

By: Senator(s) Parker, Moran, Simmons
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Dearing, Doty, Hill, McDaniel, McMahan,
Norwood, Parks, Simmons (13th)

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2455

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
2 TO REQUIRE AN ADDITIONAL AMOUNT OF THE TOTAL SALES TAX REVENUE
3 COLLECTED ON BUSINESS ACTIVITIES IN MUNICIPALITIES TO BE DIVERTED
4 TO MUNICIPALITIES WITHIN THE STATE; TO PROVIDE THAT SUCH INCREASE
5 SHALL BE IMPLEMENTED ONLY IF SALES TAX REVENUE COLLECTIONS
6 INCREASE A CERTAIN AMOUNT; TO DESIGNATE SUCH DIVERSION OF REVENUE
7 AS THE ADDITIONAL SALES TAX REVENUE FOR THE MUNICIPAL
8 INFRASTRUCTURE PROGRAM; TO PROVIDE THAT REVENUE RECEIVED BY A
9 MUNICIPALITY UNDER SUCH PROGRAM SHALL NOT BE CONSIDERED BY A
10 MUNICIPALITY AS GENERAL FUND REVENUE AND MAY BE EXPENDED SOLELY
11 FOR WATER AND SEWER SYSTEM PROJECTS AND ROAD, STREET AND BRIDGE
12 REPAIR, RECONSTRUCTION AND RESURFACING PROJECTS; AND FOR RELATED
13 PURPOSES.

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

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

17 27-65-75. On or before the fifteenth day of each month, the
18 revenue collected under the provisions of this chapter during the
19 preceding month shall be paid and distributed as follows:

20 (1) (a) On or before August 15, 1992, and each succeeding
21 month thereafter through July 15, 1993, eighteen percent (18%) of
22 the total sales tax revenue collected during the preceding month
23 under the provisions of this chapter, except that collected under



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

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

Monies allocated for distribution and credited to a municipal corporation under this paragraph may be pledged as security for a loan if the distribution received by the municipal corporation is



otherwise authorized or required by law to be pledged as security for such a loan.

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

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

(c) On or before August 15, 2018, and each succeeding month thereafter until August 14, 2019, two percent (2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and



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

(d) (i) On or before August 15 of any fiscal year that follows a fiscal year in which the total sales tax revenue collected in such prior fiscal year exceeds by one percent (1%) or more the amount of sales tax revenue collected in the fiscal year immediately prior to that fiscal year (as certified by the



99 Commissioner of Revenue), and each succeeding month thereafter
100 through July 15 of a fiscal year in which subparagraph (ii) of
101 this paragraph is implemented, an additional three-tenths of one
102 percent (3/10 of 1%) of the total sales tax revenue collected
103 during the preceding month under the provisions of this chapter,
104 except that collected under the provisions of Sections 27-65-15,
105 27-65-19(3), 27-65-21 and 27-65-24, on business activities within
106 a municipal corporation shall be allocated for distribution to the
107 municipality and paid to the municipal corporation.

108 (ii) On or before August 15 of any fiscal year
109 subsequent to the fiscal year in which the diversion provided for
110 in subparagraph (i) of this paragraph is implemented that follows
111 a fiscal year in which the total sales tax revenue collected in
112 such prior fiscal year exceeds by one percent (1%) or more the
113 amount of sales tax revenue collected in the year prior to that
114 fiscal year (as certified by the Commissioner of Revenue), and
115 each succeeding month thereafter through July 15 of a fiscal year
116 in which subparagraph (iii) of this paragraph is implemented, an
117 additional six-tenths of one percent (6/10 of 1%) of the total
118 sales tax revenue collected during the preceding month under the
119 provisions of this chapter, except that collected under the
120 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
121 27-65-24, on business activities within a municipal corporation
122 shall be allocated for distribution to the municipality and paid
123 to the municipal corporation.



124 (iii) On or before August 15 of any fiscal year
125 subsequent to the fiscal year in which the diversion provided for
126 in subparagraph (ii) of this paragraph is implemented that follows
127 a fiscal year in which the total sales tax revenue collected in
128 such prior fiscal year exceeds by one percent (1%) or more the
129 amount of sales tax revenue collected in the year prior to that
130 fiscal year (as certified by the Commissioner of Revenue), and
131 each succeeding month thereafter through July 15 of a fiscal year
132 in which subparagraph (iv) of this paragraph is implemented,
133 nine-tenths of one percent (9/10 of 1%) of the total sales tax
134 revenue collected during the preceding month under the provisions
135 of this chapter, except that collected under the provisions of
136 Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business
137 activities within a municipal corporation shall be allocated for
138 distribution to the municipality and paid to the municipal
139 corporation.

