522 (35%) of such county's share of the gasoline, diesel fuel or
523 kerosene taxes to be used in paying the principal and interest of
524 such road or bridge bonds as they mature.

525 In any county having such countywide road or bridge bonds or
526 district road or bridge bonds outstanding which exceed, in the
527 aggregate, five percent (5%) of the assessed valuation of the
528 taxable property of the county, but which do not exceed, in the
529 aggregate, eight percent (8%) of the assessed valuation of the
530 taxable property of the county, it shall be the duty of the board
531 of supervisors to set aside not less than twenty percent (20%) of
532 such county's share of the gasoline, diesel fuel or kerosene taxes
533 to be used in paying the principal and interest of such road and
534 bridge bonds as they mature.

535 In any county having such countywide road or bridge bonds or
536 district road or bridge bonds outstanding which do not exceed, in
537 the aggregate, five percent (5%) of the assessed valuation of the
538 taxable property of the county, it shall be the duty of the board
539 of supervisors to set aside not less than ten percent (10%) of
540 such county's share of the gasoline, diesel fuel or kerosene taxes



541 to be used in paying the principal and interest on such road or
542 bridge bonds as they mature.

543 The portion of any such county's share of the gasoline,
544 diesel fuel or kerosene taxes thus set aside for the payment of
545 the principal and interest of road or bridge bonds, as provided
546 for in this section, shall be used first in paying the currently
547 maturing installments of the principal and interest of such
548 countywide road or bridge bonds, if there be any such countywide
549 road or bridge bonds outstanding, and secondly, in paying the
550 currently maturing installments of principal and interest of
551 district road or bridge bonds outstanding. It shall be the duty
552 of the board of supervisors to pay bonds and interest maturing in
553 each supervisors district out of the supervisors district's share
554 of the gasoline, diesel fuel or kerosene taxes of such district.

555 The remaining portion of such county's share of the gasoline,
556 diesel fuel or kerosene taxes, after setting aside the portion
557 above provided for the payment of the principal and interest of
558 bonds, shall be used in the construction and maintenance of any
559 public highways, bridges, or culverts of the county, including the
560 roads in special or separate road districts, in the discretion of
561 the board of supervisors, or in paying the interest and principal
562 of county road and bridge bonds or district road and bridge bonds,
563 in the discretion of the board of supervisors.

564 In any county having no countywide road or bridge bonds or
565 district road or bridge bonds outstanding, all such county's share



of the gasoline, diesel fuel or kerosene taxes shall be used in the construction, reconstruction, and maintenance of the public highways, bridges, or culverts of the county as the board of supervisors may determine.

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

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

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

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

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

The funds allocated for the construction, reconstruction, and improvement of state highways, bridges, and culverts, or so much



thereof as may be necessary, shall first be used in conjunction with funds supplied by the federal government for such purposes and allocated to the * * * Department of Transportation to be expended on the state highway system. It is specifically provided hereby that the necessary portion of such funds hereinabove allocated to the * * * Department of Transportation may be used for the prompt payment of principal and interest on highway bonds heretofore issued, including such bonds issued or to be issued under the provisions of Chapter 312, Laws of 1956, and amendments thereto.

Nothing contained in this section shall be construed to reduce the amount of such gasoline, diesel fuel or kerosene excise taxes levied by the state, allotted under the provisions of Title 65, Chapter 33, Mississippi Code of 1972, to counties in which there are outstanding bonds issued for seawall or road protection purposes issued under the provisions of Chapter 319, Laws of 1924, and amendments thereto; the amount of said gasoline, diesel fuel or kerosene excise taxes designated in this section for the payment of bonds and interest authorized and issued or to be issued under the provisions of Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene tax revenue, shall, in such counties, be considered as being paid "into the State Treasury to the credit of the State Highway Fund" within the meaning of Section 65-33-45 in computing the amount to be paid to such



counties under the provisions of said section, and this section shall be administered in connection with Title 65, Chapter 33, Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and 65-33-49 dealing with seawalls, as if made a part of this section.

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

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

(f) (i) On or before August 15, 2018, and each succeeding month thereafter, thirty percent (30%) of the proceeds of the taxes levied under Sections 27-55-11(1)(a)(ii), 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited into a special fund that is hereby created in the State Treasury.



The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. The fund shall consist of monies deposited therein as provided in this subparagraph (i) and monies from any other source designated for deposit into such fund. Monies in the fund may be expended by the Office of State Aid Road Construction, upon appropriation by the Legislature, to provide funds to assist counties in this state in paying costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges in counties. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund. Funds provided to counties under this subparagraph (i) shall be allocated and distributed to counties in the following proportions:

1. One-third (1/3) shall be allocated to all counties in equal shares,

2. One-third (1/3) shall be allocated to counties based on the proportion that the total number of rural road miles in a county bears to the total number of rural road miles in all counties of the state, and

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



666 (ii) On or before August 15, 2018, and each
667 succeeding month thereafter, twenty percent (20%) of the proceeds
668 of the taxes levied under Sections 27-55-11(1)(a)(ii),
669 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited
670 into a special fund that is hereby created in the State Treasury.
671 The fund shall be maintained by the State Treasurer as a separate
672 and special fund, separate and apart from the General Fund of the
673 state. The fund shall consist of monies deposited therein as
674 provided in this subparagraph (ii) and monies from any other
675 source designated for deposit into such fund. Monies in the fund
676 may be expended by the Office of State Aid Road Construction, upon
677 appropriation by the Legislature, to provide funds to assist
678 municipalities in this state in paying costs associated with the
679 repair, maintenance and/or reconstruction of roads, streets and
680 bridges in municipalities. Unexpended amounts remaining in the
681 fund at the end of a fiscal year shall not lapse into the State
682 General Fund, and any interest earned or investment earnings on
683 amounts in the fund shall be deposited to the credit of the fund.
684 Funds provided to municipalities under this subparagraph (ii)
685 shall be allocated and distributed to municipalities based on the
686 proportion that the amount of sales tax revenue distributed to a
687 municipality during the preceding fiscal year under Section
688 27-65-75(1)(a) bears to the total amount of sales tax revenue
689 distributed to all municipalities during the preceding fiscal year
690 under Section 27-65-75(1)(a).



