

By: Senator(s) Simmons (13th)

To: Finance

SENATE BILL NO. 2141

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

105 (ii) The sale price of tickets;

106 (iii) The number and amount of prizes;

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

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

111 (vi) The manner of payment of prizes;

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

215 (h) One (1) member of the Mississippi Community College
216 Board selected by the Mississippi Community College Board.

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

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



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

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

239 67-1-71. The department may revoke or suspend any permit
240 issued by it for a violation by the permittee of any of the
241 provisions of this chapter or of the regulations promulgated under
242 it by the department.

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

322 75-76-3. (1) The provisions of this chapter shall not be
323 construed to legalize any form of gaming which is prohibited under
324 the Mississippi Constitution or the laws of this state. All legal
325 gaming which is conducted in this state and which is otherwise
326 authorized by law shall be regulated and licensed pursuant to the
327 provisions of this chapter, unless the Legislature specifically
328 provides otherwise. Nothing in this chapter shall be construed as
329 encouraging the legalization of gambling in this state.

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



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

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

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

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

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

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



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

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

366 * * *

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

369 75-76-5. As used in this chapter, unless the context
370 requires otherwise:

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

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



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

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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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

- 477 (i) Cash received as winnings;



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

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

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

485 The term does not include:

486 (i) Counterfeit money or tokens;

487 (ii) Coins of other countries which are received
488 in gaming devices;

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

538 (ii) A declaratory ruling;

539 (iii) An interagency memorandum;

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

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

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

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



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

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

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

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

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

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



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

577 (mm) "Cheat" means to alter the selection of criteria
578 that determine:

579 (i) The rules of a game; or

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

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

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

590 97-33-9. Except as otherwise provided in Section 97-33-8, if
591 any person shall be guilty of keeping or exhibiting any game or
592 gaming table commonly called A.B.C. or E.O. roulette or
593 rowley-powley, or rouge et noir, roredo, keno, monte, or any
594 faro-bank, or other game, gaming table, or bank of the same or
595 like kind or any other kind or description under any other name
596 whatever, or shall be in any manner either directly or indirectly
597 interested or concerned in any gaming tables, banks, or games,
598 either by furnishing money or articles for the purpose of carrying



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

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

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

615 97-33-11. It shall not be lawful for any association of
616 persons of the character commonly known as a "club," whether such
617 association be incorporated or not, in any manner, either directly
618 or indirectly, to have any interest or concern in any gambling
619 tables, banks, or games, by means of what is sometimes called a
620 "rake-off" or "take-out," or by means of an assessment upon
621 certain combinations, or hands at cards, or by means of a
622 percentage extracted from players, or an assessment made upon, or
623 a contribution from them, or by any other means, device or



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

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

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

644 97-33-13. Any owner, lessee, or occupant of any outhouse or
645 other building, who shall knowingly permit or suffer any of the
646 before mentioned tables, banks, or games, or any other game
647 prohibited by law, to be carried on, kept, or exhibited in his
648 said house or other building, or on his lot or premises, being



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

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

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

655 97-33-21. Any person of full age who shall bet any money or
656 thing of any value with a minor, or allow a minor to bet at any
657 game or gaming table exhibited by him, or in which he is
658 interested or in any manner concerned, on conviction thereof,
659 shall be fined not less than Three Hundred Dollars (\$300.00) and
660 imprisoned not less than three (3) months.

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

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

666 97-33-23. Any person of full age who shall bet any money or
667 thing of value with a minor, knowing such minor to be under the
668 age of twenty-one (21) years, or allowing any such minor to bet at
669 any game or games, or at any gaming table exhibited by him, or in
670 which he is interested or in any manner concerned, on conviction
671 thereof, shall be punished by imprisonment in the Penitentiary not
672 exceeding two (2) years.



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

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

678 97-33-31. If any person, in order to raise money for himself
679 or another, or for any purpose whatever, shall publicly or
680 privately put up a lottery to be drawn or adventured for, he
681 shall, on conviction, be imprisoned in the Penitentiary not
682 exceeding five (5) years.

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

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

687 97-33-33. If any person shall in any way advertise any
688 lottery whatever, no matter where located, or shall knowingly have
689 in his possession any posters or other lottery advertisements of
690 any kind, save a regularly issued newspaper containing such an
691 advertisement without intent to circulate the same as an
692 advertisement, he shall, on conviction, be fined not less than
693 Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars
694 (\$100.00), or be imprisoned in the county jail not exceeding three
695 (3) months, or both.

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



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

700 97-33-35. If any newspaper published or circulated in this
701 state shall contain an advertisement of any lottery whatever, or
702 any matter intended to advertise a lottery, no matter where
703 located, the editor or editors, publisher or publishers, and the
704 owner or owners thereof permitting the same, shall be guilty of a
705 misdemeanor and, on conviction, shall be fined not less than One
706 Hundred Dollars (\$100.00) nor more than One Thousand Dollars
707 (\$1,000.00), and be imprisoned in the county jail not less than
708 ten (10) days nor more than three (3) months, for each offense.
709 The issuance of each separate daily or weekly edition of the
710 newspaper that shall contain such an advertisement shall be
711 considered a separate offense.

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

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

716 97-33-37. If any newsdealer or other person shall, directly
717 or indirectly, sell or offer for sale any newspaper or other
718 publication containing a lottery advertisement, he shall be guilty
719 of a misdemeanor * * * and, upon conviction, shall be fined not
720 less than Ten Dollars (\$10.00) or imprisoned not less than ten
721 (10) days, or both.



