

By: Senator(s) Clarke, Hopson, Horhn, DeBar, To: Appropriations  
Dearing, Jackson (15th)

SENATE BILL NO. 2963  
(As Sent to Governor)

1 AN ACT MAKING AN APPROPRIATION FOR THE PURPOSE OF DEFRAYING  
2 THE EXPENSES OF THE MISSISSIPPI DEPARTMENT OF REVENUE, INCLUDING  
3 THE HOMESTEAD EXEMPTION DIVISION, THE MOTOR VEHICLE COMPTROLLER  
4 FUNCTIONS, THE ALCOHOLIC BEVERAGE CONTROL DIVISION, AND THE BUREAU  
5 OF TELECOMMUNICATIONS, FOR THE PURPOSE OF REIMBURSING THE  
6 COUNTIES, COUNTY DISTRICTS AND MUNICIPAL SEPARATE SCHOOL DISTRICTS  
7 FOR TAX LOSSES INCURRED BY REASON OF THE EXEMPTION OF HOMES FROM  
8 CERTAIN AD VALOREM TAXES, AND FOR THE PURPOSE OF PURCHASING MOTOR  
9 VEHICLE LICENSE TAGS FOR FISCAL YEAR 2019.

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

11 **SECTION 1.** The following sum, or so much thereof as may be  
12 necessary, is hereby appropriated out of any money in the State  
13 General Fund not otherwise appropriated, for the purpose of  
14 defraying the expenses of the Mississippi Department of Revenue,  
15 including the Homestead Exemption Division, the Motor Vehicle  
16 Comptroller functions, the Alcoholic Beverage Control Division and  
17 the Bureau of Telecommunications, for the fiscal year beginning  
18 July 1, 2018, and ending June 30, 2019.....\$ 38,322,599.00.

19 **SECTION 2.** The following sum, or so much thereof as may be  
20 necessary, is hereby appropriated out of any money in the special  
21 fund in the State Treasury to the credit of the Mississippi



22 Department of Revenue which are collected by or otherwise become  
23 available for the purpose of defraying the expenses of the  
24 department for the fiscal year beginning July 1, 2018, and ending  
25 June 30, 2019.....\$ 24,768,033.00.

26 **SECTION 3.** Of the funds appropriated under the provisions of  
27 Sections 1 and 2, not more than the following amounts set forth  
28 below shall be expended:

29 **GENERAL ADMINISTRATION**

30 FUNDING:

31 General Funds.....\$ 9,239,958.00  
32 Special Funds..... 20,843,758.00  
33 Total.....\$ 30,083,716.00

34 With the funds appropriated for this budget, it is the  
35 intention of the Legislature that it shall be the agency's  
36 responsibility to make certain that funds required to be  
37 appropriated for "Personal Services" do not exceed the following  
38 amount:.....\$ 10,886,198.00

39 AUTHORIZED POSITIONS:

40 Permanent: Full Time.....183  
41 Part Time.....1  
42 Time-Limited: Full Time.....0  
43 Part Time.....0

44 **TAX ADMINISTRATION**

45 FUNDING:

46 General Funds.....\$ 6,013,861.00



47 Special Funds..... 458,613.00  
 48 Total.....\$ 6,472,474.00

49 With the funds appropriated for this budget, it is the  
 50 intention of the Legislature that it shall be the agency's  
 51 responsibility to make certain that funds required to be  
 52 appropriated for "Personal Services" do not exceed the following  
 53 amount:.....\$ 6,998,475.00

54 AUTHORIZED POSITIONS:

55	Permanent:	Full Time.....	144
56		Part Time.....	0
57	Time-Limited:	Full Time.....	0
58		Part Time.....	0

59 **AUDIT**

60 FUNDING:

61	General Funds.....	\$ 8,527,265.00
62	Special Funds.....	<u>393,374.00</u>
63	Total.....	\$ 8,920,639.00

64 With the funds appropriated for this budget, it is the  
 65 intention of the Legislature that it shall be the agency's  
 66 responsibility to make certain that funds required to be  
 67 appropriated for "Personal Services" do not exceed the following  
 68 amount:.....\$ 8,951,123.00