691 (* * *g) "Gasoline, diesel fuel or kerosene taxes" as
692 used in this section shall be deemed to mean and include state
693 gasoline, diesel fuel or kerosene taxes levied and imposed on
694 distributors of gasoline, diesel fuel or kerosene, and all state
695 excise taxes derived from any fuel used to propel vehicles upon
696 the highways of this state, when levied by any statute.

697 **[With regard to any county which is required to operate on a**
698 **countywide system of road administration as described in Section**
699 **19-2-3, this section shall read as follows:]**

700 27-5-101. Unless otherwise provided in this section, on or
701 before the fifteenth day of each month, all gasoline, diesel fuel
702 or kerosene taxes which are levied under the laws of this state
703 and collected during the previous month shall be paid and
704 apportioned by the * * * Department of Revenue as follows:

705 (a) (i) Except as otherwise provided in Section
706 31-17-127, from the gross amount of gasoline, diesel fuel or
707 kerosene taxes produced by the state, there shall be deducted an
708 amount equal to one-sixth (1/6) of principal and interest
709 certified by the State Treasurer to the * * * Department of
710 Revenue to be due on the next semiannual bond and interest payment
711 date, as required under the provisions of Chapter 130, Laws of
712 1938, and subsequent acts authorizing the issuance of bonds
713 payable from gasoline, diesel fuel or kerosene tax revenue on a
714 parity with the bonds issued under authority of said Chapter 130.
715 The State Treasurer shall certify to the * * * Department of



716 Revenue on or before the fifteenth day of each month the amount to
717 be paid to the "Highway Bonds Sinking Fund" as provided by said
718 Chapter 130, Laws of 1938, and subsequent acts authorizing the
719 issuance of bonds payable from gasoline, diesel fuel or kerosene
720 tax revenue, on a parity with the bonds issued under authority of
721 said Chapter 130; and the * * * Department of Revenue shall, on or
722 before the twenty-fifth day of each month, pay into the State
723 Treasury for credit to the "Highway Bonds Sinking Fund" the amount
724 so certified to him by the State Treasurer due to be paid into
725 such fund each month. The payments to the "Highway Bonds Sinking
726 Fund" shall be made out of gross gasoline, diesel fuel or kerosene
727 tax collections before deductions of any nature are considered;
728 however, such payments shall be deducted from the allocation to
729 the * * * Department of Transportation under paragraph (c) of this
730 section.

731 (ii) From collections derived from the portion of
732 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
733 from the portion of the tax on aviation gas under Section 27-55-11
734 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
735 portion of the special fuel tax levied under Sections 27-55-519
736 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
737 Cents (10¢) per gallon, from the portion of the taxes levied under
738 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
739 gallon that exceeds One Cent (1¢) per gallon on special fuel and
740 Five and One-fourth Cents (5.25¢) per gallon on special fuel used



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

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

2. An amount equal to the tax collections derived from Two Cents (2¢) per gallon of the gasoline excise tax for distribution to the State Highway Fund to be used exclusively for the construction, reconstruction and maintenance of highways of the State of Mississippi or the payment of interest and principal on bonds when specifically authorized by the Legislature for that purpose.

3. The balance shall be deposited in the State Treasury to the credit of the State Highway Fund.

(b) Subject to the provisions that said basis of distribution shall in nowise affect adversely the amount specifically pledged in paragraph (a) of this section to be paid into the "Highway Bonds Sinking Fund," the following shall be deducted from the amount produced by the state tax on gasoline, diesel fuel or kerosene tax collections, excluding collections derived from the portion of the gasoline excise tax that exceeds



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

780 (i) Twenty percent (20%) of such amount which
781 shall be earmarked and set aside for the construction,
782 reconstruction and maintenance of the highways and roads of the
783 state, provided that if such twenty percent (20%) should reduce
784 any county to a lesser amount than that received in the fiscal
785 year ending June 30, 1966, then such twenty percent (20%) shall be
786 reduced to a percentage to provide that no county shall receive
787 less than its portion for the fiscal year ending June 30, 1966;

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



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

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

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

798 (vi) The remainder shall be divided on a basis of
799 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
800 same basis as Four and One-half Cents (4-1/2¢) and Two and
801 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
802 six and forty-three one-hundredths (6.43) and three and
803 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
804 fuel or kerosene). The amount produced by the nine-fourteenths
805 (9/14) division shall be allocated to the * * * Department of
806 Transportation and paid into the State Treasury as provided in
807 this section and in Section 27-5-103 and the five-fourteenths
808 (5/14) division shall be returned to the counties of the state on
809 the following basis:

810 1. In each fiscal year, each county shall be
811 paid each month the same percentage of the monthly total to be
812 distributed as was paid to that county during the same month in
813 the fiscal year which ended April 9, 1960, until the county
814 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such



815 fiscal year, at which time funds shall be distributed under the
816 provisions of paragraph (b)(vi)4 of this section.

817 2. If after payments in 1 above, any county
818 has not received a total of One Hundred Ninety Thousand Dollars
819 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
820 and each fiscal year thereafter, then any available funds not
821 distributed under 1 above shall be used to bring such county or
822 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
823 or such funds shall be divided equally among such counties not
824 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
825 there is not sufficient money to bring all the counties to said
826 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

833 4. During the last month of the current
834 fiscal year, should it be determined that there are funds
835 available in excess of the amount distributed for the year under 1
836 and 2 above, then such excess funds shall be distributed among the
837 various counties as follows:

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



840 One-third (1/3) of such excess to be paid
841 to the counties in the proportion which the population of each
842 county bears to the total population of the state according to the
843 last federal census;

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

847 5. It is the declared purpose and intent of
848 the Legislature that no county shall be paid less than was paid
849 during the year ended April 9, 1960, unless the amount to be
850 distributed to all counties in any year is less than the amount
851 distributed to all counties during the year ended April 9, 1960.