140 (iv) On or before August 15 of any fiscal year
141 subsequent to the fiscal year in which the diversion provided for
142 in subparagraph (iii) of this paragraph is implemented that
143 follows a fiscal year in which the total sales tax revenue
144 collected in such prior fiscal year exceeds by one percent (1%) or
145 more the amount of sales tax revenue collected in the year prior
146 to that fiscal year (as certified by the Commissioner of Revenue),
147 and each succeeding month thereafter through July 15 of a fiscal
148 year in which subparagraph (v) of this paragraph is implemented,



149 one and two-tenths percent (1-2/10%) of the total sales tax
150 revenue collected during the preceding month under the provisions
151 of this chapter, except that collected under the provisions of
152 Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business
153 activities within a municipal corporation shall be allocated for
154 distribution to the municipality and paid to the municipal
155 corporation.

156 (v) On or before August 15 of any fiscal year
157 subsequent to the fiscal year in which the diversion provided for
158 in subparagraph (iv) of this paragraph is implemented that follows
159 a fiscal year in which the total sales tax revenue collected in
160 such prior fiscal year exceeds by one percent (1%) or more the
161 amount of sales tax revenue collected in the year prior to that
162 fiscal year (as certified by the Commissioner of Revenue), and
163 each succeeding month thereafter, one and one-half percent
164 (1-1/2%) of the total sales tax revenue collected during the
165 preceding month under the provisions of this chapter, except that
166 collected under the provisions of Sections 27-65-15, 27-65-19(3),
167 27-65-21 and 27-65-24, on business activities within a municipal
168 corporation shall be allocated for distribution to the
169 municipality and paid to the municipal corporation.

170 (vi) The allocation of revenue for distribution to
171 municipalities under this paragraph shall be designated as the
172 Additional Sales Tax Revenue for Municipal Infrastructure Program.
173 Revenue received by a municipality under this paragraph shall not



174 be considered by a municipality as general fund revenue and shall
175 be expended by the municipality solely for water and sewer system
176 projects and road, street and bridge repair, reconstruction and
177 resurfacing projects.

178 (vii) The Commissioner of Revenue shall, after the
179 close of each fiscal year, certify to the Legislative Budget
180 Office and the Governor as to whether sales tax revenue
181 collections for that fiscal year increased by one percent (1%) or
182 more over the prior fiscal year. If the certified increase is one
183 percent (1%) or more the appropriate increase in the allocation of
184 revenue for distribution to municipalities authorized under this
185 paragraph (d) shall be implemented.

186 (2) On or before September 15, 1987, and each succeeding
187 month thereafter, from the revenue collected under this chapter
188 during the preceding month, One Million One Hundred Twenty-five
189 Thousand Dollars (\$1,125,000.00) shall be allocated for
190 distribution to municipal corporations as defined under subsection
191 (1) of this section in the proportion that the number of gallons
192 of gasoline and diesel fuel sold by distributors to consumers and
193 retailers in each such municipality during the preceding fiscal
194 year bears to the total gallons of gasoline and diesel fuel sold
195 by distributors to consumers and retailers in municipalities
196 statewide during the preceding fiscal year. The Department of
197 Revenue shall require all distributors of gasoline and diesel fuel
198 to report to the department monthly the total number of gallons of



gasoline and diesel fuel sold by them to consumers and retailers in each municipality during the preceding month. The Department of Revenue shall have the authority to promulgate such rules and regulations as is necessary to determine the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each municipality. In determining the percentage allocation of funds under this subsection for the fiscal year beginning July 1, 1987, and ending June 30, 1988, the Department of Revenue may consider gallons of gasoline and diesel fuel sold for a period of less than one (1) fiscal year. For the purposes of this subsection, the term "fiscal year" means the fiscal year beginning July 1 of a year.