69 AUTHORIZED POSITIONS:

70	Permanent:	Full Time.....	158
71		Part Time.....	0



72 Time-Limited: Full Time..... 0  
 73 Part Time..... 0

**TAX ENFORCEMENT**

FUNDING:

76 General Funds.....\$ 6,034,570.00  
 77 Special Funds..... 967,546.00  
 78 Total.....\$ 7,002,116.00

79 With the funds appropriated for this budget, it is the  
 80 intention of the Legislature that it shall be the agency's  
 81 responsibility to make certain that funds required to be  
 82 appropriated for "Personal Services" do not exceed the following  
 83 amount:.....\$ 6,118,786.00

AUTHORIZED POSITIONS:

85 Permanent: Full Time..... 126  
 86 Part Time..... 0  
 87 Time-Limited: Full Time..... 0  
 88 Part Time..... 0

**PROPERTY & MOTOR VEHICLE SERVICES**

FUNDING:

91 General Funds.....\$ 3,159,855.00  
 92 Special Funds..... 571,286.00  
 93 Total.....\$ 3,731,141.00

94 With the funds appropriated for this budget, it is the  
 95 intention of the Legislature that it shall be the agency's  
 96 responsibility to make certain that funds required to be



97 appropriated for "Personal Services" do not exceed the following  
98 amount:.....\$ 3,551,268.00

99 AUTHORIZED POSITIONS:

100	Permanent:	Full Time.....	87
101		Part Time.....	0
102	Time-Limited:	Full Time.....	0
103		Part Time.....	0

104 **ALCOHOL BEVERAGE CONTROL**

105 FUNDING:

106	General Funds.....	\$ 5,347,090.00
107	Special Funds.....	<u>1,533,456.00</u>
108	Total.....	\$ 6,880,546.00

109 With the funds appropriated for this budget, it is the  
110 intention of the Legislature that it shall be the agency's  
111 responsibility to make certain that funds required to be  
112 appropriated for "Personal Services" do not exceed the following  
113 amount:.....\$ 5,745,608.00

114 AUTHORIZED POSITIONS:

115	Permanent:	Full Time.....	136
116		Part Time.....	0
117	Time-Limited:	Full Time.....	0
118		Part Time.....	0

119 With the funds herein appropriated, it shall be the agency's  
120 responsibility to make certain that funds required to be  
121 appropriated for "Personal Services" for Fiscal Year 2020 do not



122 exceed Fiscal Year 2019 funds appropriated for that purpose,  
123 unless programs or positions are added to the agency's Fiscal Year  
124 2019 budget by the Mississippi Legislature. Based on data  
125 provided by the Legislative Budget Office, the State Personnel  
126 Board shall determine and publish the projected annual cost to  
127 fully fund all appropriated positions in compliance with the  
128 provisions of this act. It shall be the responsibility of the  
129 agency head to ensure that no single personnel action increases  
130 this projected annual cost and/or the Fiscal Year 2019  
131 appropriations for "Personal Services" when annualized, with the  
132 exception of escalated funds and the award of benchmarks. If, at  
133 the time the agency takes any action to change "Personal  
134 Services," the State Personnel Board determines that the agency  
135 has taken an action which would cause the agency to exceed this  
136 projected annual cost or the Fiscal Year 2019 "Personal Services"  
137 appropriated level, when annualized, then only those actions which  
138 reduce the projected annual cost and/or the appropriation  
139 requirement will be processed by the State Personnel Board until  
140 such time as the requirements of this provision are met.

141 Any transfers or escalations shall be made in accordance with  
142 the terms, conditions and procedures established by law or  
143 allowable under the terms set forth within this act. The State  
144 Personnel Board shall not escalate positions without written  
145 approval from the Department of Finance and Administration. The  
146 Department of Finance and Administration shall not provide written



147 approval to escalate any funds for salaries and/or positions  
148 without proof of availability of new or additional funds above the  
149 appropriated level.

150 No general funds authorized to be expended herein shall be  
151 used to replace federal funds and/or other special funds which are  
152 being used for salaries authorized under the provisions of this  
153 act and which are withdrawn and no longer available.