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

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

863 In any county having such road or bridge bonds outstanding
864 which exceed, in the aggregate, eight percent (8%) of the assessed



valuation of the taxable property of the county, but which do not exceed, in the aggregate, twelve percent (12%) of the assessed valuation of the taxable property of the county, it shall be the duty of the board of supervisors to set aside not less than thirty-five percent (35%) of such county's share of the gasoline, diesel fuel or kerosene taxes to be used in paying the principal and interest of such road or bridge bonds as they mature.

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

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

The portion of any such county's share of the gasoline, diesel fuel or kerosene taxes thus set aside for the payment of



890 the principal and interest of road or bridge bonds, as provided
891 for in this section, shall be used in paying the currently
892 maturing installments of the principal and interest of such road
893 or bridge bonds, if there be any such road or bridge bonds
894 outstanding.

895 The remaining portion of such county's share of the gasoline,
896 diesel fuel or kerosene taxes, after setting aside the portion
897 above provided for the payment of the principal and interest of
898 bonds, shall be used in the construction and maintenance of any
899 public highways, bridges or culverts of the county, in the
900 discretion of the board of supervisors.

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

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

910 (c) From the amount produced by the nine-fourteenths
911 (9/14) division allocated to the * * * Department of
912 Transportation, there shall be deducted:

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



915 (ii) Any amounts due counties in accordance with
916 Section 65-33-45 which have outstanding bonds issued for seawall
917 or road protection purposes, issued under provisions of Chapter
918 319, Laws of 1924, and amendments thereto; and

919 (iii) Except as otherwise provided in Section
920 31-17-127, the remainder shall be paid by the * * * Department of
921 Revenue to the State Treasurer on the fifteenth day of each month
922 next succeeding the month in which the gasoline, diesel fuel or
923 kerosene taxes were collected to the credit of the State Highway
924 Fund.

925 The funds allocated for the construction, reconstruction and
926 improvement of state highways, bridges and culverts, or so much
927 thereof as may be necessary, shall first be used in conjunction
928 with funds supplied by the federal government for such purposes
929 and allocated to the * * * Department of Transportation to be
930 expended on the state highway system. It is specifically provided
931 hereby that the necessary portion of such funds hereinabove
932 allocated to the * * * Department of Transportation may be used
933 for the prompt payment of principal and interest on highway bonds
934 heretofore issued, including such bonds issued or to be issued
935 under the provisions of Chapter 312, Laws of 1956, and amendments
936 thereto.

937 Nothing contained in this section shall be construed to
938 reduce the amount of such gasoline, diesel fuel or kerosene excise
939 taxes levied by the state, allotted under the provisions of Title



65, Chapter 33, Mississippi Code of 1972, to counties in which there are outstanding bonds issued for seawall or road protection purposes issued under the provisions of Chapter 319, Laws of 1924, and amendments thereto; the amount of said gasoline, diesel fuel or kerosene excise taxes designated in this section for the payment of bonds and interest authorized and issued or to be issued under the provisions of Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene tax revenue, shall, in such counties, be considered as being paid "into the State Treasury to the credit of the State Highway Fund" within the meaning of Section 65-33-45 in computing the amount to be paid to such counties under the provisions of said section, and this section shall be administered in connection with Title 65, Chapter 33, Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and 65-33-49 dealing with seawalls, as if made a part of this section.

(d) The proceeds of the Five and One-fourth Cents (5.25¢) of the tax per gallon on oils used as a propellant for jet aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax per gallon on aviation gasoline and the tax of One Cent (1¢) per gallon for each gallon of gasoline for which a refund has been made pursuant to Section 27-55-23 because such gasoline was used for aviation purposes, shall be paid to the State Treasury into a special fund to be used exclusively, pursuant to legislative



964 appropriation, for the support and development of aeronautics as
965 defined in Section 61-1-3.

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

972 (f) (i) On or before August 15, 2018, and each
973 succeeding month thereafter, thirty percent (30%) of the proceeds
974 of the taxes levied under Sections 27-55-11(1)(a)(ii),
975 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited
976 into a special fund that is hereby created in the State Treasury.
977 The fund shall be maintained by the State Treasurer as a separate
978 and special fund, separate and apart from the General Fund of the
979 state. The fund shall consist of monies deposited therein as
980 provided in this subparagraph (i) and monies from any other source
981 designated for deposit into such fund. Monies in the fund may be
982 expended by the Office of State Aid Road Construction, upon
983 appropriation by the Legislature, to provide funds to assist
984 counties in this state in paying costs associated with the repair,
985 maintenance and/or reconstruction of roads, streets and bridges in
986 counties. Unexpended amounts remaining in the fund at the end of
987 a fiscal year shall not lapse into the State General Fund, and any
988 interest earned or investment earnings on amounts in the fund



shall be deposited to the credit of the fund. Funds provided to counties under this subparagraph (i) shall be allocated and distributed to counties in the following proportions:

1. One-third (1/3) shall be allocated to all counties in equal shares,

2. One-third (1/3) shall be allocated to counties based on the proportion that the total number of rural road miles in a county bears to the total number of rural road miles in all counties of the state, and

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

(ii) On or before August 15, 2018, and each succeeding month thereafter, twenty percent (20%) of the proceeds of the taxes levied under Sections 27-55-11(1)(a)(ii), 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited into a special fund that is hereby created in the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. The fund shall consist of monies deposited therein as provided in this subparagraph (ii) and monies from any other source designated for deposit into such fund. Monies in the fund may be expended by the Office of State Aid Road Construction, upon appropriation by the Legislature, to provide funds to assist



municipalities in this state in paying costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges in municipalities. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund. Funds provided to municipalities under this subparagraph (ii) shall be allocated and distributed to municipalities based on the proportion that the amount of sales tax revenue distributed to a municipality during the preceding fiscal year under Section 27-65-75(1)(a) bears to the total amount of sales tax revenue distributed to all municipalities during the preceding fiscal year under Section 27-65-75(1)(a).

