

By: Representative Dortch

To: Ways and Means

## HOUSE BILL NO. 54

1 AN ACT TO AUTHORIZE A JOB TAX CREDIT FOR SUPERMARKETS LOCATED  
2 IN ECONOMICALLY DISTRESSED COMMUNITIES IN AN AMOUNT EQUAL TO 10%  
3 OF THE PAYROLL OF THE SUPERMARKET; TO PROVIDE THAT THE AMOUNT OF  
4 THE CREDIT TAKEN IN ANY ONE TAX YEAR SHALL BE LIMITED TO AN AMOUNT  
5 NOT GREATER THAN 50% OF THE TAXPAYER'S STATE INCOME TAX LIABILITY  
6 ATTRIBUTABLE TO INCOME DERIVED FROM OPERATIONS IN THE STATE FOR  
7 THAT YEAR; TO PROVIDE THAT THE AGGREGATE AMOUNT OF TAX CREDITS  
8 THAT MAY BE AWARDED UNDER THIS ACT IN ANY ONE CALENDAR YEAR SHALL  
9 NOT EXCEED \$4,000,000.00; TO AMEND SECTION 27-65-101, MISSISSIPPI  
10 CODE OF 1972, TO EXEMPT FROM SALES TAXATION SALES OF MATERIALS  
11 USED IN THE CONSTRUCTION OF A SUPERMARKET THAT IS LOCATED IN AN  
12 AREA DESIGNATED AS AN ECONOMICALLY DISTRESSED COMMUNITY PURSUANT  
13 TO THIS ACT, OR ANY ADDITION OR IMPROVEMENT THEREON, AND SALES OF  
14 ANY MACHINERY AND EQUIPMENT NOT LATER THAN THREE MONTHS AFTER THE  
15 COMPLETION OF CONSTRUCTION OF THE BUILDING, OR ANY ADDITION OR  
16 IMPROVEMENT THEREON, TO BE USED IN THE SUPERMARKET; AND FOR  
17 RELATED PURPOSES.

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

19 **SECTION 1.** (1) As used in this section:

20 (a) "Supermarket" means establishments that are engaged  
21 in activities designated as supermarkets and other grocery (except  
22 convenience) stores (industry 445110) under the North American  
23 Industry Classification System (NAICS).

24 (b) "Economically distressed community" means an area  
25 within a municipality that contains groupings of census tracts



that include and are contiguous to the central business district, where within such census tract groupings at least thirty percent (30%) of the residents have incomes that are less than the national poverty level as published by the United States Census Bureau in the most recent decennial census for which data is available.

(2) The governing authorities of a municipality may designate an area within the municipality as an economically distressed community. Upon designation of an area within a municipality as an economically distressed community, the governing authorities of a municipality shall apply to the Department of Revenue for certification of the area as an economically distressed community. The application shall provide the information necessary to establish certification as an economically distressed community. The Department of Revenue shall certify an area as an economically distressed community if it finds that the designation meets the criteria provided for in subsection (1)(b) of this section.

(3) Supermarkets in areas within municipalities certified by the Department of Revenue as economically distressed communities shall be allowed a job tax credit for taxes imposed under this chapter equal to ten percent (10%) of the payroll of the supermarket.

(4) The amount of the credit taken in any one (1) tax year must be limited to an amount not greater than fifty percent (50%)



of the taxpayer's state income tax liability attributable to income derived from operations in the state for that year.

(5) The aggregate amount of tax credits that may be awarded under this section in any one (1) calendar year shall not exceed Four Million Dollars (\$4,000,000.00).

**SECTION 2.** Section 27-65-101, Mississippi Code of 1972, is amended as follows:

27-65-101. (1) The exemptions from the provisions of this chapter which are of an industrial nature or which are more properly classified as industrial exemptions than any other exemption classification of this chapter shall be confined to those persons or property exempted by this section or by the provisions of the Constitution of the United States or the State of Mississippi. No industrial exemption as now provided by any other section except Section 57-3-33 shall be valid as against the tax herein levied. Any subsequent industrial exemption from the tax levied hereunder shall be provided by amendment to this section. No exemption provided in this section shall apply to taxes levied by Section 27-65-15 or 27-65-21.

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

(a) Sales of boxes, crates, cartons, cans, bottles and other packaging materials to manufacturers and wholesalers for use as containers or shipping materials to accompany goods sold by said manufacturers or wholesalers where possession thereof will



76 pass to the customer at the time of sale of the goods contained  
77 therein and sales to anyone of containers or shipping materials  
78 for use in ships engaged in international commerce.