154 None of the funds herein appropriated shall be used in  
155 violation of Internal Revenue Service's Publication 15-A relating  
156 to the reporting of income paid to contract employees, as  
157 interpreted by the Office of the State Auditor.

158 **SECTION 4.** The Commissioner of the Department of Revenue  
159 shall have the authority to transfer from any funds appropriated  
160 herein from any program and salaries category, and if necessary  
161 their associated PINS, within the Department of Revenue to any  
162 other program of the Department of Revenue in an amount not to  
163 exceed twenty percent (20%) of the total amount of funds  
164 appropriated during Fiscal Year 2019.

165 **SECTION 5.** It shall be the duty of the Chairman of the  
166 Mississippi Department of Revenue, and he is hereby empowered to  
167 select in the manner provided by Section 27-3-13, Mississippi Code  
168 of 1972, such employees as may be necessary to the administration  
169 of all acts relating to the exemption of homesteads and the  
170 reimbursement of tax losses to the several taxing units of the



171 state, and to assign them to the use of the Mississippi Department  
172 of Revenue.

173         **SECTION 6.** The money herein appropriated may be used for any  
174 expenses which the commission may legally incur. Provided,  
175 however, that no part of the money herein appropriated shall be  
176 used for the payment of attorney's fees, except upon  
177 recommendation of the Governor with the approval of the Attorney  
178 General, nor shall any of said funds be used either directly or  
179 indirectly for the purpose of paying any clerk, stenographer,  
180 assistant, deputy or other employee who may be related by blood or  
181 marriage within the third degree, computed by the rule of civil  
182 law, to the official employing or having the right of employment  
183 or selection thereof, except that when the relationship is by  
184 affinity and the person is dead through whom the relationship was  
185 established, this rule shall not apply. In the event of any such  
186 payment, then the official or person approving and making such  
187 payment shall be liable to return to the State of Mississippi and  
188 to pay into the State Treasury to the credit of the General Fund  
189 three (3) times any such amount so paid to be recovered at suit by  
190 the Attorney General.

191         **SECTION 7.** In compliance with the "Mississippi Performance  
192 Budget and Strategic Planning Act of 1994," it is the intent of  
193 the Legislature that the funds provided herein shall be utilized  
194 in the most efficient and effective manner possible to achieve the  
195 intended mission of this agency. Based on the funding authorized,





196 this agency shall make every effort to attain the targeted  
197 performance measures provided below:

198		FY2019
199	<u>Performance Measures</u>	<u>Target</u>
200	General Administration	
201	Average Cost per Return Processed (\$)	5.46
202	ROI - Revenue Collected per Dollar of Expense	119.77
203	Tax Administration	
204	Cost per Unit of Work (Item/Case/Call) (\$)	14.00
205	Cost per Call Center Call Answered (\$)	3.00
206	Audit	
207	Cost per Audit (\$)	1,105.00
208	Production Per Audit	9,747.00
209	Tax Enforcement	
210	Cost per Dollar Collected in Recovery Actions	0.07
211	Property & Motor Vehicle Svcs	
212	Cost per Homestead Exemption Application (\$)	3.35
213	Cost per Title Issued (\$)	2.78
214	Alcohol Beverage Control	
215	Cost per Case Shipped (\$)	1.56
216	ROI - GF Dollars Returned per Dollar of Cost	16.00

217 A reporting of the degree to which the performance targets  
218 set above have been or are being achieved shall be provided in the  
219 agency's budget request submitted to the Joint Legislative Budget  
220 Committee for Fiscal Year 2020.



221           **SECTION 8.** The following sum, or so much thereof as may be  
222 necessary, is hereby appropriated out of any money in the State  
223 General Fund not otherwise appropriated, to the Mississippi  
224 Department of Revenue for the purpose of reimbursing the counties  
225 of the state, the road districts and school districts therein and  
226 the municipal separate school districts, for tax losses incurred  
227 by reason of the exemption of homes from certain ad valorem taxes  
228 under the provisions of Section 27-33-1 et seq., Mississippi Code  
229 of 1972, for the fiscal year beginning July 1, 2018, and ending  
230 June 30, 2019.....\$       80,625,992.00.