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

[From and after July 1, 2026, this section shall read as follows:]

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

27-5-101. Unless otherwise provided in this section, on or before the fifteenth day of each month, all gasoline, diesel fuel



1039 or kerosene taxes which are levied under the laws of this state
1040 and collected during the previous month shall be paid and
1041 apportioned by the Department of Revenue as follows:

1042 (a) (i) Except as otherwise provided in Section
1043 31-17-127, from the gross amount of gasoline, diesel fuel or
1044 kerosene taxes produced by the state, there shall be deducted an
1045 amount equal to one-sixth (1/6) of principal and interest
1046 certified by the State Treasurer to the Department of Revenue to
1047 be due on the next semiannual bond and interest payment date, as
1048 required under the provisions of Chapter 130, Laws of 1938, and
1049 subsequent acts authorizing the issuance of bonds payable from
1050 gasoline, diesel fuel or kerosene tax revenue on a parity with the
1051 bonds issued under authority of said Chapter 130. The State
1052 Treasurer shall certify to the Department of Revenue on or before
1053 the fifteenth day of each month the amount to be paid to the
1054 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
1055 of 1938, and subsequent acts authorizing the issuance of bonds
1056 payable from gasoline, diesel fuel or kerosene tax revenue, on a
1057 parity with the bonds issued under authority of said Chapter 130;
1058 and the Department of Revenue shall, on or before the twenty-fifth
1059 day of each month, pay into the State Treasury for credit to the
1060 "Highway Bonds Sinking Fund" the amount so certified to him by the
1061 State Treasurer due to be paid into such fund each month. The
1062 payments to the "Highway Bonds Sinking Fund" shall be made out of
1063 gross gasoline, diesel fuel or kerosene tax collections before



deductions of any nature are considered; however, such payments shall be deducted from the allocation to the Mississippi Department of Transportation under paragraph (c) of this section.

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

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

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



1089 for the construction, reconstruction and maintenance of highways
1090 of the State of Mississippi or the payment of interest and
1091 principal on bonds when specifically authorized by the Legislature
1092 for that purpose.

1093 3. The balance shall be deposited in the
1094 State Treasury to the credit of the State Highway Fund.

1095 (b) Subject to the provisions that said basis of
1096 distribution shall in nowise affect adversely the amount
1097 specifically pledged in paragraph (a) of this section to be paid
1098 into the "Highway Bonds Sinking Fund," the following shall be
1099 deducted from the amount produced by the state tax on gasoline,
1100 diesel fuel or kerosene tax collections, excluding collections
1101 derived from the portion of the gasoline excise tax that exceeds
1102 Seven Cents (7¢) per gallon, from the portion of the tax on
1103 aviation gas under Section 27-55-11 that exceeds Six and
1104 Four-tenths Cents (6.4¢) per gallon, from the portion of the
1105 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
1106 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
1107 gallon, from the portion of the taxes levied under Section
1108 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
1109 exceeds One Cent (1¢) per gallon on special fuel and Five and
1110 One-fourth Cents (5.25¢) per gallon on special fuel used as
1111 aircraft fuel, from the portion of the excise tax on compressed
1112 gas used as a motor fuel that exceeds the rate of tax in effect on
1113 June 30, 1987, and from the portion of the gasoline excise tax in



1114 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
1115 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

1116 (i) Twenty percent (20%) of such amount which
1117 shall be earmarked and set aside for the construction,
1118 reconstruction and maintenance of the highways and roads of the
1119 state, provided that if such twenty percent (20%) should reduce
1120 any county to a lesser amount than that received in the fiscal
1121 year ending June 30, 1966, then such twenty percent (20%) shall be
1122 reduced to a percentage to provide that no county shall receive
1123 less than its portion for the fiscal year ending June 30, 1966;

1124 (ii) The amount allowed as refund on gasoline or
1125 as tax credit on diesel fuel or kerosene used for agricultural,
1126 maritime, industrial, domestic, and nonhighway purposes;

1127 (iii) Five percent (5%) of such amount shall be
1128 paid to the State Highway Fund;

1129 (iv) The amount or portion thereof authorized by
1130 legislative appropriation to the Fisheries and Wildlife Fund
1131 created under Section 59-21-25;

1132 (v) The amount for deposit into the special
1133 aviation fund under paragraph (d) of this section; and

1134 (vi) The remainder shall be divided on a basis of
1135 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
1136 same basis as Four and One-half Cents (4-1/2¢) and Two and
1137 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
1138 six and forty-three one-hundredths (6.43) and three and



1139 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
1140 fuel or kerosene). The amount produced by the nine-fourteenths
1141 (9/14) division shall be allocated to the Department of
1142 Transportation and paid into the State Treasury as provided in
1143 this section and in Section 27-5-103 and the five-fourteenths
1144 (5/14) division shall be returned to the counties of the state on
1145 the following basis:

1146 1. In each fiscal year, each county shall be
1147 paid each month the same percentage of the monthly total to be
1148 distributed as was paid to that county during the same month in
1149 the fiscal year which ended April 9, 1960, until the county
1150 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
1151 fiscal year, at which time funds shall be distributed under the
1152 provisions of paragraph (b)(vi)4 of this section.

1153 2. If after payments in 1 above, any county
1154 has not received a total of One Hundred Ninety Thousand Dollars
1155 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
1156 and each fiscal year thereafter, then any available funds not
1157 distributed under 1 above shall be used to bring such county or
1158 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
1159 or such funds shall be divided equally among such counties not
1160 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
1161 there is not sufficient money to bring all the counties to said
1162 One Hundred Ninety Thousand Dollars (\$190,000.00).