79 (b) Sales of raw materials, catalysts, processing  
80 chemicals, welding gases or other industrial processing gases  
81 (except natural gas) to a manufacturer for use directly in  
82 manufacturing or processing a product for sale or rental or  
83 repairing or reconditioning vessels or barges of fifty (50) tons  
84 load displacement and over. For the purposes of this exemption,  
85 electricity used directly in the electrolysis process in the  
86 production of sodium chlorate shall be considered a raw material.  
87 This exemption shall not apply to any property used as fuel except  
88 to the extent that such fuel comprises by-products which have no  
89 market value.

90 (c) The gross proceeds of sales of dry docks, offshore  
91 drilling equipment for use in oil or natural gas exploration or  
92 production, vessels or barges of fifty (50) tons load displacement  
93 and over, when the vessels or barges are sold by the manufacturer  
94 or builder thereof. In addition to other types of equipment,  
95 offshore drilling equipment for use in oil or natural gas  
96 exploration or production shall include aircraft used  
97 predominately to transport passengers or property to or from  
98 offshore oil or natural gas exploration or production platforms or  
99 vessels, and engines, accessories and spare parts for such  
100 aircraft.



101           (d) Sales to commercial fishermen of commercial fishing  
102 boats of over five (5) tons load displacement and not more than  
103 fifty (50) tons load displacement as registered with the United  
104 States Coast Guard and licensed by the Mississippi Commission on  
105 Marine Resources.

106           (e) The gross income from repairs to vessels and barges  
107 engaged in foreign trade or interstate transportation.

108           (f) Sales of petroleum products to vessels or barges  
109 for consumption in marine international commerce or interstate  
110 transportation businesses.

111           (g) Sales and rentals of rail rolling stock (and  
112 component parts thereof) for ultimate use in interstate commerce  
113 and gross income from services with respect to manufacturing,  
114 repairing, cleaning, altering, reconditioning or improving such  
115 rail rolling stock (and component parts thereof).

116           (h) Sales of raw materials, catalysts, processing  
117 chemicals, welding gases or other industrial processing gases  
118 (except natural gas) used or consumed directly in manufacturing,  
119 repairing, cleaning, altering, reconditioning or improving such  
120 rail rolling stock (and component parts thereof). This exemption  
121 shall not apply to any property used as fuel.

122           (i) Sales of machinery or tools or repair parts  
123 therefor or replacements thereof, fuel or supplies used directly  
124 in manufacturing, converting or repairing ships, vessels or barges  
125 of three thousand (3,000) tons load displacement and over, but not



to include office and plant supplies or other equipment not directly used on the ship, vessel or barge being built, converted or repaired. For purposes of this exemption, "ships, vessels or barges" shall not include floating structures described in Section 27-65-18.

(j) Sales of tangible personal property to persons operating ships in international commerce for use or consumption on board such ships. This exemption shall be limited to cases in which procedures satisfactory to the commissioner, ensuring against use in this state other than on such ships, are established.

(k) Sales of materials used in the construction of a building, or any addition or improvement thereon, and sales of any machinery and equipment not later than three (3) months after the completion of construction of the building, or any addition thereon, to be used therein, to qualified businesses, as defined in Section 57-51-5, which are located in a county or portion thereof designated as an enterprise zone pursuant to Sections 57-51-1 through 57-51-15.

(l) Sales of materials used in the construction of a building, or any addition or improvement thereon, and sales of any machinery and equipment not later than three (3) months after the completion of construction of the building, or any addition thereon, to be used therein, to qualified businesses, as defined in Section 57-54-5.



(m) Income from storage and handling of perishable goods by a public storage warehouse.

(n) The value of natural gas lawfully injected into the earth for cycling, repressuring or lifting of oil, or lawfully vented or flared in connection with the production of oil; however, if any gas so injected into the earth is sold for such purposes, then the gas so sold shall not be exempt.

(o) The gross collections from self-service commercial laundering, drying, cleaning and pressing equipment.

(p) Sales of materials used in the construction of a building, or any addition or improvement thereon, and sales of any machinery and equipment not later than three (3) months after the completion of construction of the building, or any addition thereon, to be used therein, to qualified companies, certified as such by the Mississippi Development Authority under Section 57-53-1.

