

By: Representative McLeod

To: Ways and Means

HOUSE BILL NO. 1315

1 AN ACT TO AMEND SECTION 27-55-11, MISSISSIPPI CODE OF 1972,
2 TO INCREASE THE RATE OF THE GASOLINE EXCISE TAX; TO AMEND SECTIONS
3 27-55-519 AND 27-55-521, MISSISSIPPI CODE OF 1972, TO INCREASE THE
4 RATE OF THE SPECIAL FUEL EXCISE TAX ON DIESEL FUEL; TO AMEND
5 SECTION 27-5-101, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A
6 PORTION OF THE REVENUE FROM THE INCREASED GASOLINE EXCISE TAX AND
7 THE SPECIAL FUEL EXCISE TAX ON DIESEL FUEL SHALL BE DEPOSITED INTO
8 SPECIAL FUNDS IN THE STATE TREASURY AND USED TO ASSIST COUNTIES
9 AND MUNICIPALITIES IN PAYING COSTS ASSOCIATED WITH THE REPAIR,
10 MAINTENANCE AND RECONSTRUCTION OF ROADS, STREETS AND BRIDGES IN
11 COUNTIES AND MUNICIPALITIES; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** Section 27-55-11, Mississippi Code of 1972, is
14 amended as follows:

15 **[Through June 30, 2028, this section shall read as follows:]**

16 27-55-11. (1) (a) (i) Any person in business as a
17 distributor of gasoline or who acts as a distributor of gasoline,
18 as defined in this article, shall pay for the privilege of
19 engaging in such business or acting as such distributor an excise
20 tax equal to Eighteen Cents (18¢) per gallon until the date
21 specified in Section 65-39-35, and Fourteen and Four-tenths Cents
22 (14.4¢) per gallon thereafter, on all gasoline and blend stock



23 stored, sold, distributed, manufactured, refined, distilled,
24 blended or compounded in this state or received in this state for
25 sale, use on the highways, storage, distribution, or for any
26 purpose.

27 (ii) In addition to the tax imposed under
28 subparagraph (i) of this paragraph (a), any person in business as
29 a distributor of gasoline or who acts as a distributor of
30 gasoline, as defined in this article, shall pay for the privilege
31 of engaging in such business or acting as such distributor an
32 excise tax as provided in this subparagraph (ii) on all gasoline
33 and blend stock stored, sold, distributed, manufactured, refined,
34 distilled, blended or compounded in this state or received in this
35 state for sale, use on the highways, storage, distribution, or for
36 any purpose. The amount of the tax imposed under this
37 subparagraph (ii) shall be as follows:

38 1. From and after July 1, 2020, through June
39 30, 2021, the tax shall be at the rate of Three and One-third Cents
40 (3-1/3¢) per gallon;

41 2. From and after July 1, 2021, through June
42 30, 2022, the tax shall be at the rate of Six and Two-thirds Cents
43 (6-2/3¢) per gallon; and

44 3. From and after July 1, 2022, the tax shall
45 be at the rate of Ten Cents (10¢) per gallon.

46 (b) Any person in business as a distributor of aviation
47 gasoline, or who acts as a distributor of aviation gasoline, shall



pay for the privilege of engaging in such business or acting as such distributor an excise tax equal to Six and Four-tenths Cents (6.4¢) per gallon on all aviation gasoline stored, sold, distributed, manufactured, refined, distilled, blended or compounded in this state or received in this state for sale, storage, distribution or for any purpose.

(c) The excise taxes collected under this section shall be paid and distributed in accordance with Section 27-5-101.

(2) (a) The tax herein imposed and assessed shall be collected and paid to the State of Mississippi but once in respect to any gasoline. The basis for determining the tax liability shall be the correct invoiced gallons, adjusted to sixty (60) degrees Fahrenheit at the refinery or point of origin of shipment when such shipment is made by tank car or by motor carrier. The point of origin of shipment of gasoline transported into this state by pipelines shall be deemed to be that point in this state where such gasoline is withdrawn from the pipeline for storage or distribution, and adjustment to sixty (60) degrees Fahrenheit shall there be made. The basis for determining the tax liability on gasoline shipped into this state in barge cargoes and by pipeline shall be the actual number of gallons adjusted to sixty (60) degrees Fahrenheit unloaded into storage tanks or other containers in this state, such gallonage to be determined by measurement and/or gauge of storage tank or tanks or by any other method authorized by the commission. The tank or tanks into which



73 barge cargoes of gasoline are discharged, or into which gasoline
74 transported by pipeline is discharged, shall have correct gauge
75 tables listing capacity, such gauge tables to be prepared by some
76 recognized calibrating agency and to be approved by the
77 commission.

78 (b) The tax levied herein shall accrue at the time
79 gasoline is withdrawn from a refinery in this state except when
80 withdrawal is by pipeline, barge, ship or vessel. The refiner
81 shall pay to the commission the tax levied herein when gasoline is
82 sold or delivered to persons who do not hold gasoline distributor
83 permits. The refiner shall report to the commission all sales and
84 deliveries of gasoline to bonded distributors of gasoline. The
85 bonded distributor of gasoline who purchases, receives or acquires
86 gasoline from a refinery in this state shall report such gasoline
87 and pay the tax levied herein.

88 (c) Gasoline imported by common carrier shall be deemed
89 to be received by the distributor of gasoline, and the tax levied
90 herein shall accrue, when the car or tank truck containing such
91 gasoline is unloaded by the carrier.

92 (d) With respect to distributors or other persons who
93 bring, ship, have transported, or have brought into this state
94 gasoline by means other than through a common carrier, the tax
95 accrues and the tax liability attaches on the distributor or other
96 person for each gallon of gasoline brought into the state at the



97 time when and at the point where such gasoline is brought into the
98 state.

99 (e) The tax levied herein shall accrue on blend stock
100 at the time it is blended with gasoline. The blender shall pay to
101 the commission the tax levied herein when blend stock is sold or
102 delivered to persons who do not hold gasoline distributor permits.
103 The blender shall report to the commission all sales and
104 deliveries of blend stock to bonded distributors of gasoline. The
105 bonded distributor of gasoline who purchases, receives or acquires
106 blend stock from a blender in this state shall report blend stock
107 and pay the tax levied herein.

108 [From and after July 1, 2028, this section shall read as
109 follows:]

110 27-55-11. Any person in business as a distributor of
111 gasoline or who acts as a distributor of gasoline, as defined in
112 this article, shall pay for the privilege of engaging in such
113 business or acting as such distributor an excise tax equal to
114 Eighteen Cents (18¢) per gallon until the date specified in
115 Section 65-39-35, and Fourteen and Four-tenths Cents (14.4¢) per
116 gallon thereafter, on all gasoline and blend stock stored, sold,
117 distributed, manufactured, refined, distilled, blended or
118 compounded in this state or received in this state for sale, use
119 on the highways, storage, distribution, or for any purpose.

120 Any person in business as a distributor of aviation gasoline,
121 or who acts as a distributor of aviation gasoline, shall pay for



the privilege of engaging in such business or acting as such distributor an excise tax equal to Six and Four-tenths Cents (6.4¢) per gallon on all aviation gasoline stored, sold, distributed, manufactured, refined, distilled, blended or compounded in this state or received in this state for sale, storage, distribution or for any purpose.

The excise taxes collected under this section shall be paid and distributed in accordance with Section 27-5-101.

The tax herein imposed and assessed shall be collected and paid to the State of Mississippi but once in respect to any gasoline. The basis for determining the tax liability shall be the correct invoiced gallons, adjusted to sixty (60) degrees Fahrenheit at the refinery or point of origin of shipment when such shipment is made by tank car or by motor carrier. The point of origin of shipment of gasoline transported into this state by pipelines shall be deemed to be that point in this state where such gasoline is withdrawn from the pipeline for storage or distribution, and adjustment to sixty (60) degrees Fahrenheit shall there be made. The basis for determining the tax liability on gasoline shipped into this state in barge cargoes and by pipeline shall be the actual number of gallons adjusted to sixty (60) degrees Fahrenheit unloaded into storage tanks or other containers in this state, such gallonage to be determined by measurement and/or gauge of storage tank or tanks or by any other method authorized by the commission. The tank or tanks into which



147 barge cargoes of gasoline are discharged, or into which gasoline
148 transported by pipeline is discharged, shall have correct gauge
149 tables listing capacity, such gauge tables to be prepared by some
150 recognized calibrating agency and to be approved by the
151 commission.

152 The tax levied herein shall accrue at the time gasoline is
153 withdrawn from a refinery in this state except when withdrawal is
154 by pipeline, barge, ship or vessel. The refiner shall pay to the
155 commission the tax levied herein when gasoline is sold or
156 delivered to persons who do not hold gasoline distributor permits.
157 The refiner shall report to the commission all sales and
158 deliveries of gasoline to bonded distributors of gasoline. The
159 bonded distributor of gasoline who purchases, receives or acquires
160 gasoline from a refinery in this state shall report such gasoline
161 and pay the tax levied herein.

162 Gasoline imported by common carrier shall be deemed to be
163 received by the distributor of gasoline, and the tax levied herein
164 shall accrue, when the car or tank truck containing such gasoline
165 is unloaded by the carrier.