1163 3. When a county has been paid an amount
1164 equal to the total which was paid to the same county during the
1165 fiscal year ended April 9, 1960, such county shall receive no
1166 further payments during the then current fiscal year until the
1167 last month of such current fiscal year, at which time distribution
1168 will be made under 2 above, except as set out in 4 below.

1169 4. During the last month of the current
1170 fiscal year, should it be determined that there are funds
1171 available in excess of the amount distributed for the year under 1
1172 and 2 above, then such excess funds shall be distributed among the
1173 various counties as follows:

1174 One-third (1/3) of such excess to be
1175 divided equally among the counties;

1176 One-third (1/3) of such excess to be paid
1177 to the counties in the proportion which the population of each
1178 county bears to the total population of the state according to the
1179 last federal census;

1180 One-third (1/3) of such excess to be paid
1181 to the counties in the proportion which the number of square miles
1182 of each county bears to the total square miles in the state.

1183 5. It is the declared purpose and intent of
1184 the Legislature that no county shall be paid less than was paid
1185 during the year ended April 9, 1960, unless the amount to be
1186 distributed to all counties in any year is less than the amount
1187 distributed to all counties during the year ended April 9, 1960.



1188 The Municipal Aid Fund as established by Section 27-5-103
1189 shall not participate in any portion of any funds allocated to any
1190 county hereunder over and above One Hundred Ninety Thousand
1191 Dollars (\$190,000.00).

1192 In any county having countywide road or bridge bonds, or
1193 supervisors district or district road or bridge bonds outstanding,
1194 which exceed, in the aggregate, twelve percent (12%) of the
1195 assessed valuation of the taxable property of the county or
1196 district, it shall be the duty of the board of supervisors to set
1197 aside not less than sixty percent (60%) of such county's share or
1198 district's share of the gasoline, diesel fuel or kerosene taxes to
1199 be used in paying the principal and interest on such road or
1200 bridge bonds as they mature.

1201 In any county having such countywide road or bridge bonds or
1202 district road or bridge bonds outstanding which exceed, in the
1203 aggregate, eight percent (8%) of the assessed valuation of the
1204 taxable property of the county, but which do not exceed, in the
1205 aggregate, twelve percent (12%) of the assessed valuation of the
1206 taxable property of the county, it shall be the duty of the board
1207 of supervisors to set aside not less than thirty-five percent
1208 (35%) of such county's share of the gasoline, diesel fuel or
1209 kerosene taxes to be used in paying the principal and interest of
1210 such road or bridge bonds as they mature.

1211 In any county having such countywide road or bridge bonds or
1212 district road or bridge bonds outstanding which exceed, in the



1213 aggregate, five percent (5%) of the assessed valuation of the
1214 taxable property of the county, but which do not exceed, in the
1215 aggregate, eight percent (8%) of the assessed valuation of the
1216 taxable property of the county, it shall be the duty of the board
1217 of supervisors to set aside not less than twenty percent (20%) of
1218 such county's share of the gasoline, diesel fuel or kerosene taxes
1219 to be used in paying the principal and interest of such road and
1220 bridge bonds as they mature.

1221 In any county having such countywide road or bridge bonds or
1222 district road or bridge bonds outstanding which do not exceed, in
1223 the aggregate, five percent (5%) of the assessed valuation of the
1224 taxable property of the county, it shall be the duty of the board
1225 of supervisors to set aside not less than ten percent (10%) of
1226 such county's share of the gasoline, diesel fuel or kerosene taxes
1227 to be used in paying the principal and interest on such road or
1228 bridge bonds as they mature.

1229 The portion of any such county's share of the gasoline,
1230 diesel fuel or kerosene taxes thus set aside for the payment of
1231 the principal and interest of road or bridge bonds, as provided
1232 for in this section, shall be used first in paying the currently
1233 maturing installments of the principal and interest of such
1234 countywide road or bridge bonds, if there be any such countywide
1235 road or bridge bonds outstanding, and secondly, in paying the
1236 currently maturing installments of principal and interest of
1237 district road or bridge bonds outstanding. It shall be the duty



1238 of the board of supervisors to pay bonds and interest maturing in
1239 each supervisors district out of the supervisors district's share
1240 of the gasoline, diesel fuel or kerosene taxes of such district.

1241 The remaining portion of such county's share of the gasoline,
1242 diesel fuel or kerosene taxes, after setting aside the portion
1243 above provided for the payment of the principal and interest of
1244 bonds, shall be used in the construction and maintenance of any
1245 public highways, bridges, or culverts of the county, including the
1246 roads in special or separate road districts, in the discretion of
1247 the board of supervisors, or in paying the interest and principal
1248 of county road and bridge bonds or district road and bridge bonds,
1249 in the discretion of the board of supervisors.

1250 In any county having no countywide road or bridge bonds or
1251 district road or bridge bonds outstanding, all such county's share
1252 of the gasoline, diesel fuel or kerosene taxes shall be used in
1253 the construction, reconstruction, and maintenance of the public
1254 highways, bridges, or culverts of the county as the board of
1255 supervisors may determine.

1256 In every county in which there are county road bonds or
1257 seawall or road protection bonds outstanding which were issued for
1258 the purpose of building bridges or constructing public roads or
1259 seawalls, such funds shall be used in the manner provided by law.

1260 (c) From the amount produced by the nine-fourteenths
1261 (9/14) division allocated to the Department of Transportation,
1262 there shall be deducted:



1263 (i) The amount paid to the State Treasurer for the
1264 "Highway Bonds Sinking Fund" under paragraph (a) of this section;
1265 (ii) Any amounts due counties in accordance with
1266 Section 65-33-45 which have outstanding bonds issued for seawall
1267 or road protection purposes, issued under provisions of Chapter
1268 319, Laws of 1924, and amendments thereto;
1269 (iii) Except as otherwise provided in Section
1270 31-17-127, the remainder shall be paid by the Department of
1271 Revenue to the State Treasurer on the fifteenth day of each month
1272 next succeeding the month in which the gasoline, diesel fuel or
1273 kerosene taxes were collected to the credit of the State Highway
1274 Fund.