(q) Sales of component materials used in the construction of a building, or any addition or improvement thereon, sales of machinery and equipment to be used therein, and sales of manufacturing or processing machinery and equipment which is permanently attached to the ground or to a permanent foundation and which is not by its nature intended to be housed within a building structure, not later than three (3) months after the initial start-up date, to permanent business enterprises engaging in manufacturing or processing in Tier Three areas (as such term



is defined in Section 57-73-21), which businesses are certified by the Department of Revenue as being eligible for the exemption granted in this paragraph (q).

(r) (i) Sales of component materials used in the construction of a building, or any addition or improvement thereon, and sales of any machinery and equipment not later than three (3) months after the completion of the building, addition or improvement thereon, to be used therein, for any company establishing or transferring its national or regional headquarters from within or outside the State of Mississippi and creating a minimum of twenty (20) jobs at the new headquarters in this state. The Department of Revenue shall establish criteria and prescribe procedures to determine if a company qualifies as a national or regional headquarters for the purpose of receiving the exemption provided in this subparagraph (i).

(ii) Sales of component materials used in the construction of a building, or any addition or improvement thereon, and sales of any machinery and equipment not later than three (3) months after the completion of the building, addition or improvement thereon, to be used therein, for any company expanding or making additions after January 1, 2013, to its national or regional headquarters within the State of Mississippi and creating a minimum of twenty (20) new jobs at the headquarters as a result of the expansion or additions. The Department of Revenue shall establish criteria and prescribe procedures to determine if a



company qualifies as a national or regional headquarters for the purpose of receiving the exemption provided in this subparagraph (ii).

(s) The gross proceeds from the sale of semitrailers, trailers, boats, travel trailers, motorcycles, all-terrain cycles and rotary-wing aircraft if exported from this state within forty-eight (48) hours and registered and first used in another state.

(t) Gross income from the storage and handling of natural gas in underground salt domes and in other underground reservoirs, caverns, structures and formations suitable for such storage.

(u) Sales of machinery and equipment to nonprofit organizations if the organization:

(i) Is tax exempt pursuant to Section 501(c)(4) of the Internal Revenue Code of 1986, as amended;

(ii) Assists in the implementation of the contingency plan or area contingency plan, and which is created in response to the requirements of Title IV, Subtitle B of the Oil Pollution Act of 1990, Public Law 101-380; and

(iii) Engages primarily in programs to contain, clean up and otherwise mitigate spills of oil or other substances occurring in the United States coastal and tidal waters.

For purposes of this exemption, "machinery and equipment" means any ocean-going vessels, barges, booms, skimmers and other



capital equipment used primarily in the operations of nonprofit organizations referred to herein.

(v) Sales or leases of materials and equipment to approved business enterprises as provided under the Growth and Prosperity Act.

(w) From and after July 1, 2001, sales of pollution control equipment to manufacturers or custom processors for industrial use. For the purposes of this exemption, "pollution control equipment" means equipment, devices, machinery or systems used or acquired to prevent, control, monitor or reduce air, water or groundwater pollution, or solid or hazardous waste as required by federal or state law or regulation.

(x) Sales or leases to a manufacturer of motor vehicles or powertrain components operating a project that has been certified by the Mississippi Major Economic Impact Authority as a project as defined in Section 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and equipment; special tooling such as dies, molds, jigs and similar items treated as special tooling for federal income tax purposes; or repair parts therefor or replacements thereof; repair services thereon; fuel, supplies, electricity, coal and natural gas used directly in the manufacture of motor vehicles or motor vehicle parts or used to provide climate control for manufacturing areas.

(y) Sales or leases of component materials, machinery and equipment used in the construction of a building, or any



251 addition or improvement thereon to an enterprise operating a  
252 project that has been certified by the Mississippi Major Economic  
253 Impact Authority as a project as defined in Section  
254 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)  
255 or Section 57-75-5(f)(xxviii) and any other sales or leases  
256 required to establish or operate such project.

257 (z) Sales of component materials and equipment to a  
258 business enterprise as provided under Section 57-64-33.

259 (aa) The gross income from the stripping and painting  
260 of commercial aircraft engaged in foreign or interstate  
261 transportation business.

262 (bb) [Repealed]

263 (cc) Sales or leases to an enterprise owning or  
264 operating a project that has been designated by the Mississippi  
265 Major Economic Impact Authority as a project as defined in Section  
266 57-75-5(f)(xviii) of machinery and equipment; special tooling such  
267 as dies, molds, jigs and similar items treated as special tooling  
268 for federal income tax purposes; or repair parts therefor or  
269 replacements thereof; repair services thereon; fuel, supplies,  
270 electricity, coal and natural gas used directly in the  
271 manufacturing/production operations of the project or used to  
272 provide climate control for manufacturing/production areas.