166 With respect to distributors or other persons who bring,
167 ship, have transported, or have brought into this state gasoline
168 by means other than through a common carrier, the tax accrues and
169 the tax liability attaches on the distributor or other person for
170 each gallon of gasoline brought into the state at the time when
171 and at the point where such gasoline is brought into the state.



172 The tax levied herein shall accrue on blend stock at the time
173 it is blended with gasoline. The blender shall pay to the
174 commission the tax levied herein when blend stock is sold or
175 delivered to persons who do not hold gasoline distributor permits.
176 The blender shall report to the commission all sales and
177 deliveries of blend stock to bonded distributors of gasoline. The
178 bonded distributor of gasoline who purchases, receives or acquires
179 blend stock from a blender in this state shall report blend stock
180 and pay the tax levied herein.

181 **SECTION 2.** Section 27-55-519, Mississippi Code of 1972, is
182 amended as follows:

183 **[Through June 30, 2028, this section shall read as follows:]**

184 27-55-519. (1) Any person engaged in business as a
185 distributor of special fuel or who acts as a distributor of
186 special fuel, as defined in this article, shall pay for the
187 privilege of engaging in such business or acting as such
188 distributor an excise tax on all special fuel stored, used, sold,
189 distributed, manufactured, refined, distilled, blended or
190 compounded in this state or received in this state for sale,
191 storage, distribution or for any purpose, adjusted to sixty (60)
192 degrees Fahrenheit.

193 The excise tax shall become due and payable when:

194 (a) Special fuel is withdrawn from storage at a
195 refinery, marine or pipeline terminal, except when withdrawal is
196 by barge or pipeline.



197 (b) Special fuel imported by a common carrier is
198 unloaded by that carrier unless the special fuel is unloaded
199 directly into the storage tanks of a refinery, marine or pipeline
200 terminal.

201 (c) Special fuel imported by any person other than a
202 common carrier enters the State of Mississippi unless the special
203 fuel is unloaded directly into the storage tanks of a refinery,
204 marine or pipeline terminal.

205 (d) Special fuel is blended in this state unless such
206 blending occurs in a refinery, marine or pipeline terminal.

207 (e) Special fuel is acquired tax free.

208 (2) The special fuel excise tax shall be as follows:

209 (a) (i) Eighteen Cents (18¢) per gallon on undyed
210 diesel fuel until the date specified in Section 65-39-35 and
211 Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter;

212 (ii) In addition to the tax imposed under
213 subparagraph (i) of this paragraph (a), there shall be imposed a
214 special fuel excise tax as follows:

215 1. From and after July 1, 2020, through June
216 30, 2021, Three and One-third Cents (3-1/3¢) per gallon on undyed
217 diesel fuel;

218 2. From and after July 1, 2021, through June
219 30, 2022, Six and Two-thirds Cents (6-2/3¢) per gallon on undyed
220 diesel fuel; and



221 3. From and after July 1, 2022, Ten Cents
222 (10¢) per gallon on undyed diesel fuel;

223 (b) Five and Three-fourths Cents (5.75¢) per gallon on
224 all special fuel except undyed diesel fuel and special fuel used
225 as fuels in aircraft; and

226 (c) Five and One-fourth Cents (5.25¢) per gallon on
227 special fuel used as fuel in aircraft.

228 **[From and after July 1, 2028, this section shall read as**
229 **follows:]**

230 27-55-519. (1) Any person engaged in business as a
231 distributor of special fuel or who acts as a distributor of
232 special fuel, as defined in this article, shall pay for the
233 privilege of engaging in such business or acting as such
234 distributor an excise tax on all special fuel stored, used, sold,
235 distributed, manufactured, refined, distilled, blended or
236 compounded in this state or received in this state for sale,
237 storage, distribution or for any purpose, adjusted to sixty (60)
238 degrees Fahrenheit.

239 The excise tax shall become due and payable when:

240 (a) Special fuel is withdrawn from storage at a
241 refinery, marine or pipeline terminal, except when withdrawal is
242 by barge or pipeline.

243 (b) Special fuel imported by a common carrier is
244 unloaded by that carrier unless the special fuel is unloaded



directly into the storage tanks of a refinery, marine or pipeline terminal.

(c) Special fuel imported by any person other than a common carrier enters the State of Mississippi unless the special fuel is unloaded directly into the storage tanks of a refinery, marine or pipeline terminal.

(d) Special fuel is blended in this state unless such blending occurs in a refinery, marine or pipeline terminal.

(e) Special fuel is acquired tax free.

(2) The special fuel excise tax shall be as follows:

(a) Eighteen Cents (18¢) per gallon on undyed diesel fuel until the date specified in Section 65-39-35 and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter;

(b) Five and Three-fourths Cents (5.75¢) per gallon on all special fuel except undyed diesel fuel and special fuel used as fuels in aircraft; and

(c) Five and One-fourth Cents (5.25¢) per gallon on special fuel used as fuel in aircraft.

SECTION 3. Section 27-55-521, Mississippi Code of 1972, is amended as follows:

[Through June 30, 2028, this section shall read as follows:]

27-55-521. (1) An excise tax at the rate of Eighteen Cents (18¢) per gallon until the date specified in Section 65-39-35 * * * and Fourteen and Three-fourths Cents (14.75¢) per



gallon thereafter is levied on any person engaged in business as a distributor of special fuel or who acts as such who sells:

(a) Special fuel for use in performing contracts for construction, reconstruction, maintenance or repairs, where such contracts are entered into with the State of Mississippi, any political subdivision of the State of Mississippi, or any department, agency, institution of the State of Mississippi or any political subdivision thereof.

(b) Dyed diesel fuel or kerosene to a state or local governmental entity for use on the highways in a motor vehicle.

(c) Special fuel for use on the highway.

(2) An excise tax at the rate of Eighteen Cents (18¢) per gallon until the date specified in Section 65-39-35 * * * and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter is levied on any person who:

(a) Uses dyed diesel fuel or kerosene in a motor vehicle on the highways of this state in violation of Section 27-55-539.

(b) Purchases or acquires undyed diesel fuel or kerosene for nonhighway use and subsequently uses such diesel fuel or kerosene in a motor vehicle on the highways of this state.

(c) Purchases or acquires special fuel for use in performing contracts as specified in this section.

(3) In addition to the tax levied under subsection (1) of this section, an excise tax at the rate provided in Section



27-55-519(2)(a) is levied on any person engaged in business as a distributor of special fuel or who acts as such who sells:

(a) Diesel fuel for use in performing contracts for construction, reconstruction, maintenance or repairs, where such contracts are entered into with the State of Mississippi, any political subdivision of the State of Mississippi, or any department, agency, institution of the State of Mississippi or any political subdivision thereof.

(b) Dyed diesel fuel to a state or local governmental entity for use on the highways in a motor vehicle.

(c) Diesel fuel, for use on the highway.

(4) In addition to the tax levied under subsection (2) of this section, an excise tax at the rate provided in Section 27-55-519(2)(a) is levied on any person who:

(a) Uses dyed diesel fuel in a motor vehicle on the highways of this state in violation of Section 27-55-539.

(b) Purchases or acquires undyed diesel fuel for nonhighway use and subsequently uses such diesel fuel in a motor vehicle on the highways of this state.

(c) Purchases or acquires diesel fuel, for use in performing contracts as specified in this section.

[From and after July 1, 2028, this section shall read as follows:]

27-55-521. (1) An excise tax at the rate of Eighteen Cents (18¢) per gallon until the date specified in Section 65-39-35,



Mississippi Code of 1972, and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter is levied on any person engaged in business as a distributor of special fuel or who acts as such who sells:

(a) Special fuel for use in performing contracts for construction, reconstruction, maintenance or repairs, where such contracts are entered into with the State of Mississippi, any political subdivision of the State of Mississippi, or any department, agency, institution of the State of Mississippi or any political subdivision thereof.

(b) Dyed diesel fuel or kerosene to a state or local governmental entity for use on the highways in a motor vehicle.

(c) Special fuel for use on the highway.

(2) An excise tax at the rate of Eighteen Cents (18¢) per gallon until the date specified in Section 65-39-35, Mississippi Code of 1972, and Fourteen and Three-fourths Cents (14.75¢) per gallon thereafter is levied on any person who:

(a) Uses dyed diesel fuel or kerosene in a motor vehicle on the highways of this state in violation of Section 27-55-539.

(b) Purchases or acquires undyed diesel fuel or kerosene for nonhighway use and subsequently uses such diesel fuel or kerosene in a motor vehicle on the highways of this state.

(c) Purchases or acquires special fuel for use in performing contracts as specified in this section.



