

By: Representative Currie

To: Ways and Means

HOUSE BILL NO. 218

1 AN ACT TO AMEND SECTION 27-65-33, MISSISSIPPI CODE OF 1972,  
 2 TO REMOVE THE PROVISION THAT REQUIRES A TAXPAYER WHO IS REQUIRED  
 3 TO COLLECT SALES TAXES AND WHO HAS AN AVERAGE MONTHLY SALES TAX  
 4 LIABILITY OF AT LEAST \$50,000.00 TO PAY A PORTION OF HIS SALES TAX  
 5 LIABILITY FOR THE MONTH OF JUNE ON OR BEFORE JUNE 25; AND FOR  
 6 RELATED PURPOSES.

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

8 **SECTION 1.** Section 27-65-33, Mississippi Code of 1972, is  
 9 amended as follows:

10 27-65-33. (1) (a) \* \* \* The taxes levied by this chapter  
 11 shall be due and payable on or before the twentieth day of the  
 12 month next succeeding the month in which the tax accrues, except  
 13 as otherwise provided. Returns and payments placed in the mail  
 14 must be postmarked by the due date in order to be considered  
 15 timely filed, except when the due date falls on a weekend or  
 16 holiday, returns and payments placed in the mail must be  
 17 postmarked by the first working day following the due date in  
 18 order to be considered timely filed. The taxpayer shall make a  
 19 return showing the gross proceeds of sales or the gross income of



20 the business, and any and all allowable deductions, or exempt  
21 sales, and compute the tax due for the period covered.

22 (b) As compensation for collecting sales and use taxes,  
23 complying fully with the applicable statutes, filing returns and  
24 supplements thereto and paying all taxes by the twentieth of the  
25 month following the period covered, the taxpayer may discount and  
26 retain two percent (2%) of the liability on each return subject to  
27 the following limitations:

28 (i) The compensation or discount shall not apply  
29 to taxes levied under the provisions of Sections 27-65-19 and  
30 27-65-21, or on charges for ginning cotton under Section 27-65-23.

31 (ii) The compensation or discount shall not apply  
32 to taxes collected by a county official or state agency.

33 (iii) The compensation or discount shall not  
34 exceed Fifty Dollars (\$50.00) per month, or Six Hundred Dollars  
35 (\$600.00) per calendar year, per business location on each state  
36 sales tax return, or on each use tax return.

37 (iv) The compensation or discount shall not apply  
38 to any wholesale tax, the rate of which is equal to or greater  
39 than the tax rate applicable to retail sales of the same property  
40 or service. The retailer of such items shall be entitled to the  
41 compensation based on the tax computed on retail sales before  
42 application of the credit for any tax paid to the wholesaler,  
43 jobber or other person.



44 (v) The compensation or discount allowed and taken  
45 for any filing period may be reassessed and collected when an  
46 audit of a taxpayer's records reveals a tax deficiency for that  
47 period.

48 (c) As compensation for collecting any tax imposed  
49 under the authority of a local and private law of the State of  
50 Mississippi which is collected and paid to the Department of  
51 Revenue in the same or similar manner that state sales taxes are  
52 collected and paid, complying fully with such applicable law,  
53 filing returns and supplements thereto and paying all taxes by the  
54 twentieth of the month following the period covered, the taxpayer  
55 may discount and retain two percent (2%) of the liability on each  
56 return subject to the following limitations:

57 (i) The compensation or discount shall not apply  
58 to taxes collected by a county official or state agency.

59 (ii) The compensation or discount shall not exceed  
60 Fifty Dollars (\$50.00) per month, or Six Hundred Dollars (\$600.00)  
61 per calendar year, per business location on each tax return.

62 (iii) The compensation or discount allowed and  
63 taken for any filing period may be reassessed and collected when  
64 an audit of a taxpayer's records reveals a tax deficiency for that  
65 period.