273 (dd) Sales or leases of component materials, machinery  
274 and equipment used in the construction of a building, or any  
275 addition or improvement thereon to an enterprise owning or



operating a project that has been designated by the Mississippi Major Economic Impact Authority as a project as defined in Section 57-75-5(f) (xviii) and any other sales or leases required to establish or operate such project.

(ee) Sales of parts used in the repair and servicing of aircraft not registered in Mississippi engaged exclusively in the business of foreign or interstate transportation to businesses engaged in aircraft repair and maintenance.

(ff) Sales of component materials used in the construction of a facility, or any addition or improvement thereon, and sales or leases of machinery and equipment not later than three (3) months after the completion of construction of the facility, or any addition or improvement thereto, to be used in the building or any addition or improvement thereto, to a permanent business enterprise operating a data/information enterprise in Tier Three areas (as such areas are designated in accordance with Section 57-73-21), meeting minimum criteria established by the Mississippi Development Authority.

(gg) Sales of component materials used in the construction of a facility, or any addition or improvement thereto, and sales of machinery and equipment not later than three (3) months after the completion of construction of the facility, or any addition or improvement thereto, to be used in the facility or any addition or improvement thereto, to technology intensive enterprises for industrial purposes in Tier Three areas (as such



301 areas are designated in accordance with Section 57-73-21), as  
302 certified by the Department of Revenue. For purposes of this  
303 paragraph, an enterprise must meet the criteria provided for in  
304 Section 27-65-17(1)(f) in order to be considered a technology  
305 intensive enterprise.

306 (hh) Sales of component materials used in the  
307 replacement, reconstruction or repair of a building or facility  
308 that has been destroyed or sustained extensive damage as a result  
309 of a disaster declared by the Governor, sales of machinery and  
310 equipment to be used therein to replace machinery or equipment  
311 damaged or destroyed as a result of such disaster, including, but  
312 not limited to, manufacturing or processing machinery and  
313 equipment which is permanently attached to the ground or to a  
314 permanent foundation and which is not by its nature intended to be  
315 housed within a building structure, to enterprises or companies  
316 that were eligible for the exemptions authorized in paragraph (q),  
317 (r), (ff) or (gg) of this subsection during initial construction  
318 of the building that was destroyed or damaged, which enterprises  
319 or companies are certified by the Department of Revenue as being  
320 eligible for the exemption granted in this paragraph.

321 (ii) Sales of software or software services transmitted  
322 by the Internet to a destination outside the State of Mississippi  
323 where the first use of such software or software services by the  
324 purchaser occurs outside the State of Mississippi.



325           (jj) Gross income of public storage warehouses derived  
326 from the temporary storage of raw materials that are to be used in  
327 an eligible facility as defined in Section 27-7-22.35.

328           (kk) Sales of component building materials and  
329 equipment for initial construction of facilities or expansion of  
330 facilities as authorized under Sections 57-113-1 through 57-113-7  
331 and Sections 57-113-21 through 57-113-27.

332           (ll) Sales and leases of machinery and equipment  
333 acquired in the initial construction to establish facilities as  
334 authorized in Sections 57-113-1 through 57-113-7.

335           (mm) Sales and leases of replacement hardware, software  
336 or other necessary technology to operate a data center as  
337 authorized under Sections 57-113-21 through 57-113-27.

338           (nn) Sales of component materials used in the  
339 construction of a building, or any addition or improvement  
340 thereon, and sales or leases of machinery and equipment not later  
341 than three (3) months after the completion of the construction of  
342 the facility, to be used in the facility, to permanent business  
343 enterprises operating a facility producing renewable crude oil  
344 from biomass harvested or produced, in whole or in part, in  
345 Mississippi, which businesses meet minimum criteria established by  
346 the Mississippi Development Authority. As used in this paragraph,  
347 the term "biomass" shall have the meaning ascribed to such term in  
348 Section 57-113-1.



(oo) Sales of supplies, equipment and other personal property to an organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and is the host organization coordinating a professional golf tournament played or to be played in this state and the supplies, equipment or other personal property will be used for purposes related to the golf tournament and related activities.