SECTION 4. Section 27-5-101, Mississippi Code of 1972, is amended as follows:

[Through June 30, 2028, this section shall read as follows:]

[With regard to any county which is exempt from the provisions of Section 19-2-3, this section shall read as follows:]

27-5-101. Unless otherwise provided in this section, on or before the fifteenth day of each month, all gasoline, diesel fuel or kerosene taxes which are levied under the laws of this state and collected during the previous month shall be paid and apportioned by the * * * Department of Revenue as follows:

(a) (i) Except as otherwise provided in Section 31-17-127, from the gross amount of gasoline, diesel fuel or kerosene taxes produced by the state, there shall be deducted an amount equal to one-sixth (1/6) of principal and interest certified by the State Treasurer to the * * * Department of Revenue to be due on the next semiannual bond and interest payment date, as required under the provisions of Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene tax revenue on a parity with the bonds issued under authority of said Chapter 130. The State Treasurer shall certify to the * * * Department of Revenue on or before the fifteenth day of each month the amount to be paid to the "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene



369 tax revenue, on a parity with the bonds issued under authority of
370 said Chapter 130; and the * * * Department of Revenue shall, on or
371 before the twenty-fifth day of each month, pay into the State
372 Treasury for credit to the "Highway Bonds Sinking Fund" the amount
373 so certified to him by the State Treasurer due to be paid into
374 such fund each month. The payments to the "Highway Bonds Sinking
375 Fund" shall be made out of gross gasoline, diesel fuel or kerosene
376 tax collections before deductions of any nature are considered;
377 however, such payments shall be deducted from the allocation to
378 the Mississippi Department of Transportation under paragraph (c)
379 of this section.

380 (ii) From collections derived from the portion of
381 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
382 from the portion of the tax on aviation gas under Section 27-55-11
383 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
384 portion of the special fuel tax levied under Sections 27-55-519
385 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
386 Cents (10¢) per gallon, from the portion of the taxes levied under
387 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
388 gallon that exceeds One Cent (1¢) per gallon on special fuel and
389 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
390 as aircraft fuel, from the portion of the excise tax on compressed
391 gas used as a motor fuel that exceeds the rate of tax in effect on
392 June 30, 1987, and from the portion of the gasoline excise tax in
393 excess of Seven Cents (7¢) per gallon and the diesel excise tax in



excess of Ten Cents (10¢) per gallon under Section 27-61-5 there shall be deducted:

1. An amount as provided in Section 27-65-75(4) to the credit of a special fund designated as the "Office of State Aid Road Construction."

2. An amount equal to the tax collections derived from Two Cents (2¢) per gallon of the gasoline excise tax for distribution to the State Highway Fund to be used exclusively for the construction, reconstruction and maintenance of highways of the State of Mississippi or the payment of interest and principal on bonds when specifically authorized by the Legislature for that purpose.

3. The balance shall be deposited in the State Treasury to the credit of the State Highway Fund.

(b) Subject to the provisions that said basis of distribution shall in nowise affect adversely the amount specifically pledged in paragraph (a) of this section to be paid into the "Highway Bonds Sinking Fund," the following shall be deducted from the amount produced by the state tax on gasoline, diesel fuel or kerosene tax collections, excluding collections derived from the portion of the gasoline excise tax that exceeds Seven Cents (7¢) per gallon, from the portion of the tax on aviation gas under Section 27-55-11 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the portion of the special fuel tax levied under Sections 27-55-519 and 27-55-521, at



419 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
420 gallon, from the portion of the taxes levied under Section
421 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
422 exceeds One Cent (1¢) per gallon on special fuel and Five and
423 One-fourth Cents (5.25¢) per gallon on special fuel used as
424 aircraft fuel, from the portion of the excise tax on compressed
425 gas used as a motor fuel that exceeds the rate of tax in effect on
426 June 30, 1987, and from the portion of the gasoline excise tax in
427 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
428 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

429 (i) Twenty percent (20%) of such amount which
430 shall be earmarked and set aside for the construction,
431 reconstruction and maintenance of the highways and roads of the
432 state, provided that if such twenty percent (20%) should reduce
433 any county to a lesser amount than that received in the fiscal
434 year ending June 30, 1966, then such twenty percent (20%) shall be
435 reduced to a percentage to provide that no county shall receive
436 less than its portion for the fiscal year ending June 30, 1966;

437 (ii) The amount allowed as refund on gasoline or
438 as tax credit on diesel fuel or kerosene used for agricultural,
439 maritime, industrial, domestic, and nonhighway purposes;

440 (iii) Five percent (5%) of such amount shall be
441 paid to the State Highway Fund;



(iv) The amount or portion thereof authorized by legislative appropriation to the Fisheries and Wildlife Fund created under Section 59-21-25;

(v) The amount for deposit into the special aviation fund under paragraph (d) of this section; and

(vi) The remainder shall be divided on a basis of nine-fourteenths (9/14) and five-fourteenths (5/14) (being the same basis as Four and One-half Cents (4-1/2¢) and Two and One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and six and forty-three one-hundredths (6.43) and three and fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel fuel or kerosene). The amount produced by the nine-fourteenths (9/14) division shall be allocated to the * * * Department of Transportation and paid into the State Treasury as provided in this section and in Section 27-5-103 and the five-fourteenths (5/14) division shall be returned to the counties of the state on the following basis:

1. In each fiscal year, each county shall be paid each month the same percentage of the monthly total to be distributed as was paid to that county during the same month in the fiscal year which ended April 9, 1960, until the county receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such fiscal year, at which time funds shall be distributed under the provisions of paragraph (b)(vi)4 of this section.



2. If after payments in 1 above, any county has not received a total of One Hundred Ninety Thousand Dollars (\$190,000.00) at the end of the fiscal year ending June 30, 1961, and each fiscal year thereafter, then any available funds not distributed under 1 above shall be used to bring such county or counties up to One Hundred Ninety Thousand Dollars (\$190,000.00) or such funds shall be divided equally among such counties not reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if there is not sufficient money to bring all the counties to said One Hundred Ninety Thousand Dollars (\$190,000.00).

3. When a county has been paid an amount equal to the total which was paid to the same county during the fiscal year ended April 9, 1960, such county shall receive no further payments during the then current fiscal year until the last month of such current fiscal year, at which time distribution will be made under 2 above, except as set out in 4 below.

4. During the last month of the current fiscal year, should it be determined that there are funds available in excess of the amount distributed for the year under 1 and 2 above, then such excess funds shall be distributed among the various counties as follows:

One-third (1/3) of such excess to be divided equally among the counties;

One-third (1/3) of such excess to be paid to the counties in the proportion which the population of each



county bears to the total population of the state according to the last federal census;

One-third (1/3) of such excess to be paid to the counties in the proportion which the number of square miles of each county bears to the total square miles in the state.

5. It is the declared purpose and intent of the Legislature that no county shall be paid less than was paid during the year ended April 9, 1960, unless the amount to be distributed to all counties in any year is less than the amount distributed to all counties during the year ended April 9, 1960.

The Municipal Aid Fund as established by Section 27-5-103 shall not participate in any portion of any funds allocated to any county hereunder over and above One Hundred Ninety Thousand Dollars (\$190,000.00).

In any county having countywide road or bridge bonds, or supervisors district or district road or bridge bonds outstanding, which exceed, in the aggregate, twelve percent (12%) of the assessed valuation of the taxable property of the county or district, it shall be the duty of the board of supervisors to set aside not less than sixty percent (60%) of such county's share or district's share of the gasoline, diesel fuel or kerosene taxes to be used in paying the principal and interest on such road or bridge bonds as they mature.

In any county having such countywide road or bridge bonds or district road or bridge bonds outstanding which exceed, in the



516 aggregate, eight percent (8%) of the assessed valuation of the
517 taxable property of the county, but which do not exceed, in the
518 aggregate, twelve percent (12%) of the assessed valuation of the
519 taxable property of the county, it shall be the duty of the board
520 of supervisors to set aside not less than thirty-five percent
521 (35%) of such county's share of the gasoline, diesel fuel or
522 kerosene taxes to be used in paying the principal and interest of
523 such road or bridge bonds as they mature.

524 In any county having such countywide road or bridge bonds or
525 district road or bridge bonds outstanding which exceed, in the
526 aggregate, five percent (5%) of the assessed valuation of the
527 taxable property of the county, but which do not exceed, in the
528 aggregate, eight percent (8%) of the assessed valuation of the
529 taxable property of the county, it shall be the duty of the board
530 of supervisors to set aside not less than twenty percent (20%) of
531 such county's share of the gasoline, diesel fuel or kerosene taxes
532 to be used in paying the principal and interest of such road and
533 bridge bonds as they mature.

534 In any county having such countywide road or bridge bonds or
535 district road or bridge bonds outstanding which do not exceed, in
536 the aggregate, five percent (5%) of the assessed valuation of the
537 taxable property of the county, it shall be the duty of the board
538 of supervisors to set aside not less than ten percent (10%) of
539 such county's share of the gasoline, diesel fuel or kerosene taxes



540 to be used in paying the principal and interest on such road or
541 bridge bonds as they mature.

542 The portion of any such county's share of the gasoline,
543 diesel fuel or kerosene taxes thus set aside for the payment of
544 the principal and interest of road or bridge bonds, as provided
545 for in this section, shall be used first in paying the currently
546 maturing installments of the principal and interest of such
547 countywide road or bridge bonds, if there be any such countywide
548 road or bridge bonds outstanding, and secondly, in paying the
549 currently maturing installments of principal and interest of
550 district road or bridge bonds outstanding. It shall be the duty
551 of the board of supervisors to pay bonds and interest maturing in
552 each supervisors district out of the supervisors district's share
553 of the gasoline, diesel fuel or kerosene taxes of such district.