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



223 (4) On or before August 15, 1994, and on or before the
224 fifteenth day of each succeeding month through July 15, 1999, from
225 the proceeds of gasoline, diesel fuel or kerosene taxes as
226 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
227 (\$4,000,000.00) shall be deposited in the State Treasury to the
228 credit of a special fund designated as the "State Aid Road Fund,"
229 created by Section 65-9-17. On or before August 15, 1999, and on
230 or before the fifteenth day of each succeeding month, from the
231 total amount of the proceeds of gasoline, diesel fuel or kerosene
232 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
233 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
234 one-fourth percent (23-1/4%) of those funds, whichever is the
235 greater amount, shall be deposited in the State Treasury to the
236 credit of the "State Aid Road Fund," created by Section 65-9-17.
237 Those funds shall be pledged to pay the principal of and interest
238 on state aid road bonds heretofore issued under Sections 19-9-51
239 through 19-9-77, in lieu of and in substitution for the funds
240 previously allocated to counties under this section. Those funds
241 may not be pledged for the payment of any state aid road bonds
242 issued after April 1, 1981; however, this prohibition against the
243 pledging of any such funds for the payment of bonds shall not
244 apply to any bonds for which intent to issue those bonds has been
245 published for the first time, as provided by law before March 29,
246 1981. From the amount of taxes paid into the special fund under
247 this subsection and subsection (9) of this section, there shall be



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

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

(b) 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

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

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

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

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



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

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

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



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

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

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

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



322 (11) Notwithstanding any other provision of this section to
323 the contrary, on or before February 15, 1995, and each succeeding
324 month thereafter, the sales tax revenue collected during the
325 preceding month under the provisions of Section 27-65-17(2) and
326 the corresponding levy in Section 27-65-23 on the rental or lease
327 of private carriers of passengers and light carriers of property
328 as defined in Section 27-51-101 shall be deposited, without
329 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
330 established in Section 27-51-105.

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

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



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

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



371 during a fiscal year equals One Million Dollars (\$1,000,000.00).
372 On or before August 15, 2011, and each succeeding month
373 thereafter, that portion of the avails of the tax imposed in
374 Section 27-65-23 that is derived from sales by cotton compresses
375 or cotton warehouses and that would otherwise be paid into the
376 General Fund shall be deposited into the special fund created
377 under Section 69-37-39 until such time that the total amount
378 deposited into the fund during a fiscal year equals One Million
379 Dollars (\$1,000,000.00).

380 (15) Notwithstanding any other provision of this section to
381 the contrary, on or before September 15, 2000, and each succeeding
382 month thereafter, the sales tax revenue collected during the
383 preceding month under the provisions of Section
384 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
385 without diversion, into the Telecommunications Ad Valorem Tax
386 Reduction Fund established in Section 27-38-7.

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

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



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

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

(18) [Repealed]

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



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

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

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

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



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

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

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

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

464 (21) (a) On or before April 15, 2007, and each succeeding
465 month thereafter through June 15, 2013, One Hundred Fifty Thousand
466 Dollars (\$150,000.00) of the sales tax revenue collected during
467 the preceding month under the provisions of this chapter shall be
468 deposited into the MMEIA Tax Incentive Fund created in Section
469 57-101-3.



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

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

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

485 (24) (a) It shall be the duty of the municipal officials of
486 any municipality that expands its limits, or of any community that
487 incorporates as a municipality, to notify the commissioner of that
488 action thirty (30) days before the effective date. Failure to so
489 notify the commissioner shall cause the municipality to forfeit
490 the revenue that it would have been entitled to receive during
491 this period of time when the commissioner had no knowledge of the
492 action.

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



495 disbursed to any municipality or any overpayment of tax is
496 recovered by the taxpayer, the commissioner may make correction
497 and adjust the error or overpayment with the municipality by
498 withholding the necessary funds from any later payment to be made
499 to the municipality.

500 (ii) Subject to the provisions of Sections
501 27-65-51 and 27-65-53, if any funds have been erroneously
502 disbursed to a municipality under subsection (1) of this section
503 for a period of three (3) years or more, the maximum amount that
504 may be recovered or withheld from the municipality is the total
505 amount of funds erroneously disbursed for a period of three (3)
506 years beginning with the date of the first erroneous disbursement.
507 However, if during such period, a municipality provides written
508 notice to the Department of Revenue indicating the erroneous
509 disbursement of funds, then the maximum amount that may be
510 recovered or withheld from the municipality is the total amount of
511 funds erroneously disbursed for a period of one (1) year beginning
512 with the date of the first erroneous disbursement.

513 **SECTION 2.** This act shall take effect and be in force from
514 and after July 1, 2018, and shall be repealed from and after June
515 30, 2018.