1275 The funds allocated for the construction, reconstruction, and
1276 improvement of state highways, bridges, and culverts, or so much
1277 thereof as may be necessary, shall first be used in conjunction
1278 with funds supplied by the federal government for such purposes
1279 and allocated to the Department of Transportation to be expended
1280 on the state highway system. It is specifically provided hereby
1281 that the necessary portion of such funds hereinabove allocated to
1282 the Department of Transportation may be used for the prompt
1283 payment of principal and interest on highway bonds heretofore
1284 issued, including such bonds issued or to be issued under the
1285 provisions of Chapter 312, Laws of 1956, and amendments thereto.

1286 Nothing contained in this section shall be construed to
1287 reduce the amount of such gasoline, diesel fuel or kerosene excise



1288 taxes levied by the state, allotted under the provisions of Title
1289 65, Chapter 33, Mississippi Code of 1972, to counties in which
1290 there are outstanding bonds issued for seawall or road protection
1291 purposes issued under the provisions of Chapter 319, Laws of 1924,
1292 and amendments thereto; the amount of said gasoline, diesel fuel
1293 or kerosene excise taxes designated in this section for the
1294 payment of bonds and interest authorized and issued or to be
1295 issued under the provisions of Chapter 130, Laws of 1938, and
1296 subsequent acts authorizing the issuance of bonds payable from
1297 gasoline, diesel fuel or kerosene tax revenue, shall, in such
1298 counties, be considered as being paid "into the State Treasury to
1299 the credit of the State Highway Fund" within the meaning of
1300 Section 65-33-45 in computing the amount to be paid to such
1301 counties under the provisions of said section, and this section
1302 shall be administered in connection with Title 65, Chapter 33,
1303 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
1304 65-33-49 dealing with seawalls, as if made a part of this section.

1305 (d) The proceeds of the Five and One-fourth Cents
1306 (5.25¢) of the tax per gallon on oils used as a propellant for jet
1307 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
1308 per gallon on aviation gasoline and the tax of One Cent (1¢) per
1309 gallon for each gallon of gasoline for which a refund has been
1310 made pursuant to Section 27-55-23 because such gasoline was used
1311 for aviation purposes, shall be paid to the State Treasury into a
1312 special fund to be used exclusively, pursuant to legislative



1313 appropriation, for the support and development of aeronautics as
1314 defined in Section 61-1-3.

1315 (e) State highway funds in an amount equal to the
1316 difference between Forty-two Million Dollars (\$42,000,000.00) and
1317 the annual debt service payable on the state's highway revenue
1318 refunding bonds, Series 1985, shall be expended for the
1319 construction or reconstruction of highways designated under the
1320 highway program created under Section 65-3-97.

1321 (f) "Gasoline, diesel fuel or kerosene taxes" as used
1322 in this section shall be deemed to mean and include state
1323 gasoline, diesel fuel or kerosene taxes levied and imposed on
1324 distributors of gasoline, diesel fuel or kerosene, and all state
1325 excise taxes derived from any fuel used to propel vehicles upon
1326 the highways of this state, when levied by any statute.

1327 **[With regard to any county which is required to operate on a**
1328 **countywide system of road administration as described in Section**
1329 **19-2-3, this section shall read as follows:]**

1330 27-5-101. Unless otherwise provided in this section, on or
1331 before the fifteenth day of each month, all gasoline, diesel fuel
1332 or kerosene taxes which are levied under the laws of this state
1333 and collected during the previous month shall be paid and
1334 apportioned by the Department of Revenue as follows:

1335 (a) (i) Except as otherwise provided in Section
1336 31-17-127, from the gross amount of gasoline, diesel fuel or
1337 kerosene taxes produced by the state, there shall be deducted an



1338 amount equal to one-sixth (1/6) of principal and interest
1339 certified by the State Treasurer to the Department of Revenue to
1340 be due on the next semiannual bond and interest payment date, as
1341 required under the provisions of Chapter 130, Laws of 1938, and
1342 subsequent acts authorizing the issuance of bonds payable from
1343 gasoline, diesel fuel or kerosene tax revenue on a parity with the
1344 bonds issued under authority of said Chapter 130. The State
1345 Treasurer shall certify to the Department of Revenue on or before
1346 the fifteenth day of each month the amount to be paid to the
1347 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
1348 of 1938, and subsequent acts authorizing the issuance of bonds
1349 payable from gasoline, diesel fuel or kerosene tax revenue, on a
1350 parity with the bonds issued under authority of said Chapter 130;
1351 and the Department of Revenue shall, on or before the twenty-fifth
1352 day of each month, pay into the State Treasury for credit to the
1353 "Highway Bonds Sinking Fund" the amount so certified to him by the
1354 State Treasurer due to be paid into such fund each month. The
1355 payments to the "Highway Bonds Sinking Fund" shall be made out of
1356 gross gasoline, diesel fuel or kerosene tax collections before
1357 deductions of any nature are considered; however, such payments
1358 shall be deducted from the allocation to the Department of
1359 Transportation under paragraph (c) of this section.

1360 (ii) From collections derived from the portion of
1361 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
1362 from the portion of the tax on aviation gas under Section 27-55-11



1363 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
1364 portion of the special fuel tax levied under Sections 27-55-519
1365 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
1366 Cents (10¢) per gallon, from the portion of the taxes levied under
1367 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
1368 gallon that exceeds One Cent (1¢) per gallon on special fuel and
1369 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
1370 as aircraft fuel, from the portion of the excise tax on compressed
1371 gas used as a motor fuel that exceeds the rate of tax in effect on
1372 June 30, 1987, and from the portion of the gasoline excise tax in
1373 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
1374 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
1375 shall be deducted:

1376 1. An amount as provided in Section
1377 27-65-75(4) to the credit of a special fund designated as the
1378 "Office of State Aid Road Construction."