554 The remaining portion of such county's share of the gasoline,
555 diesel fuel or kerosene taxes, after setting aside the portion
556 above provided for the payment of the principal and interest of
557 bonds, shall be used in the construction and maintenance of any
558 public highways, bridges, or culverts of the county, including the
559 roads in special or separate road districts, in the discretion of
560 the board of supervisors, or in paying the interest and principal
561 of county road and bridge bonds or district road and bridge bonds,
562 in the discretion of the board of supervisors.

563 In any county having no countywide road or bridge bonds or
564 district road or bridge bonds outstanding, all such county's share



of the gasoline, diesel fuel or kerosene taxes shall be used in the construction, reconstruction, and maintenance of the public highways, bridges, or culverts of the county as the board of supervisors may determine.

In every county in which there are county road bonds or seawall or road protection bonds outstanding which were issued for the purpose of building bridges or constructing public roads or seawalls, such funds shall be used in the manner provided by law.

(c) From the amount produced by the nine-fourteenths (9/14) division allocated to the * * * Department of Transportation, there shall be deducted:

(i) The amount paid to the State Treasurer for the "Highway Bonds Sinking Fund" under paragraph (a) of this section;

(ii) Any amounts due counties in accordance with Section 65-33-45 which have outstanding bonds issued for seawall or road protection purposes, issued under provisions of Chapter 319, Laws of 1924, and amendments thereto;

(iii) Except as otherwise provided in Section 31-17-127, the remainder shall be paid by the * * * Department of Revenue to the State Treasurer on the fifteenth day of each month next succeeding the month in which the gasoline, diesel fuel or kerosene taxes were collected to the credit of the State Highway Fund.

The funds allocated for the construction, reconstruction, and improvement of state highways, bridges, and culverts, or so much



590 thereof as may be necessary, shall first be used in conjunction
591 with funds supplied by the federal government for such purposes
592 and allocated to the * * * Department of Transportation to be
593 expended on the state highway system. It is specifically provided
594 hereby that the necessary portion of such funds hereinabove
595 allocated to the * * * Department of Transportation may be used
596 for the prompt payment of principal and interest on highway bonds
597 heretofore issued, including such bonds issued or to be issued
598 under the provisions of Chapter 312, Laws of 1956, and amendments
599 thereto.

600 Nothing contained in this section shall be construed to
601 reduce the amount of such gasoline, diesel fuel or kerosene excise
602 taxes levied by the state, allotted under the provisions of Title
603 65, Chapter 33, Mississippi Code of 1972, to counties in which
604 there are outstanding bonds issued for seawall or road protection
605 purposes issued under the provisions of Chapter 319, Laws of 1924,
606 and amendments thereto; the amount of said gasoline, diesel fuel
607 or kerosene excise taxes designated in this section for the
608 payment of bonds and interest authorized and issued or to be
609 issued under the provisions of Chapter 130, Laws of 1938, and
610 subsequent acts authorizing the issuance of bonds payable from
611 gasoline, diesel fuel or kerosene tax revenue, shall, in such
612 counties, be considered as being paid "into the State Treasury to
613 the credit of the State Highway Fund" within the meaning of
614 Section 65-33-45 in computing the amount to be paid to such



counties under the provisions of said section, and this section shall be administered in connection with Title 65, Chapter 33, Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and 65-33-49 dealing with seawalls, as if made a part of this section.

(d) The proceeds of the Five and One-fourth Cents (5.25¢) of the tax per gallon on oils used as a propellant for jet aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax per gallon on aviation gasoline and the tax of One Cent (1¢) per gallon for each gallon of gasoline for which a refund has been made pursuant to Section 27-55-23 because such gasoline was used for aviation purposes, shall be paid to the State Treasury into a special fund to be used exclusively, pursuant to legislative appropriation, for the support and development of aeronautics as defined in Section 61-1-3.

(e) State highway funds in an amount equal to the difference between Forty-two Million Dollars (\$42,000,000.00) and the annual debt service payable on the state's highway revenue refunding bonds, Series 1985, shall be expended for the construction or reconstruction of highways designated under the highway program created under Section 65-3-97.

(f) (i) On or before August 15, 2020, and each succeeding month thereafter, thirty percent (30%) of the proceeds of the taxes levied under Sections 27-55-11(1)(a)(ii), 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited into a special fund that is created in the State Treasury. The



640 fund shall be maintained by the State Treasurer as a separate and
641 special fund, separate and apart from the General Fund of the
642 state. The fund shall consist of monies deposited into the fund
643 as provided in this subparagraph (i) and monies from any other
644 source designated for deposit into such fund. Monies in the fund
645 may be expended by the Office of State Aid Road Construction, upon
646 appropriation by the Legislature, to provide funds to assist
647 counties in this state in paying costs associated with the repair,
648 maintenance and/or reconstruction of roads, streets and bridges in
649 counties. Unexpended amounts remaining in the fund at the end of
650 a fiscal year shall not lapse into the State General Fund, and any
651 interest earned or investment earnings on amounts in the fund
652 shall be deposited to the credit of the fund. Funds provided to
653 counties under this subparagraph (i) shall be allocated and
654 distributed to counties in the following proportions:

655 1. One-third (1/3) shall be allocated to all
656 counties in equal shares,

657 2. One-third (1/3) shall be allocated to
658 counties based on the proportion that the total number of rural
659 road miles in a county bears to the total number of rural road
660 miles in all counties of the state, and

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



Rural road miles and rural road population in the counties shall be determined in the same manner as they are determined for the purposes of the distribution formula in Section 65-9-3.

(ii) On or before August 15, 2020, and each succeeding month thereafter, twenty percent (20%) of the proceeds of the taxes levied under Sections 27-55-11(1)(a)(ii), 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited into a special fund that is created in the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. The fund shall consist of monies deposited into the fund as provided in this subparagraph (ii) and monies from any other source designated for deposit into such fund. Monies in the fund may be expended by the Office of State Aid Road Construction, upon appropriation by the Legislature, to provide funds to assist municipalities in this state in paying costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges in municipalities. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund. Funds provided to municipalities under this subparagraph (ii) shall be allocated and distributed to municipalities based on the proportion that the amount of sales tax revenue distributed to a municipality during the preceding fiscal year under Section



690 27-65-75(1)(a) bears to the total amount of sales tax revenue
691 distributed to all municipalities during the preceding fiscal year
692 under Section 27-65-75(1)(a).

693 (* * *g) "Gasoline, diesel fuel or kerosene taxes" as
694 used in this section shall be deemed to mean and include state
695 gasoline, diesel fuel or kerosene taxes levied and imposed on
696 distributors of gasoline, diesel fuel or kerosene, and all state
697 excise taxes derived from any fuel used to propel vehicles upon
698 the highways of this state, when levied by any statute.

699 **[With regard to any county which is required to operate on a**
700 **countywide system of road administration as described in Section**
701 **19-2-3, this section shall read as follows:]**

702 27-5-101. Unless otherwise provided in this section, on or
703 before the fifteenth day of each month, all gasoline, diesel fuel
704 or kerosene taxes which are levied under the laws of this state
705 and collected during the previous month shall be paid and
706 apportioned by the * * * Department of Revenue as follows:

707 (a) (i) Except as otherwise provided in Section
708 31-17-127, from the gross amount of gasoline, diesel fuel or
709 kerosene taxes produced by the state, there shall be deducted an
710 amount equal to one-sixth (1/6) of principal and interest
711 certified by the State Treasurer to the * * * Department of
712 Revenue to be due on the next semiannual bond and interest payment
713 date, as required under the provisions of Chapter 130, Laws of
714 1938, and subsequent acts authorizing the issuance of bonds



715 payable from gasoline, diesel fuel or kerosene tax revenue on a
716 parity with the bonds issued under authority of said Chapter 130.
717 The State Treasurer shall certify to the * * * Department of
718 Revenue on or before the fifteenth day of each month the amount to
719 be paid to the "Highway Bonds Sinking Fund" as provided by said
720 Chapter 130, Laws of 1938, and subsequent acts authorizing the
721 issuance of bonds payable from gasoline, diesel fuel or kerosene
722 tax revenue, on a parity with the bonds issued under authority of
723 said Chapter 130; and the * * * Department of Revenue shall, on or
724 before the twenty-fifth day of each month, pay into the State
725 Treasury for credit to the "Highway Bonds Sinking Fund" the amount
726 so certified to him by the State Treasurer due to be paid into
727 such fund each month. The payments to the "Highway Bonds Sinking
728 Fund" shall be made out of gross gasoline, diesel fuel or kerosene
729 tax collections before deductions of any nature are considered;
730 however, such payments shall be deducted from the allocation to
731 the * * * Department of Transportation under paragraph (c) of this
732 section.

733 (ii) From collections derived from the portion of
734 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
735 from the portion of the tax on aviation gas under Section 27-55-11
736 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
737 portion of the special fuel tax levied under Sections 27-55-519
738 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
739 Cents (10¢) per gallon, from the portion of the taxes levied under



Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that exceeds One Cent (1¢) per gallon on special fuel and Five and One-fourth Cents (5.25¢) per gallon on special fuel used as aircraft fuel, from the portion of the excise tax on compressed gas used as a motor fuel that exceeds the rate of tax in effect on June 30, 1987, and from the portion of the gasoline excise tax in excess of Seven Cents (7¢) per gallon and the diesel excise tax in excess of Ten Cents (10¢) per gallon under Section 27-61-5 there shall be deducted:

1. An amount as provided in Section 27-65-75(4) to the credit of a special fund designated as the "Office of State Aid Road Construction."