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

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

726 97-33-39. If any person shall sell, or offer or expose for
727 sale, any lottery ticket, whether the lottery be in or out of this
728 state, or for or in any other state, territory, district, or
729 country, he shall, on conviction, be fined not less than
730 Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars
731 (\$100.00), or imprisoned in the county jail not less than ten (10)
732 days nor more than sixty (60) days, or both.

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

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

737 97-33-41. If any person shall buy in this state any lottery
738 ticket, whether the lottery be in or out of this state, or of or
739 in any other state, territory, district, or country, he shall, on
740 conviction, be fined not less than Five Dollars (\$5.00) nor more
741 than Twenty-five Dollars (\$25.00), or be imprisoned in the county
742 jail not exceeding ten (10) days, or both.

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

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



747 97-33-43. If any railroad company shall suffer or permit the
748 sale of a lottery ticket of any kind on its cars, or at its depots
749 or depot grounds, or by its employees, no matter where the lottery
750 is located, it shall be guilty of a misdemeanor * * * and, on
751 conviction, shall be fined not less than Twenty Dollars (\$20.00)
752 nor more than One Hundred Dollars (\$100.00) for every such ticket
753 so sold.

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

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

758 97-33-45. If the owner or owners of any steamboat shall
759 suffer or permit the sale of a lottery ticket of any kind on his
760 or their boat, or by his or their employees, no matter where the
761 lottery is located, he or they shall be guilty of a misdemeanor
762 and shall, on conviction, be punished as prescribed in Section
763 97-33-43.

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

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

768 97-33-47. If any person shall act as agent for any lottery
769 or lottery company, no matter where domiciled or located, or if he
770 shall assume to so act as agent, or if he receive any money or
771 other thing for any such lottery or lottery company, or deliver to



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

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

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

781 97-33-49. Except as otherwise provided in Section 97-33-51,
782 if any person, in order to raise money for himself or another,
783 shall publicly or privately put up or in any way offer any prize
784 or thing to be raffled or played for, he shall, on conviction, be
785 fined not more than Twenty Dollars (\$20.00), or be imprisoned not
786 more than one (1) month in the county jail.

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

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

791 27-65-111. The exemptions from the provisions of this
792 chapter which are not industrial, agricultural or governmental, or
793 which do not relate to utilities or taxes, or which are not
794 properly classified as one (1) of the exemption classifications of
795 this chapter, shall be confined to persons or property exempted by
796 this section or by the Constitution of the United States or the



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

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

804 The tax levied by this chapter shall not apply to the
805 following:

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

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

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

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



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

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

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

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

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

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



845 or prescription filled by a registered pharmacist in accordance
846 with law; or

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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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



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

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

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

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



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

996 (ee) Sales of tangible personal property or services to
997 Mississippi Blood Services.

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

1008 (ii) This paragraph (ff) shall apply only if one
1009 or more of the following occur:

1010 1. Title to and/or possession of an eligible
1011 item is transferred from a seller to a purchaser; and/or

1012 2. A purchaser orders and pays for an
1013 eligible item and the seller accepts the order for immediate
1014 shipment, even if delivery is made after the time period provided



1015 in subparagraph (i) of this paragraph (ff), provided that the
1016 purchaser has not requested or caused the delay in shipment.

1017 (gg) Sales of nonperishable food items to charitable
1018 organizations that are exempt from federal income taxation under
1019 Section 501(c)(3) of the Internal Revenue Code and operate a food
1020 bank or food pantry or food lines.

1021 (hh) Sales of tangible personal property or services to
1022 the United Way of the Pine Belt Region, Inc.

1023 (ii) Sales of tangible personal property or services to
1024 the Mississippi Children's Museum or any subsidiary or affiliate
1025 thereof operating a satellite or branch museum within this state.

1026 (jj) Sales of tangible personal property or services to
1027 the Jackson Zoological Park.

1028 (kk) Sales of tangible personal property or services to
1029 the Hattiesburg Zoo.

1030 (ll) Gross proceeds from sales of food, merchandise or
1031 other concessions at an event held solely for religious or
1032 charitable purposes at livestock facilities, agriculture
1033 facilities or other facilities constructed, renovated or expanded
1034 with funds for the grant program authorized under Section 18,
1035 Chapter 530, Laws of 1995.

1036 (mm) Sales of tangible personal property and services
1037 to the Diabetes Foundation of Mississippi and the Mississippi
1038 Chapter of the Juvenile Diabetes Research Foundation.



1039 (nn) Sales of potting soil, mulch, or other soil
1040 amendments used in growing ornamental plants which bear no fruit
1041 of commercial value when sold to commercial plant nurseries that
1042 operate exclusively at wholesale and where no retail sales can be
1043 made.

1044 (oo) Sales of tangible personal property or services to
1045 the University of Mississippi Medical Center Research Development
1046 Foundation.

1047 (pp) Sales of tangible personal property or services to
1048 Keep Mississippi Beautiful, Inc., and all affiliates of Keep
1049 Mississippi Beautiful, Inc.

1050 (qq) Sales of tangible personal property or services to
1051 the Friends of Children's Hospital.

1052 (rr) Sales of tangible personal property or services to
1053 the Pinecrest Weekend Backpacks for Kids located in Corinth,
1054 Mississippi.

1055 (ss) Sales of hearing aids when ordered or prescribed
1056 by a licensed physician, audiologist or hearing aid specialist for
1057 the medical purposes of a patient.

1058 (tt) Sales exempt under the Facilitating Business Rapid
1059 Response to State Declared Disasters Act of 2015 (Sections
1060 27-113-1 through 27-113-9).

1061 (uu) Sales of lottery tickets by a retailer as
1062 authorized by Sections 1 and 2 of this act.



1063 **SECTION 25.** This act shall take effect and be in force from
1064 and after July 1, 2018.