1379 2. An amount equal to the tax collections
1380 derived from Two Cents (2¢) per gallon of the gasoline excise tax
1381 for distribution to the State Highway Fund to be used exclusively
1382 for the construction, reconstruction and maintenance of highways
1383 of the State of Mississippi or the payment of interest and
1384 principal on bonds when specifically authorized by the Legislature
1385 for that purpose.

1386 3. The balance shall be deposited in the
1387 State Treasury to the credit of the State Highway Fund.



1388 (b) Subject to the provisions that said basis of
1389 distribution shall in nowise affect adversely the amount
1390 specifically pledged in paragraph (a) of this section to be paid
1391 into the "Highway Bonds Sinking Fund," the following shall be
1392 deducted from the amount produced by the state tax on gasoline,
1393 diesel fuel or kerosene tax collections, excluding collections
1394 derived from the portion of the gasoline excise tax that exceeds
1395 Seven Cents (7¢) per gallon, from the portion of the tax on
1396 aviation gas under Section 27-55-11 that exceeds Six and
1397 Four-tenths Cents (6.4¢) per gallon, from the portion of the
1398 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
1399 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
1400 gallon, from the portion of the taxes levied under Section
1401 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
1402 One Cent (1¢) per gallon on special fuel and Five and One-fourth
1403 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
1404 from the portion of the excise tax on compressed gas used as a
1405 motor fuel that exceeds the rate of tax in effect on June 30,
1406 1987, and from the portion of the gasoline excise tax in excess of
1407 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
1408 Ten Cents (10¢) per gallon under Section 27-61-5:

1409 (i) Twenty percent (20%) of such amount which
1410 shall be earmarked and set aside for the construction,
1411 reconstruction and maintenance of the highways and roads of the
1412 state, provided that if such twenty percent (20%) should reduce



1413 any county to a lesser amount than that received in the fiscal
1414 year ending June 30, 1966, then such twenty percent (20%) shall be
1415 reduced to a percentage to provide that no county shall receive
1416 less than its portion for the fiscal year ending June 30, 1966;
1417 (ii) The amount allowed as refund on gasoline or
1418 as tax credit on diesel fuel or kerosene used for agricultural,
1419 maritime, industrial, domestic and nonhighway purposes;
1420 (iii) Five percent (5%) of such amount shall be
1421 paid to the State Highway Fund;
1422 (iv) The amount or portion thereof authorized by
1423 legislative appropriation to the Fisheries and Wildlife Fund
1424 created under Section 59-21-25;
1425 (v) The amount for deposit into the special
1426 aviation fund under paragraph (d) of this section; and
1427 (vi) The remainder shall be divided on a basis of
1428 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
1429 same basis as Four and One-half Cents (4-1/2¢) and Two and
1430 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
1431 six and forty-three one-hundredths (6.43) and three and
1432 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
1433 fuel or kerosene). The amount produced by the nine-fourteenths
1434 (9/14) division shall be allocated to the Department of
1435 Transportation and paid into the State Treasury as provided in
1436 this section and in Section 27-5-103 and the five-fourteenths



1437 (5/14) division shall be returned to the counties of the state on
1438 the following basis:

1439 1. In each fiscal year, each county shall be
1440 paid each month the same percentage of the monthly total to be
1441 distributed as was paid to that county during the same month in
1442 the fiscal year which ended April 9, 1960, until the county
1443 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
1444 fiscal year, at which time funds shall be distributed under the
1445 provisions of paragraph (b)(vi)4 of this section.

1446 2. If after payments in 1 above, any county
1447 has not received a total of One Hundred Ninety Thousand Dollars
1448 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
1449 and each fiscal year thereafter, then any available funds not
1450 distributed under 1 above shall be used to bring such county or
1451 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
1452 or such funds shall be divided equally among such counties not
1453 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
1454 there is not sufficient money to bring all the counties to said
1455 One Hundred Ninety Thousand Dollars (\$190,000.00).

1456 3. When a county has been paid an amount
1457 equal to the total which was paid to the same county during the
1458 fiscal year ended April 9, 1960, such county shall receive no
1459 further payments during the then current fiscal year until the
1460 last month of such current fiscal year, at which time distribution
1461 will be made under 2 above, except as set out in 4 below.



1462 4. During the last month of the current
1463 fiscal year, should it be determined that there are funds
1464 available in excess of the amount distributed for the year under 1
1465 and 2 above, then such excess funds shall be distributed among the
1466 various counties as follows:

1467 One-third (1/3) of such excess to be
1468 divided equally among the counties;

1469 One-third (1/3) of such excess to be paid
1470 to the counties in the proportion which the population of each
1471 county bears to the total population of the state according to the
1472 last federal census;

1473 One-third (1/3) of such excess to be paid
1474 to the counties in the proportion which the number of square miles
1475 of each county bears to the total square miles in the state.

1476 5. It is the declared purpose and intent of
1477 the Legislature that no county shall be paid less than was paid
1478 during the year ended April 9, 1960, unless the amount to be
1479 distributed to all counties in any year is less than the amount
1480 distributed to all counties during the year ended April 9, 1960.

1481 The Municipal Aid Fund as established by Section 27-5-103
1482 shall not participate in any portion of any funds allocated to any
1483 county hereunder over and above One Hundred Ninety Thousand
1484 Dollars (\$190,000.00).

1485 In any county having road or bridge bonds outstanding which
1486 exceed, in the aggregate, twelve percent (12%) of the assessed



1487 valuation of the taxable property of the county, it shall be the
1488 duty of the board of supervisors to set aside not less than sixty
1489 percent (60%) of such county's share of the gasoline, diesel fuel
1490 or kerosene taxes to be used in paying the principal and interest
1491 on such road or bridge bonds as they mature.