2. An amount equal to the tax collections derived from Two Cents (2¢) per gallon of the gasoline excise tax for distribution to the State Highway Fund to be used exclusively for the construction, reconstruction and maintenance of highways of the State of Mississippi or the payment of interest and principal on bonds when specifically authorized by the Legislature for that purpose.

3. The balance shall be deposited in the State Treasury to the credit of the State Highway Fund.

(b) Subject to the provisions that said basis of distribution shall in nowise affect adversely the amount specifically pledged in paragraph (a) of this section to be paid into the "Highway Bonds Sinking Fund," the following shall be



765 deducted from the amount produced by the state tax on gasoline,
766 diesel fuel or kerosene tax collections, excluding collections
767 derived from the portion of the gasoline excise tax that exceeds
768 Seven Cents (7¢) per gallon, from the portion of the tax on
769 aviation gas under Section 27-55-11 that exceeds Six and
770 Four-tenths Cents (6.4¢) per gallon, from the portion of the
771 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
772 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
773 gallon, from the portion of the taxes levied under Section
774 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
775 One Cent (1¢) per gallon on special fuel and Five and One-fourth
776 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
777 from the portion of the excise tax on compressed gas used as a
778 motor fuel that exceeds the rate of tax in effect on June 30,
779 1987, and from the portion of the gasoline excise tax in excess of
780 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
781 Ten Cents (10¢) per gallon under Section 27-61-5:

782 (i) Twenty percent (20%) of such amount which
783 shall be earmarked and set aside for the construction,
784 reconstruction and maintenance of the highways and roads of the
785 state, provided that if such twenty percent (20%) should reduce
786 any county to a lesser amount than that received in the fiscal
787 year ending June 30, 1966, then such twenty percent (20%) shall be
788 reduced to a percentage to provide that no county shall receive
789 less than its portion for the fiscal year ending June 30, 1966;



(ii) The amount allowed as refund on gasoline or as tax credit on diesel fuel or kerosene used for agricultural, maritime, industrial, domestic and nonhighway purposes;

(iii) Five percent (5%) of such amount shall be paid to the State Highway Fund;

(iv) The amount or portion thereof authorized by legislative appropriation to the Fisheries and Wildlife Fund created under Section 59-21-25;

(v) The amount for deposit into the special aviation fund under paragraph (d) of this section; and

(vi) The remainder shall be divided on a basis of nine-fourteenths (9/14) and five-fourteenths (5/14) (being the same basis as Four and One-half Cents (4-1/2¢) and Two and One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and six and forty-three one-hundredths (6.43) and three and fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel fuel or kerosene). The amount produced by the nine-fourteenths (9/14) division shall be allocated to the * * * Department of Transportation and paid into the State Treasury as provided in this section and in Section 27-5-103 and the five-fourteenths (5/14) division shall be returned to the counties of the state on the following basis:

1. In each fiscal year, each county shall be paid each month the same percentage of the monthly total to be distributed as was paid to that county during the same month in



the fiscal year which ended April 9, 1960, until the county receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such fiscal year, at which time funds shall be distributed under the provisions of paragraph (b)(vi)4 of this section.

2. If after payments in 1 above, any county has not received a total of One Hundred Ninety Thousand Dollars (\$190,000.00) at the end of the fiscal year ending June 30, 1961, and each fiscal year thereafter, then any available funds not distributed under 1 above shall be used to bring such county or counties up to One Hundred Ninety Thousand Dollars (\$190,000.00) or such funds shall be divided equally among such counties not reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if there is not sufficient money to bring all the counties to said One Hundred Ninety Thousand Dollars (\$190,000.00).

3. When a county has been paid an amount equal to the total which was paid to the same county during the fiscal year ended April 9, 1960, such county shall receive no further payments during the then current fiscal year until the last month of such current fiscal year, at which time distribution will be made under 2 above, except as set out in 4 below.

4. During the last month of the current fiscal year, should it be determined that there are funds available in excess of the amount distributed for the year under 1 and 2 above, then such excess funds shall be distributed among the various counties as follows:



840 One-third (1/3) of such excess to be
841 divided equally among the counties;

842 One-third (1/3) of such excess to be paid
843 to the counties in the proportion which the population of each
844 county bears to the total population of the state according to the
845 last federal census;

846 One-third (1/3) of such excess to be paid
847 to the counties in the proportion which the number of square miles
848 of each county bears to the total square miles in the state.

849 5. It is the declared purpose and intent of
850 the Legislature that no county shall be paid less than was paid
851 during the year ended April 9, 1960, unless the amount to be
852 distributed to all counties in any year is less than the amount
853 distributed to all counties during the year ended April 9, 1960.

854 The Municipal Aid Fund as established by Section 27-5-103
855 shall not participate in any portion of any funds allocated to any
856 county hereunder over and above One Hundred Ninety Thousand
857 Dollars (\$190,000.00).

858 In any county having road or bridge bonds outstanding which
859 exceed, in the aggregate, twelve percent (12%) of the assessed
860 valuation of the taxable property of the county, it shall be the
861 duty of the board of supervisors to set aside not less than sixty
862 percent (60%) of such county's share of the gasoline, diesel fuel
863 or kerosene taxes to be used in paying the principal and interest
864 on such road or bridge bonds as they mature.



865 In any county having such road or bridge bonds outstanding
866 which exceed, in the aggregate, eight percent (8%) of the assessed
867 valuation of the taxable property of the county, but which do not
868 exceed, in the aggregate, twelve percent (12%) of the assessed
869 valuation of the taxable property of the county, it shall be the
870 duty of the board of supervisors to set aside not less than
871 thirty-five percent (35%) of such county's share of the gasoline,
872 diesel fuel or kerosene taxes to be used in paying the principal
873 and interest of such road or bridge bonds as they mature.

874 In any county having such road or bridge bonds outstanding
875 which exceed, in the aggregate, five percent (5%) of the assessed
876 valuation of the taxable property of the county, but which do not
877 exceed, in the aggregate, eight percent (8%) of the assessed
878 valuation of the taxable property of the county, it shall be the
879 duty of the board of supervisors to set aside not less than twenty
880 percent (20%) of such county's share of the gasoline, diesel fuel
881 or kerosene taxes to be used in paying the principal and interest
882 of such road and bridge bonds as they mature.

883 In any county having such road or bridge bonds outstanding
884 which do not exceed, in the aggregate, five percent (5%) of the
885 assessed valuation of the taxable property of the county, it shall
886 be the duty of the board of supervisors to set aside not less than
887 ten percent (10%) of such county's share of the gasoline, diesel
888 fuel or kerosene taxes to be used in paying the principal and
889 interest on such road or bridge bonds as they mature.



890 The portion of any such county's share of the gasoline,
891 diesel fuel or kerosene taxes thus set aside for the payment of
892 the principal and interest of road or bridge bonds, as provided
893 for in this section, shall be used in paying the currently
894 maturing installments of the principal and interest of such road
895 or bridge bonds, if there be any such road or bridge bonds
896 outstanding.

897 The remaining portion of such county's share of the gasoline,
898 diesel fuel or kerosene taxes, after setting aside the portion
899 above provided for the payment of the principal and interest of
900 bonds, shall be used in the construction and maintenance of any
901 public highways, bridges or culverts of the county, in the
902 discretion of the board of supervisors.

903 In any county having no road or bridge bonds outstanding, all
904 such county's share of the gasoline, diesel fuel or kerosene taxes
905 shall be used in the construction, reconstruction and maintenance
906 of the public highways, bridges or culverts of the county, as the
907 board of supervisors may determine.

908 In every county in which there are county road bonds or
909 seawall or road protection bonds outstanding which were issued for
910 the purpose of building bridges or constructing public roads or
911 seawalls, such funds shall be used in the manner provided by law.

912 (c) From the amount produced by the nine-fourteenths
913 (9/14) division allocated to the * * * Department of
914 Transportation, there shall be deducted:



915 (i) The amount paid to the State Treasurer for the
916 "Highway Bonds Sinking Fund" under paragraph (a) of this section;
917 (ii) Any amounts due counties in accordance with
918 Section 65-33-45 which have outstanding bonds issued for seawall
919 or road protection purposes, issued under provisions of Chapter
920 319, Laws of 1924, and amendments thereto; and
921 (iii) Except as otherwise provided in Section
922 31-17-127, the remainder shall be paid by the * * * Department of
923 Revenue to the State Treasurer on the fifteenth day of each month
924 next succeeding the month in which the gasoline, diesel fuel or
925 kerosene taxes were collected to the credit of the State Highway
926 Fund.