(pp) Sales of materials used in the construction of a health care industry facility, as defined in Section 57-117-3, or any addition or improvement thereon, and sales of any machinery and equipment not later than three (3) months after the completion of construction of the facility, or any addition thereon, to be used therein, to qualified businesses, as defined in Section 57-117-3. This paragraph shall be repealed from and after July 1, 2022.

(qq) Sales or leases to a manufacturer of automotive parts operating a project that has been certified by the Mississippi Major Economic Impact Authority as a project as defined in Section 57-75-5(f)(xxviii) of machinery and equipment; or repair parts therefor or replacements thereof; repair services thereon; fuel, supplies, electricity, coal, nitrogen and natural gas used directly in the manufacture of automotive parts or used to provide climate control for manufacturing areas.

(rr) Gross collections derived from guided tours on any navigable waters of this state, which include providing



accommodations, guide services and/or related equipment operated by or under the direction of the person providing the tour, for the purposes of outdoor tourism. The exemption provided in this paragraph (rr) does not apply to the sale of tangible personal property by a person providing such tours.

(ss) Retail sales of truck-tractors and semitrailers used in interstate commerce and registered under the International Registration Plan (IRP) or any similar reciprocity agreement or compact relating to the proportional registration of commercial vehicles entered into as provided for in Section 27-19-143.

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

(uu) Sales or leases to an enterprise and its affiliates operating a project that has been certified by the Mississippi Major Economic Impact Authority as a project as defined in Section 57-75-5(f)(xxix) of:

(i) All personal property and fixtures, including without limitation, sales or leases to the enterprise and its affiliates of:

1. Manufacturing machinery and equipment;
2. Special tooling such as dies, molds, jigs and similar items treated as special tooling for federal income tax purposes;



398 3. Component building materials, machinery  
399 and equipment used in the construction of buildings, and any other  
400 additions or improvements to the project site for the project;

401 4. Nonmanufacturing furniture, fixtures and  
402 equipment (inclusive of all communications, computer, server,  
403 software and other hardware equipment); and

404 5. Fuel, supplies (other than  
405 nonmanufacturing consumable supplies and water), electricity,  
406 nitrogen gas and natural gas used directly in the  
407 manufacturing/production operations of such project or used to  
408 provide climate control for manufacturing/production areas of such  
409 project;

410 (ii) All replacements of, repair parts for or  
411 services to repair items described in subparagraph (i)1, 2 and 3  
412 of this paragraph; and

413 (iii) All services taxable pursuant to Section  
414 27-65-23 required to establish, support, operate, repair and/or  
415 maintain such project.

416 (vv) Sales or leases to an enterprise operating a  
417 project that has been certified by the Mississippi Major Economic  
418 Impact Authority as a project as defined in Section  
419 57-75-5(f) (xxx) of:

420 (i) Purchases required to establish and operate  
421 the project, including, but not limited to, sales of component  
422 building materials, machinery and equipment required to establish



the project facility and any additions or improvements thereon;  
and

(ii) Machinery, special tools (such as dies, molds, and jigs) or repair parts thereof, or replacements and lease thereof, repair services thereon, fuel, supplies and electricity, coal and natural gas used in the manufacturing process and purchased by the enterprise owning or operating the project for the benefit of the project.

(ww) Sales of component materials used in the construction of a building, or any expansion or improvement thereon, sales of machinery and/or equipment to be used therein, and sales of processing machinery and equipment which is permanently attached to the ground or to a permanent foundation which is not by its nature intended to be housed in a building structure, no later than three (3) months after initial startup, expansion or improvement of a permanent enterprise solely engaged in the conversion of natural sand into proppants used in oil and gas exploration and development with at least ninety-five percent (95%) of such proppants used in the production of oil and/or gas from horizontally drilled wells and/or horizontally drilled recompletion wells as defined in Sections 27-25-501 and 27-25-701.

(xx) Sales of materials used in the construction of a supermarket (as defined in Section 1 of this act) that is located in an area designated as an economically distressed community pursuant to Section 1 of this act, or any addition or improvement



448 thereon, and sales of any machinery and equipment not later than  
449 three (3) months after the completion of construction of the  
450 building, or any addition or improvement thereon, to be used in  
451 the supermarket.

