

By: Representatives Banks, Denton, Johnson,  
Straughter

To: Ways and Means

## HOUSE BILL NO. 76

1 AN ACT TO AUTHORIZE CERTAIN MUNICIPALITIES TO IMPOSE AN  
2 EXCISE TAX OF ONE CENT PER GALLON UPON THE RETAIL SALE OF GASOLINE  
3 AND DIESEL FUEL FOR MOTOR VEHICLES IN THE MUNICIPALITY; TO PROVIDE  
4 THAT BEFORE THE TAX MAY BE IMPOSED, THE MUNICIPALITY SHALL ADOPT A  
5 RESOLUTION DECLARING ITS INTENTION TO LEVY THE TAX AND CALLING FOR  
6 AN ELECTION TO BE HELD ON THE QUESTION; TO REQUIRE THE  
7 MUNICIPALITY TO PUBLISH NOTICE OF THE ELECTION; TO PROVIDE THAT  
8 THE TAX MUST BE APPROVED BY A MAJORITY OF THE QUALIFIED ELECTORS  
9 WHO VOTE IN THE ELECTION BEFORE THE MUNICIPALITY MAY LEVY AND  
10 COLLECT THE TAX; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY THE  
11 DEPARTMENT OF REVENUE AND PAID TO THE MUNICIPALITY; TO PROVIDE  
12 THAT THE PROCEEDS OF THE TAX SHALL BE PLACED INTO A SPECIAL  
13 MUNICIPAL FUND APART FROM THE MUNICIPAL GENERAL FUND AND ANY OTHER  
14 FUNDS OF THE MUNICIPALITY, AND SHALL BE EXPENDED BY THE  
15 MUNICIPALITY SOLELY FOR THE REPAIR, MAINTENANCE AND/OR  
16 RECONSTRUCTION OF ROADS, STREETS AND BRIDGES IN THE MUNICIPALITY;  
17 AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** (1) The governing authorities of any  
20 municipality in the state with a population of one hundred fifty  
21 thousand (150,000) or more according to the most recent federal  
22 decennial census may impose an excise tax equal to One Cent (1¢)  
23 per gallon, in addition to any such tax levied and collected by  
24 the state in the municipality, upon retail sales of gasoline and  
25 diesel fuel for motor vehicles in the municipality.



26           (2)   (a)   Before the tax authorized under this section may be  
27 imposed, the governing authorities of the municipality shall adopt  
28 a resolution declaring its intention to levy the tax, setting the  
29 date upon which the tax will become effective, calling for an  
30 election to be held on the question and setting the date of the  
31 election.

32           (b)   Notice of the election shall be published once each  
33 week for at least three (3) consecutive weeks in a newspaper  
34 published or having a general circulation in the municipality,  
35 with the first publication of the notice to be made not less than  
36 twenty-one (21) days before the date fixed in the resolution for  
37 the election and the last publication to be made not more than  
38 seven (7) days before the election. At the election, all  
39 qualified electors of the municipality may vote. The ballots used  
40 at the election shall have printed thereon a brief description of  
41 the tax, the amount of the tax levy, and the words "FOR THE MOTOR  
42 VEHICLE FUEL TAX" and "AGAINST THE MOTOR VEHICLE FUEL TAX" and the  
43 voter shall vote by placing a cross (X) or check mark (✓)  
44 opposite his choice on the proposition.

45           (c)   When the results of the election have been  
46 canvassed by the election commissioners of the municipality and  
47 certified by them to the governing authorities, it shall be the  
48 duty of the governing authorities to determine and adjudicate  
49 whether a majority of the qualified electors who voted in the  
50 election voted in favor of the tax. If a majority of the



51 qualified electors who voted in the election voted in favor of the  
52 tax, the governing authorities shall adopt a resolution declaring  
53 the levy and collection of the tax provided in this section, and  
54 shall set the first day of the second month following the date of  
55 that adoption as the effective date of the tax levy. A certified  
56 copy of this resolution, together with the result of the election,  
57 shall be furnished to the Department of Revenue not less than  
58 thirty (30) days before the effective date of the levy.

59 (3) The tax authorized by this section shall be collected by  
60 the Department of Revenue, shall be accounted for separately from  
61 the amount of fuel tax collected for the state in the municipality  
62 and shall be paid to the municipality. The Department of Revenue  
63 may retain one percent (1%) of the proceeds of that tax for the  
64 purpose of defraying the costs incurred by the department in the  
65 collection of the tax. Payments to the municipality shall be made  
66 by the Department of Revenue on or before the fifteenth day of the  
67 month following the month in which the tax was collected.

68 (4) The proceeds of the tax authorized by this section shall  
69 be placed into a special municipal fund apart from the municipal  
70 general fund and any other funds of the municipality, and shall be  
71 expended by the municipality solely for the repair, maintenance  
72 and/or reconstruction of roads, streets and bridges in the  
73 municipality.

74 (5) All provisions of the Mississippi Sales Tax Law  
75 applicable to filing of returns, discounts to the taxpayer,



remittances to the Department of Revenue, enforced collection, rights of taxpayers, recovery of improper taxes, refunds of overpaid taxes or other provisions of law providing for imposition and collection of the state sales tax shall apply to the tax authorized by this section, except where there is a conflict, in which case the provisions of this section shall control. Any damages, penalties or interest collected for the nonpayment of taxes imposed under this section, or for noncompliance with the provisions of this section, shall be paid to the municipality on the same basis and in the same manner as the tax proceeds. Any overpayment of tax for any reason that has been disbursed to a municipality or any payment of the tax to a municipality in error may be adjusted by the Department of Revenue on any later payment to the municipality under the provisions of the Mississippi Sales Tax Law. The Department of Revenue may, from time to time, make such rules and regulations not inconsistent with this section as may be deemed necessary to carry out the provisions of this section, and such rules and regulations shall have the full force and effect of law.

**SECTION 2.** This act shall take effect and be in force from and after July 1, 2020.