927 The funds allocated for the construction, reconstruction and
928 improvement of state highways, bridges and culverts, or so much
929 thereof as may be necessary, shall first be used in conjunction
930 with funds supplied by the federal government for such purposes
931 and allocated to the * * * Department of Transportation to be
932 expended on the state highway system. It is specifically provided
933 hereby that the necessary portion of such funds hereinabove
934 allocated to the * * * Department of Transportation may be used
935 for the prompt payment of principal and interest on highway bonds
936 heretofore issued, including such bonds issued or to be issued
937 under the provisions of Chapter 312, Laws of 1956, and amendments
938 thereto.



939 Nothing contained in this section shall be construed to
940 reduce the amount of such gasoline, diesel fuel or kerosene excise
941 taxes levied by the state, allotted under the provisions of Title
942 65, Chapter 33, Mississippi Code of 1972, to counties in which
943 there are outstanding bonds issued for seawall or road protection
944 purposes issued under the provisions of Chapter 319, Laws of 1924,
945 and amendments thereto; the amount of said gasoline, diesel fuel
946 or kerosene excise taxes designated in this section for the
947 payment of bonds and interest authorized and issued or to be
948 issued under the provisions of Chapter 130, Laws of 1938, and
949 subsequent acts authorizing the issuance of bonds payable from
950 gasoline, diesel fuel or kerosene tax revenue, shall, in such
951 counties, be considered as being paid "into the State Treasury to
952 the credit of the State Highway Fund" within the meaning of
953 Section 65-33-45 in computing the amount to be paid to such
954 counties under the provisions of said section, and this section
955 shall be administered in connection with Title 65, Chapter 33,
956 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
957 65-33-49 dealing with seawalls, as if made a part of this section.

958 (d) The proceeds of the Five and One-fourth Cents
959 (5.25¢) of the tax per gallon on oils used as a propellant for jet
960 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
961 per gallon on aviation gasoline and the tax of One Cent (1¢) per
962 gallon for each gallon of gasoline for which a refund has been
963 made pursuant to Section 27-55-23 because such gasoline was used



for aviation purposes, shall be paid to the State Treasury into a special fund to be used exclusively, pursuant to legislative appropriation, for the support and development of aeronautics as defined in Section 61-1-3.

(e) State highway funds in an amount equal to the difference between Forty-two Million Dollars (\$42,000,000.00) and the annual debt service payable on the state's highway revenue refunding bonds, Series 1985, shall be expended for the construction or reconstruction of highways designated under the highway program created under Section 65-3-97.

(f) (i) On or before August 15, 2020, and each succeeding month thereafter, thirty percent (30%) of the proceeds of the taxes levied under Sections 27-55-11(1)(a)(ii), 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited into a special fund that is created in the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. The fund shall consist of monies deposited into the fund as provided in this subparagraph (i) and monies from any other source designated for deposit into such fund. Monies in the fund may be expended by the Office of State Aid Road Construction, upon appropriation by the Legislature, to provide funds to assist counties in this state in paying costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges in counties. Unexpended amounts remaining in the fund at the end of



a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund. Funds provided to counties under this subparagraph (i) shall be allocated and distributed to counties in the following proportions:

1. One-third (1/3) shall be allocated to all counties in equal shares,

2. 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

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

Rural road miles and rural road population in the counties shall be determined in the same manner as they are determined for the purposes of the distribution formula in Section 65-9-3.

(ii) On or before August 15, 2020, and each succeeding month thereafter, twenty percent (20%) of the proceeds of the taxes levied under Sections 27-55-11(1)(a)(ii), 27-55-519(2)(a)(ii) and 27-55-521(3) and (4) shall be deposited into a special fund that is created in the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the



1014 state. The fund shall consist of monies deposited into the fund
1015 as provided in this subparagraph (ii) and monies from any other
1016 source designated for deposit into such fund. Monies in the fund
1017 may be expended by the Office of State Aid Road Construction, upon
1018 appropriation by the Legislature, to provide funds to assist
1019 municipalities in this state in paying costs associated with the
1020 repair, maintenance and/or reconstruction of roads, streets and
1021 bridges in municipalities. Unexpended amounts remaining in the
1022 fund at the end of a fiscal year shall not lapse into the State
1023 General Fund, and any interest earned or investment earnings on
1024 amounts in the fund shall be deposited to the credit of the fund.
1025 Funds provided to municipalities under this subparagraph (ii)
1026 shall be allocated and distributed to municipalities based on the
1027 proportion that the amount of sales tax revenue distributed to a
1028 municipality during the preceding fiscal year under Section
1029 27-65-75(1)(a) bears to the total amount of sales tax revenue
1030 distributed to all municipalities during the preceding fiscal year
1031 under Section 27-65-75(1)(a).

1032 (* * *g) "Gasoline, diesel fuel or kerosene taxes" as
1033 used in this section shall be deemed to mean and include state
1034 gasoline, diesel fuel or kerosene taxes levied and imposed on
1035 distributors of gasoline, diesel fuel or kerosene, and all state
1036 excise taxes derived from any fuel used to propel vehicles upon
1037 the highways of this state, when levied by any statute.



[From and after July 1, 2028, this section shall read as follows:]

[With regard to any county which is exempt from the provisions of Section 19-2-3, this section shall read as follows:]

27-5-101. Unless otherwise provided in this section, on or before the fifteenth day of each month, all gasoline, diesel fuel or kerosene taxes which are levied under the laws of this state and collected during the previous month shall be paid and apportioned by the Department of Revenue as follows:

(a) (i) Except as otherwise provided in Section 31-17-127, from the gross amount of gasoline, diesel fuel or kerosene taxes produced by the state, there shall be deducted an amount equal to one-sixth (1/6) of principal and interest certified by the State Treasurer to the Department of Revenue to be due on the next semiannual bond and interest payment date, as required under the provisions of Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene tax revenue on a parity with the bonds issued under authority of said Chapter 130. The State Treasurer shall certify to the Department of Revenue on or before the fifteenth day of each month the amount to be paid to the "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws of 1938, and subsequent acts authorizing the issuance of bonds payable from gasoline, diesel fuel or kerosene tax revenue, on a parity with the bonds issued under authority of said Chapter 130;



1063 and the Department of Revenue shall, on or before the twenty-fifth
1064 day of each month, pay into the State Treasury for credit to the
1065 "Highway Bonds Sinking Fund" the amount so certified to him by the
1066 State Treasurer due to be paid into such fund each month. The
1067 payments to the "Highway Bonds Sinking Fund" shall be made out of
1068 gross gasoline, diesel fuel or kerosene tax collections before
1069 deductions of any nature are considered; however, such payments
1070 shall be deducted from the allocation to the Mississippi
1071 Department of Transportation under paragraph (c) of this section.

1072 (ii) From collections derived from the portion of
1073 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
1074 from the portion of the tax on aviation gas under Section 27-55-11
1075 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
1076 portion of the special fuel tax levied under Sections 27-55-519
1077 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
1078 Cents (10¢) per gallon, from the portion of the taxes levied under
1079 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
1080 gallon that exceeds One Cent (1¢) per gallon on special fuel and
1081 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
1082 as aircraft fuel, from the portion of the excise tax on compressed
1083 gas used as a motor fuel that exceeds the rate of tax in effect on
1084 June 30, 1987, and from the portion of the gasoline excise tax in
1085 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
1086 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
1087 shall be deducted:



1088 1. An amount as provided in Section
1089 27-65-75(4) to the credit of a special fund designated as the
1090 "Office of State Aid Road Construction."
1091 2. An amount equal to the tax collections
1092 derived from Two Cents (2¢) per gallon of the gasoline excise tax
1093 for distribution to the State Highway Fund to be used exclusively
1094 for the construction, reconstruction and maintenance of highways
1095 of the State of Mississippi or the payment of interest and
1096 principal on bonds when specifically authorized by the Legislature
1097 for that purpose.
1098 3. The balance shall be deposited in the
1099 State Treasury to the credit of the State Highway Fund.
1100 (b) Subject to the provisions that said basis of
1101 distribution shall in nowise affect adversely the amount
1102 specifically pledged in paragraph (a) of this section to be paid
1103 into the "Highway Bonds Sinking Fund," the following shall be
1104 deducted from the amount produced by the state tax on gasoline,
1105 diesel fuel or kerosene tax collections, excluding collections
1106 derived from the portion of the gasoline excise tax that exceeds
1107 Seven Cents (7¢) per gallon, from the portion of the tax on
1108 aviation gas under Section 27-55-11 that exceeds Six and
1109 Four-tenths Cents (6.4¢) per gallon, from the portion of the
1110 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
1111 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
1112 gallon, from the portion of the taxes levied under Section



1113 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
1114 exceeds One Cent (1¢) per gallon on special fuel and Five and
1115 One-fourth Cents (5.25¢) per gallon on special fuel used as
1116 aircraft fuel, from the portion of the excise tax on compressed
1117 gas used as a motor fuel that exceeds the rate of tax in effect on
1118 June 30, 1987, and from the portion of the gasoline excise tax in
1119 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
1120 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

1121 (i) Twenty percent (20%) of such amount which
1122 shall be earmarked and set aside for the construction,
1123 reconstruction and maintenance of the highways and roads of the
1124 state, provided that if such twenty percent (20%) should reduce
1125 any county to a lesser amount than that received in the fiscal
1126 year ending June 30, 1966, then such twenty percent (20%) shall be
1127 reduced to a percentage to provide that no county shall receive
1128 less than its portion for the fiscal year ending June 30, 1966;