231           **SECTION 9.** Each county, road district, school district and  
232 municipal separate school district which has incurred a tax loss  
233 that is reimbursable under Section 8 of this act shall be  
234 reimbursed a sum which is equivalent to the amount of tax loss  
235 produced by the application of tax rates annually fixed for  
236 maintenance and current expenses to the assessed value of homes,  
237 or so much thereof as has been lawfully authorized under the  
238 provisions of Section 27-33-1 et seq., Mississippi Code of 1972.

239           The disbursements from the funds appropriated under the  
240 provisions of Section 8 shall be based upon the certificates  
241 required of the clerks of the county boards of supervisors and of  
242 the clerks of the municipalities, which certificates shall conform  
243 strictly in every respect to the requirements of the provisions of  
244 Section 27-33-1 et seq., Mississippi Code of 1972.



245 All disbursements from the funds appropriated under the  
246 provisions of Section 8 of this act shall be made strictly in  
247 accordance with the provisions of Section 27-33-1 et seq.,  
248 Mississippi Code of 1972, and no disbursements other than those  
249 clearly authorized by those sections shall be made, the provisions  
250 of any other law to the contrary notwithstanding.

251 **SECTION 10.** None of the funds appropriated under the  
252 provisions of Section 8 of this act may be distributed to any  
253 county, municipality, school district or other taxing district in  
254 which the assessed valuation of the taxing district has increased  
255 as a result of reappraisal of the property of the taxing district  
256 unless the governing board of the taxing district has published a  
257 notice in a newspaper having a general circulation in the taxing  
258 district, stating the lower millage rate that would produce the  
259 same amount of revenue from ad valorem taxation on property of the  
260 taxing district that was produced in the fiscal year before the  
261 property of the taxing district was reappraised.

262 **SECTION 11.** The following sum, or so much thereof as may be  
263 necessary, is hereby appropriated out of any money in the State  
264 General Fund not otherwise appropriated, for the purchase and  
265 delivery of motor vehicle license tags for the fiscal year  
266 beginning July 1, 2018, and ending June 30, 2019.....  
267 .....\$ 3,247,190.00.

268 **SECTION 12.** The following sum, or so much thereof as may be  
269 necessary, is hereby appropriated out of any money in the Capital



270 Expense Fund not otherwise appropriated, for the design and  
271 reissue of motor vehicle license tags for the fiscal year  
272 beginning July 1, 2018, and ending June 30, 2019...\$ 5,100,000.00.

273       **SECTION 13.** Of the funds appropriated under the provisions  
274 of Section 2, Two Million Three Hundred Thousand Dollars  
275 (\$2,300,000.00), or so much thereof, shall be derived out of any  
276 money in the State Treasury to the credit of the Capital Expense  
277 Fund, as created in Section 27-103-303, Mississippi Code of 1972,  
278 and allocated in a manner as determined by the Treasurer's  
279 Office. These funds are provided for purpose of defraying the  
280 expenses of the Mississippi Automated Registration Vehicle  
281 Information Network ("MARVIN").

282       **SECTION 14.** It is the intention of the Legislature that  
283 whenever two (2) or more bids are received by this agency for the  
284 purchase of commodities or equipment, and whenever all things  
285 stated in such received bids are equal with respect to price,  
286 quality and service, the Mississippi Industries for the Blind  
287 shall be given preference. A similar preference shall be given to  
288 the Mississippi Industries for the Blind whenever purchases are  
289 made without competitive bids.

290       **SECTION 15.** None of the funds appropriated under the  
291 provisions of Sections 1 and 2 of this act shall be expended  
292 unless an advisory committee continues to coordinate, in an  
293 advisory capacity only, with the Department of Revenue in the  
294 determination of the collection of statistical data and



295 information related to economic and tax policy. This advisory  
296 committee shall consist of the following members or their  
297 designees: the Director of the Legislative Budget Office, the  
298 Director of the Joint Legislative PEER Committee, the State  
299 Economist, the President of the Mississippi Economic Council and  
300 the Director of the Mississippi Economic Policy Center.