66 \* \* \*

67 ( \* \* \*2) All returns shall be sworn to by the taxpayer, if  
68 made by an individual, or by the president, vice president,



69 secretary or treasurer of a corporation, or authorized agent, if  
70 made on behalf of a corporation. If made on behalf of a  
71 partnership, joint venture, association, trust, estate, or in any  
72 other group or combination acting as a unit, any individual  
73 delegated by such firm shall swear to the return on behalf of the  
74 taxpayer. The commissioner may prescribe methods by which the  
75 taxpayer may swear to his return.

76 ( \* \* \*3) The commissioner may promulgate rules and  
77 regulations to require or permit filing periods of any duration,  
78 in lieu of monthly filing periods, for any taxpayer or group  
79 thereof.

80 ( \* \* \*4) The commissioner may require the execution and  
81 filing by the taxpayer with the commissioner of a good and solvent  
82 bond with some surety company authorized to do business in  
83 Mississippi as surety thereon in an amount double the aggregate  
84 tax liability by such taxpayer for any previous three-month period  
85 within the last calendar year or estimated three (3) months' tax  
86 liability. The bond is to be conditioned for the prompt payment  
87 of such taxes as may be due for each such return.

88 ( \* \* \*5) The commissioner, for good cause, may grant such  
89 reasonable additional time within which to make any return  
90 required under the provisions of this chapter as he may deem  
91 proper, but the time for filing any return shall not be extended  
92 beyond the twentieth of the month next succeeding the regular due  
93 date of the return without the imposition of interest at the rate



94 of one percent (1%) per month or fractional part of a month from  
95 the time the return was due until the tax is paid.

96 ( \* \* \*6) For persistent, willful or recurring failure to  
97 make any return and pay the tax shown thereby to be due by the  
98 time specified, there shall be added to the amount of tax shown to  
99 be due ten percent (10%) damages, or interest at the rate of one  
100 percent (1%) per month, or both.

101 ( \* \* \*7) Any taxpayer may, upon making application  
102 therefor, obtain from the commissioner an extension of time for  
103 the payment of taxes due on credit sales until collections thereon  
104 have been made. When such extension is granted, the taxpayer  
105 shall thereafter include in each monthly or quarterly report all  
106 collections made during the preceding month or quarter, and shall  
107 pay the taxes due thereon at the time of filing such report. Such  
108 permission may be revoked or denied at the discretion of the  
109 commissioner when, in his opinion, a total sales basis will best  
110 reflect the taxable income or expedite examination of the  
111 taxpayer's records.

112 ( \* \* \*8) Any taxpayer reporting credit sales before  
113 collection thereof has been made may take credit on subsequent  
114 returns or reports for bad debts actually charged off, if such  
115 amounts charged off have previously been included in taxable gross  
116 income or taxable gross proceeds of sales, as the case may be, and  
117 the tax paid thereon. However, any amounts subsequently collected



118 on accounts that have been charged off as bad debts shall be  
119 included in subsequent reports and the tax shall be paid thereon.

120 ( \* \* \*9) In cases where an extension of time has been  
121 granted by the commissioner for payment of taxes due on credit  
122 sales and the taxpayer thereafter discontinues the business, such  
123 taxpayer shall be required to file with the commissioner within  
124 ten (10) days, or such further time as the commissioner may  
125 direct, from the date of the discontinuance of such business, a  
126 special report showing the amounts of any credit sales which have  
127 not been included in determining the measure of the tax previously  
128 paid and any other information with reference to credit sales as  
129 the commissioner may require. The commissioner shall thereupon  
130 investigate the facts with reference to credit sales and the  
131 condition of the accounts, and shall determine, from the best  
132 evidence available, the value of all open accounts, notes or other  
133 evidence of debt arising from credit sales. The value of all  
134 notes, open accounts and other evidence of debt, as thus  
135 determined by the commissioner, shall be used in determining the  
136 amount of the tax for which such taxpayer shall be liable. When  
137 the amount of the tax shall have been ascertained, the taxpayer  
138 shall be required to pay the same within ten (10) days or such  
139 further time as the commissioner may allow, notwithstanding the  
140 fact that such note or accounts may still remain uncollected.

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