1129 (ii) The amount allowed as refund on gasoline or
1130 as tax credit on diesel fuel or kerosene used for agricultural,
1131 maritime, industrial, domestic, and nonhighway purposes;

1132 (iii) Five percent (5%) of such amount shall be
1133 paid to the State Highway Fund;

1134 (iv) The amount or portion thereof authorized by
1135 legislative appropriation to the Fisheries and Wildlife Fund
1136 created under Section 59-21-25;



1137 (v) The amount for deposit into the special
1138 aviation fund under paragraph (d) of this section; and

1139 (vi) The remainder shall be divided on a basis of
1140 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
1141 same basis as Four and One-half Cents (4-1/2¢) and Two and
1142 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
1143 six and forty-three one-hundredths (6.43) and three and
1144 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
1145 fuel or kerosene). The amount produced by the nine-fourteenths
1146 (9/14) division shall be allocated to the Department of
1147 Transportation and paid into the State Treasury as provided in
1148 this section and in Section 27-5-103 and the five-fourteenths
1149 (5/14) division shall be returned to the counties of the state on
1150 the following basis:

1151 1. In each fiscal year, each county shall be
1152 paid each month the same percentage of the monthly total to be
1153 distributed as was paid to that county during the same month in
1154 the fiscal year which ended April 9, 1960, until the county
1155 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
1156 fiscal year, at which time funds shall be distributed under the
1157 provisions of paragraph (b)(vi)4 of this section.

1158 2. If after payments in 1 above, any county
1159 has not received a total of One Hundred Ninety Thousand Dollars
1160 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
1161 and each fiscal year thereafter, then any available funds not



1162 distributed under 1 above shall be used to bring such county or
1163 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
1164 or such funds shall be divided equally among such counties not
1165 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
1166 there is not sufficient money to bring all the counties to said
1167 One Hundred Ninety Thousand Dollars (\$190,000.00).

1168 3. When a county has been paid an amount
1169 equal to the total which was paid to the same county during the
1170 fiscal year ended April 9, 1960, such county shall receive no
1171 further payments during the then current fiscal year until the
1172 last month of such current fiscal year, at which time distribution
1173 will be made under 2 above, except as set out in 4 below.

1174 4. During the last month of the current
1175 fiscal year, should it be determined that there are funds
1176 available in excess of the amount distributed for the year under 1
1177 and 2 above, then such excess funds shall be distributed among the
1178 various counties as follows:

1179 One-third (1/3) of such excess to be
1180 divided equally among the counties;

1181 One-third (1/3) of such excess to be paid
1182 to the counties in the proportion which the population of each
1183 county bears to the total population of the state according to the
1184 last federal census;



One-third (1/3) of such excess to be paid to the counties in the proportion which the number of square miles of each county bears to the total square miles in the state.

5. It is the declared purpose and intent of the Legislature that no county shall be paid less than was paid during the year ended April 9, 1960, unless the amount to be distributed to all counties in any year is less than the amount distributed to all counties during the year ended April 9, 1960.

The Municipal Aid Fund as established by Section 27-5-103 shall not participate in any portion of any funds allocated to any county hereunder over and above One Hundred Ninety Thousand Dollars (\$190,000.00).

In any county having countywide road or bridge bonds, or supervisors district or district road or bridge bonds outstanding, which exceed, in the aggregate, twelve percent (12%) of the assessed valuation of the taxable property of the county or district, it shall be the duty of the board of supervisors to set aside not less than sixty percent (60%) of such county's share or district's share of the gasoline, diesel fuel or kerosene taxes to be used in paying the principal and interest on such road or bridge bonds as they mature.

In any county having such countywide road or bridge bonds or district road or bridge bonds outstanding which exceed, in the aggregate, eight percent (8%) of the assessed valuation of the taxable property of the county, but which do not exceed, in the



1210 aggregate, twelve percent (12%) of the assessed valuation of the
1211 taxable property of the county, it shall be the duty of the board
1212 of supervisors to set aside not less than thirty-five percent
1213 (35%) of such county's share of the gasoline, diesel fuel or
1214 kerosene taxes to be used in paying the principal and interest of
1215 such road or bridge bonds as they mature.

1216 In any county having such countywide road or bridge bonds or
1217 district road or bridge bonds outstanding which exceed, in the
1218 aggregate, five percent (5%) of the assessed valuation of the
1219 taxable property of the county, but which do not exceed, in the
1220 aggregate, eight percent (8%) of the assessed valuation of the
1221 taxable property of the county, it shall be the duty of the board
1222 of supervisors to set aside not less than twenty percent (20%) of
1223 such county's share of the gasoline, diesel fuel or kerosene taxes
1224 to be used in paying the principal and interest of such road and
1225 bridge bonds as they mature.

1226 In any county having such countywide road or bridge bonds or
1227 district road or bridge bonds outstanding which do not exceed, in
1228 the aggregate, five percent (5%) of the assessed valuation of the
1229 taxable property of the county, it shall be the duty of the board
1230 of supervisors to set aside not less than ten percent (10%) of
1231 such county's share of the gasoline, diesel fuel or kerosene taxes
1232 to be used in paying the principal and interest on such road or
1233 bridge bonds as they mature.



1234 The portion of any such county's share of the gasoline,
1235 diesel fuel or kerosene taxes thus set aside for the payment of
1236 the principal and interest of road or bridge bonds, as provided
1237 for in this section, shall be used first in paying the currently
1238 maturing installments of the principal and interest of such
1239 countywide road or bridge bonds, if there be any such countywide
1240 road or bridge bonds outstanding, and secondly, in paying the
1241 currently maturing installments of principal and interest of
1242 district road or bridge bonds outstanding. It shall be the duty
1243 of the board of supervisors to pay bonds and interest maturing in
1244 each supervisors district out of the supervisors district's share
1245 of the gasoline, diesel fuel or kerosene taxes of such district.

1246 The remaining portion of such county's share of the gasoline,
1247 diesel fuel or kerosene taxes, after setting aside the portion
1248 above provided for the payment of the principal and interest of
1249 bonds, shall be used in the construction and maintenance of any
1250 public highways, bridges, or culverts of the county, including the
1251 roads in special or separate road districts, in the discretion of
1252 the board of supervisors, or in paying the interest and principal
1253 of county road and bridge bonds or district road and bridge bonds,
1254 in the discretion of the board of supervisors.

1255 In any county having no countywide road or bridge bonds or
1256 district road or bridge bonds outstanding, all such county's share
1257 of the gasoline, diesel fuel or kerosene taxes shall be used in
1258 the construction, reconstruction, and maintenance of the public



1259 highways, bridges, or culverts of the county as the board of
1260 supervisors may determine.

1261 In every county in which there are county road bonds or
1262 seawall or road protection bonds outstanding which were issued for
1263 the purpose of building bridges or constructing public roads or
1264 seawalls, such funds shall be used in the manner provided by law.

1265 (c) From the amount produced by the nine-fourteenths
1266 (9/14) division allocated to the Department of Transportation,
1267 there shall be deducted:

1268 (i) The amount paid to the State Treasurer for the
1269 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

1270 (ii) Any amounts due counties in accordance with
1271 Section 65-33-45 which have outstanding bonds issued for seawall
1272 or road protection purposes, issued under provisions of Chapter
1273 319, Laws of 1924, and amendments thereto;

1274 (iii) Except as otherwise provided in Section
1275 31-17-127, the remainder shall be paid by the Department of
1276 Revenue to the State Treasurer on the fifteenth day of each month
1277 next succeeding the month in which the gasoline, diesel fuel or
1278 kerosene taxes were collected to the credit of the State Highway
1279 Fund.

1280 The funds allocated for the construction, reconstruction, and
1281 improvement of state highways, bridges, and culverts, or so much
1282 thereof as may be necessary, shall first be used in conjunction
1283 with funds supplied by the federal government for such purposes



1284 and allocated to the Department of Transportation to be expended
1285 on the state highway system. It is specifically provided hereby
1286 that the necessary portion of such funds hereinabove allocated to
1287 the Department of Transportation may be used for the prompt
1288 payment of principal and interest on highway bonds heretofore
1289 issued, including such bonds issued or to be issued under the
1290 provisions of Chapter 312, Laws of 1956, and amendments thereto.

1291 Nothing contained in this section shall be construed to
1292 reduce the amount of such gasoline, diesel fuel or kerosene excise
1293 taxes levied by the state, allotted under the provisions of Title
1294 65, Chapter 33, Mississippi Code of 1972, to counties in which
1295 there are outstanding bonds issued for seawall or road protection
1296 purposes issued under the provisions of Chapter 319, Laws of 1924,
1297 and amendments thereto; the amount of said gasoline, diesel fuel
1298 or kerosene excise taxes designated in this section for the
1299 payment of bonds and interest authorized and issued or to be
1300 issued under the provisions of Chapter 130, Laws of 1938, and
1301 subsequent acts authorizing the issuance of bonds payable from
1302 gasoline, diesel fuel or kerosene tax revenue, shall, in such
1303 counties, be considered as being paid "into the State Treasury to
1304 the credit of the State Highway Fund" within the meaning of
1305 Section 65-33-45 in computing the amount to be paid to such
1306 counties under the provisions of said section, and this section
1307 shall be administered in connection with Title 65, Chapter 33,



1308 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
1309 65-33-49 dealing with seawalls, as if made a part of this section.