301 **SECTION 16.** It is the intention of the Legislature that the  
302 Mississippi Department of Revenue shall maintain complete  
303 accounting and personnel records related to the expenditure of all  
304 funds appropriated under this act and that such records shall be  
305 in the same format and level of detail as maintained for Fiscal  
306 Year 2018. It is further the intention of the Legislature that  
307 the agency's budget request for Fiscal Year 2020 shall be  
308 submitted to the Joint Legislative Budget Committee in a format  
309 and level of detail comparable to the format and level of detail  
310 provided during the Fiscal Year 2019 budget request process.

311 **SECTION 17.** None of the funds appropriated in Section 11 of  
312 this act shall be expended to purchase motor vehicle license tags  
313 made or manufactured by any department, agency or instrumentality  
314 of a state other than the State of Mississippi. None of the funds  
315 appropriated in this section shall be used for the purchase of  
316 bolts, nuts or other fastening devices for attaching said motor  
317 vehicle license tags. Provided further, that all motor vehicles  
318 belonging to any state department, agency, commission, institution  
319 or any other division of state government shall have license tags



320 which shall bear the words "State Property" at the bottom of such  
321 license tags.

322         **SECTION 18.** Of the funds appropriated in Section 2, the  
323 following sum, or so much thereof as may be necessary, is  
324 appropriated out of any money in the special fund in the State  
325 Treasury to the credit of the Mississippi Department of Revenue  
326 which is collected by or otherwise becomes available for the  
327 purpose of defraying the expenses of the department's contingent  
328 fee contracts, for the fiscal year beginning July 1, 2018, and  
329 ending June 30, 2019.....\$ 1,000,000.00.

330         **SECTION 19.** The funds appropriated in Section 18 of this act  
331 shall be derived from contracts entered into by the Department of  
332 Revenue that will be paid on a contingent fee basis, for services  
333 rendered to the Department of Revenue where the contracts are for  
334 the analysis of taxes, interest, or penalty or the reduction of  
335 refunds claimed, under which contracts the contingent fee shall be  
336 based on the actual amount of taxes, interest and/or penalties  
337 collected and/or the amount by which the claimed refund is  
338 reduced. In order to receive the funds appropriated in Section 16  
339 of this act, the Department of Revenue shall do the following:

340                 (a) On or before July 15, 2018, and each succeeding  
341 month thereafter through July 15, 2019, deposit in the special  
342 fund in the State Treasury to the credit of the Mississippi  
343 Department of Revenue ten percent (10%) of any funds derived from  
344 work under a such contingent fee contract that would otherwise be



345 paid into the General Fund, in an amount not to exceed One Million  
346 Dollars (\$1,000,000.00); and

347 (b) Publish an annual report setting forth the number  
348 of contracts entered into under this section, the total amount  
349 collected using the contingent fee contract, and the percentage of  
350 the contingency fee arrangement of each contract.

351 **SECTION 20.** Of the funds appropriated in Section 1 of this  
352 act, it is the intention of the Legislature that up to Eight  
353 Hundred Eleven Thousand Seven Hundred Forty Dollars (\$811,740.00)  
354 shall be allocated as follows: to the Municipal Court Collections  
355 Program Four Hundred Five Thousand Eight Hundred Seventy Dollars  
356 (\$405,870.00) and to the Justice Court Collections Program Four  
357 Hundred Five Thousand Eight Hundred Seventy Dollars (\$405,870.00)  
358 to be supported from General Fund court assessments.

359 **SECTION 21.** It is the intention of the Legislature that the  
360 funds herein appropriated shall be expended in compliance with  
361 Section 27-104-25, Mississippi Code of 1972, that no state agency  
362 shall incur obligations or indebtedness in excess of their  
363 appropriation and that the responsible officers, either personally  
364 or upon their official bonds, shall be held responsible for  
365 actions contrary to this provision.

366 **SECTION 22.** The money herein appropriated shall be paid by  
367 the State Treasurer out of any money in the State Treasury to the  
368 credit of the proper fund or funds as set forth in this act, upon  
369 warrants issued by the State Fiscal Officer; and the Fiscal



370 Officer shall issue his warrants upon requisitions signed by the  
371 proper person, officer or officers, in the manner provided by law.

372           **SECTION 23.** This act shall take effect and be in force from  
373 and after July 1, 2018.