452       (2) Sales of component materials used in the construction of  
453 a building, or any addition or improvement thereon, sales of  
454 machinery and equipment to be used therein, and sales of  
455 manufacturing or processing machinery and equipment which is  
456 permanently attached to the ground or to a permanent foundation  
457 and which is not by its nature intended to be housed within a  
458 building structure, not later than three (3) months after the  
459 initial start-up date, to permanent business enterprises engaging  
460 in manufacturing or processing in Tier Two areas and Tier One  
461 areas (as such areas are designated in accordance with Section  
462 57-73-21), which businesses are certified by the Department of  
463 Revenue as being eligible for the exemption granted in this  
464 subsection, shall be exempt from one-half (1/2) of the taxes  
465 imposed on such transactions under this chapter.

466       (3) Sales of component materials used in the construction of  
467 a facility, or any addition or improvement thereon, and sales or  
468 leases of machinery and equipment not later than three (3) months  
469 after the completion of construction of the facility, or any  
470 addition or improvement thereto, to be used in the building or any  
471 addition or improvement thereto, to a permanent business  
472 enterprise operating a data/information enterprise in Tier Two



473 areas and Tier One areas (as such areas are designated in  
474 accordance with Section 57-73-21), which businesses meet minimum  
475 criteria established by the Mississippi Development Authority,  
476 shall be exempt from one-half (1/2) of the taxes imposed on such  
477 transaction under this chapter.

478 (4) Sales of component materials used in the construction of  
479 a facility, or any addition or improvement thereto, and sales of  
480 machinery and equipment not later than three (3) months after the  
481 completion of construction of the facility, or any addition or  
482 improvement thereto, to be used in the building or any addition or  
483 improvement thereto, to technology intensive enterprises for  
484 industrial purposes in Tier Two areas and Tier One areas (as such  
485 areas are designated in accordance with Section 57-73-21), which  
486 businesses are certified by the Department of Revenue as being  
487 eligible for the exemption granted in this subsection, shall be  
488 exempt from one-half (1/2) of the taxes imposed on such  
489 transactions under this chapter. For purposes of this subsection,  
490 an enterprise must meet the criteria provided for in Section  
491 27-65-17(1)(f) in order to be considered a technology intensive  
492 enterprise.

493 (5) (a) For purposes of this subsection:

494 (i) "Telecommunications enterprises" shall have  
495 the meaning ascribed to such term in Section 57-73-21;

496 (ii) "Tier One areas" mean counties designated as  
497 Tier One areas pursuant to Section 57-73-21;



(iii) "Tier Two areas" mean counties designated as Tier Two areas pursuant to Section 57-73-21;

(iv) "Tier Three areas" mean counties designated as Tier Three areas pursuant to Section 57-73-21; and

(v) "Equipment used in the deployment of broadband technologies" means any equipment capable of being used for or in connection with the transmission of information at a rate, prior to taking into account the effects of any signal degradation, that is not less than three hundred eighty-four (384) kilobits per second in at least one (1) direction, including, but not limited to, asynchronous transfer mode switches, digital subscriber line access multiplexers, routers, servers, multiplexers, fiber optics and related equipment.

(b) Sales of equipment to telecommunications enterprises after June 30, 2003, and before July 1, 2020, that is installed in Tier One areas and used in the deployment of broadband technologies shall be exempt from one-half (1/2) of the taxes imposed on such transactions under this chapter.

(c) Sales of equipment to telecommunications enterprises after June 30, 2003, and before July 1, 2020, that is installed in Tier Two and Tier Three areas and used in the deployment of broadband technologies shall be exempt from the taxes imposed on such transactions under this chapter.

(6) Sales of component materials used in the replacement, reconstruction or repair of a building that has been destroyed or



523 sustained extensive damage as a result of a disaster declared by  
524 the Governor, sales of machinery and equipment to be used therein  
525 to replace machinery or equipment damaged or destroyed as a result  
526 of such disaster, including, but not limited to, manufacturing or  
527 processing machinery and equipment which is permanently attached  
528 to the ground or to a permanent foundation and which is not by its  
529 nature intended to be housed within a building structure, to  
530 enterprises that were eligible for the partial exemptions provided  
531 for in subsections (2), (3) and (4) of this section during initial  
532 construction of the building that was destroyed or damaged, which  
533 enterprises are certified by the Department of Revenue as being  
534 eligible for the partial exemption granted in this subsection,  
535 shall be exempt from one-half (1/2) of the taxes imposed on such  
536 transactions under this chapter.

537       **SECTION 3.** Section 1 of this act shall be codified as a new  
538 section in Chapter 7, Title 27, Mississippi Code of 1972.

539       **SECTION 4.** This act shall take effect and be in force from  
540 and after July 1, 2019.