1492 In any county having such road or bridge bonds outstanding
1493 which exceed, in the aggregate, eight percent (8%) of the assessed
1494 valuation of the taxable property of the county, but which do not
1495 exceed, in the aggregate, twelve percent (12%) of the assessed
1496 valuation of the taxable property of the county, it shall be the
1497 duty of the board of supervisors to set aside not less than
1498 thirty-five percent (35%) of such county's share of the gasoline,
1499 diesel fuel or kerosene taxes to be used in paying the principal
1500 and interest of such road or bridge bonds as they mature.

1501 In any county having such road or bridge bonds outstanding
1502 which exceed, in the aggregate, five percent (5%) of the assessed
1503 valuation of the taxable property of the county, but which do not
1504 exceed, in the aggregate, eight percent (8%) of the assessed
1505 valuation of the taxable property of the county, it shall be the
1506 duty of the board of supervisors to set aside not less than twenty
1507 percent (20%) of such county's share of the gasoline, diesel fuel
1508 or kerosene taxes to be used in paying the principal and interest
1509 of such road and bridge bonds as they mature.

1510 In any county having such road or bridge bonds outstanding
1511 which do not exceed, in the aggregate, five percent (5%) of the



1512 assessed valuation of the taxable property of the county, it shall
1513 be the duty of the board of supervisors to set aside not less than
1514 ten percent (10%) of such county's share of the gasoline, diesel
1515 fuel or kerosene taxes to be used in paying the principal and
1516 interest on such road or bridge bonds as they mature.

1517 The portion of any such county's share of the gasoline,
1518 diesel fuel or kerosene taxes thus set aside for the payment of
1519 the principal and interest of road or bridge bonds, as provided
1520 for in this section, shall be used in paying the currently
1521 maturing installments of the principal and interest of such road
1522 or bridge bonds, if there be any such road or bridge bonds
1523 outstanding.

1524 The remaining portion of such county's share of the gasoline,
1525 diesel fuel or kerosene taxes, after setting aside the portion
1526 above provided for the payment of the principal and interest of
1527 bonds, shall be used in the construction and maintenance of any
1528 public highways, bridges or culverts of the county, in the
1529 discretion of the board of supervisors.

1530 In any county having no road or bridge bonds outstanding, all
1531 such county's share of the gasoline, diesel fuel or kerosene taxes
1532 shall be used in the construction, reconstruction and maintenance
1533 of the public highways, bridges or culverts of the county, as the
1534 board of supervisors may determine.

1535 In every county in which there are county road bonds or
1536 seawall or road protection bonds outstanding which were issued for



the purpose of building bridges or constructing public roads or seawalls, such funds shall be used in the manner provided by law.

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

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

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

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

The funds allocated for the construction, reconstruction and improvement of state highways, bridges and culverts, or so much thereof as may be necessary, shall first be used in conjunction with funds supplied by the federal government for such purposes and allocated to the Department of Transportation to be expended on the state highway system. It is specifically provided hereby that the necessary portion of such funds hereinabove allocated to the Department of Transportation may be used for the prompt



1562 payment of principal and interest on highway bonds heretofore
1563 issued, including such bonds issued or to be issued under the
1564 provisions of Chapter 312, Laws of 1956, and amendments thereto.

1565 Nothing contained in this section shall be construed to
1566 reduce the amount of such gasoline, diesel fuel or kerosene excise
1567 taxes levied by the state, allotted under the provisions of Title
1568 65, Chapter 33, Mississippi Code of 1972, to counties in which
1569 there are outstanding bonds issued for seawall or road protection
1570 purposes issued under the provisions of Chapter 319, Laws of 1924,
1571 and amendments thereto; the amount of said gasoline, diesel fuel
1572 or kerosene excise taxes designated in this section for the
1573 payment of bonds and interest authorized and issued or to be
1574 issued under the provisions of Chapter 130, Laws of 1938, and
1575 subsequent acts authorizing the issuance of bonds payable from
1576 gasoline, diesel fuel or kerosene tax revenue, shall, in such
1577 counties, be considered as being paid "into the State Treasury to
1578 the credit of the State Highway Fund" within the meaning of
1579 Section 65-33-45 in computing the amount to be paid to such
1580 counties under the provisions of said section, and this section
1581 shall be administered in connection with Title 65, Chapter 33,
1582 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
1583 65-33-49 dealing with seawalls, as if made a part of this section.

1584 (d) The proceeds of the Five and One-fourth Cents
1585 (5.25¢) of the tax per gallon on oils used as a propellant for jet
1586 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax



1587 per gallon on aviation gasoline and the tax of One Cent (1¢) per
1588 gallon for each gallon of gasoline for which a refund has been
1589 made pursuant to Section 27-55-23 because such gasoline was used
1590 for aviation purposes, shall be paid to the State Treasury into a
1591 special fund to be used exclusively, pursuant to legislative
1592 appropriation, for the support and development of aeronautics as
1593 defined in Section 61-1-3.

1594 (e) State highway funds in an amount equal to the
1595 difference between Forty-two Million Dollars (\$42,000,000.00) and
1596 the annual debt service payable on the state's highway revenue
1597 refunding bonds, Series 1985, shall be expended for the
1598 construction or reconstruction of highways designated under the
1599 highway program created under Section 65-3-97.

1600 (f) "Gasoline, diesel fuel or kerosene taxes" as used
1601 in this section shall be deemed to mean and include state
1602 gasoline, diesel fuel or kerosene taxes levied and imposed on
1603 distributors of gasoline, diesel fuel or kerosene, and all state
1604 excise taxes derived from any fuel used to propel vehicles upon
1605 the highways of this state, when levied by any statute.

1606 **SECTION 5.** This act shall take effect and be in force from
1607 and after July 1, 2018.