1310 (d) The proceeds of the Five and One-fourth Cents
1311 (5.25¢) of the tax per gallon on oils used as a propellant for jet
1312 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
1313 per gallon on aviation gasoline and the tax of One Cent (1¢) per
1314 gallon for each gallon of gasoline for which a refund has been
1315 made pursuant to Section 27-55-23 because such gasoline was used
1316 for aviation purposes, shall be paid to the State Treasury into a
1317 special fund to be used exclusively, pursuant to legislative
1318 appropriation, for the support and development of aeronautics as
1319 defined in Section 61-1-3.

1320 (e) State highway funds in an amount equal to the
1321 difference between Forty-two Million Dollars (\$42,000,000.00) and
1322 the annual debt service payable on the state's highway revenue
1323 refunding bonds, Series 1985, shall be expended for the
1324 construction or reconstruction of highways designated under the
1325 highway program created under Section 65-3-97.

1326 (f) "Gasoline, diesel fuel or kerosene taxes" as used
1327 in this section shall be deemed to mean and include state
1328 gasoline, diesel fuel or kerosene taxes levied and imposed on
1329 distributors of gasoline, diesel fuel or kerosene, and all state
1330 excise taxes derived from any fuel used to propel vehicles upon
1331 the highways of this state, when levied by any statute.



1332 **[With regard to any county which is required to operate on a**
1333 **countywide system of road administration as described in Section**
1334 **19-2-3, this section shall read as follows:]**

1335 27-5-101. Unless otherwise provided in this section, on or
1336 before the fifteenth day of each month, all gasoline, diesel fuel
1337 or kerosene taxes which are levied under the laws of this state
1338 and collected during the previous month shall be paid and
1339 apportioned by the Department of Revenue as follows:

1340 (a) (i) Except as otherwise provided in Section
1341 31-17-127, from the gross amount of gasoline, diesel fuel or
1342 kerosene taxes produced by the state, there shall be deducted an
1343 amount equal to one-sixth (1/6) of principal and interest
1344 certified by the State Treasurer to the Department of Revenue to
1345 be due on the next semiannual bond and interest payment date, as
1346 required under the provisions of Chapter 130, Laws of 1938, and
1347 subsequent acts authorizing the issuance of bonds payable from
1348 gasoline, diesel fuel or kerosene tax revenue on a parity with the
1349 bonds issued under authority of said Chapter 130. The State
1350 Treasurer shall certify to the Department of Revenue on or before
1351 the fifteenth day of each month the amount to be paid to the
1352 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
1353 of 1938, and subsequent acts authorizing the issuance of bonds
1354 payable from gasoline, diesel fuel or kerosene tax revenue, on a
1355 parity with the bonds issued under authority of said Chapter 130;
1356 and the Department of Revenue shall, on or before the twenty-fifth



1357 day of each month, pay into the State Treasury for credit to the
1358 "Highway Bonds Sinking Fund" the amount so certified to him by the
1359 State Treasurer due to be paid into such fund each month. The
1360 payments to the "Highway Bonds Sinking Fund" shall be made out of
1361 gross gasoline, diesel fuel or kerosene tax collections before
1362 deductions of any nature are considered; however, such payments
1363 shall be deducted from the allocation to the Department of
1364 Transportation under paragraph (c) of this section.

1365 (ii) From collections derived from the portion of
1366 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
1367 from the portion of the tax on aviation gas under Section 27-55-11
1368 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
1369 portion of the special fuel tax levied under Sections 27-55-519
1370 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
1371 Cents (10¢) per gallon, from the portion of the taxes levied under
1372 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
1373 gallon that exceeds One Cent (1¢) per gallon on special fuel and
1374 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
1375 as aircraft fuel, from the portion of the excise tax on compressed
1376 gas used as a motor fuel that exceeds the rate of tax in effect on
1377 June 30, 1987, and from the portion of the gasoline excise tax in
1378 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
1379 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
1380 shall be deducted:



1381 1. An amount as provided in Section
1382 27-65-75(4) to the credit of a special fund designated as the
1383 "Office of State Aid Road Construction."
1384 2. An amount equal to the tax collections
1385 derived from Two Cents (2¢) per gallon of the gasoline excise tax
1386 for distribution to the State Highway Fund to be used exclusively
1387 for the construction, reconstruction and maintenance of highways
1388 of the State of Mississippi or the payment of interest and
1389 principal on bonds when specifically authorized by the Legislature
1390 for that purpose.
1391 3. The balance shall be deposited in the
1392 State Treasury to the credit of the State Highway Fund.
1393 (b) Subject to the provisions that said basis of
1394 distribution shall in nowise affect adversely the amount
1395 specifically pledged in paragraph (a) of this section to be paid
1396 into the "Highway Bonds Sinking Fund," the following shall be
1397 deducted from the amount produced by the state tax on gasoline,
1398 diesel fuel or kerosene tax collections, excluding collections
1399 derived from the portion of the gasoline excise tax that exceeds
1400 Seven Cents (7¢) per gallon, from the portion of the tax on
1401 aviation gas under Section 27-55-11 that exceeds Six and
1402 Four-tenths Cents (6.4¢) per gallon, from the portion of the
1403 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
1404 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
1405 gallon, from the portion of the taxes levied under Section



1406 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
1407 One Cent (1¢) per gallon on special fuel and Five and One-fourth
1408 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
1409 from the portion of the excise tax on compressed gas used as a
1410 motor fuel that exceeds the rate of tax in effect on June 30,
1411 1987, and from the portion of the gasoline excise tax in excess of
1412 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
1413 Ten Cents (10¢) per gallon under Section 27-61-5:

1414 (i) Twenty percent (20%) of such amount which
1415 shall be earmarked and set aside for the construction,
1416 reconstruction and maintenance of the highways and roads of the
1417 state, provided that if such twenty percent (20%) should reduce
1418 any county to a lesser amount than that received in the fiscal
1419 year ending June 30, 1966, then such twenty percent (20%) shall be
1420 reduced to a percentage to provide that no county shall receive
1421 less than its portion for the fiscal year ending June 30, 1966;

1422 (ii) The amount allowed as refund on gasoline or
1423 as tax credit on diesel fuel or kerosene used for agricultural,
1424 maritime, industrial, domestic and nonhighway purposes;

1425 (iii) Five percent (5%) of such amount shall be
1426 paid to the State Highway Fund;

1427 (iv) The amount or portion thereof authorized by
1428 legislative appropriation to the Fisheries and Wildlife Fund
1429 created under Section 59-21-25;



1430 (v) The amount for deposit into the special
1431 aviation fund under paragraph (d) of this section; and

1432 (vi) The remainder shall be divided on a basis of
1433 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
1434 same basis as Four and One-half Cents (4-1/2¢) and Two and
1435 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
1436 six and forty-three one-hundredths (6.43) and three and
1437 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
1438 fuel or kerosene). The amount produced by the nine-fourteenths
1439 (9/14) division shall be allocated to the Department of
1440 Transportation and paid into the State Treasury as provided in
1441 this section and in Section 27-5-103 and the five-fourteenths
1442 (5/14) division shall be returned to the counties of the state on
1443 the following basis:

1444 1. In each fiscal year, each county shall be
1445 paid each month the same percentage of the monthly total to be
1446 distributed as was paid to that county during the same month in
1447 the fiscal year which ended April 9, 1960, until the county
1448 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
1449 fiscal year, at which time funds shall be distributed under the
1450 provisions of paragraph (b)(vi)4 of this section.

1451 2. If after payments in 1 above, any county
1452 has not received a total of One Hundred Ninety Thousand Dollars
1453 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
1454 and each fiscal year thereafter, then any available funds not



1455 distributed under 1 above shall be used to bring such county or
1456 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
1457 or such funds shall be divided equally among such counties not
1458 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
1459 there is not sufficient money to bring all the counties to said
1460 One Hundred Ninety Thousand Dollars (\$190,000.00).

1461 3. When a county has been paid an amount
1462 equal to the total which was paid to the same county during the
1463 fiscal year ended April 9, 1960, such county shall receive no
1464 further payments during the then current fiscal year until the
1465 last month of such current fiscal year, at which time distribution
1466 will be made under 2 above, except as set out in 4 below.

1467 4. During the last month of the current
1468 fiscal year, should it be determined that there are funds
1469 available in excess of the amount distributed for the year under 1
1470 and 2 above, then such excess funds shall be distributed among the
1471 various counties as follows:

1472 One-third (1/3) of such excess to be
1473 divided equally among the counties;

1474 One-third (1/3) of such excess to be paid
1475 to the counties in the proportion which the population of each
1476 county bears to the total population of the state according to the
1477 last federal census;



One-third (1/3) of such excess to be paid to the counties in the proportion which the number of square miles of each county bears to the total square miles in the state.

5. It is the declared purpose and intent of the Legislature that no county shall be paid less than was paid during the year ended April 9, 1960, unless the amount to be distributed to all counties in any year is less than the amount distributed to all counties during the year ended April 9, 1960.

The Municipal Aid Fund as established by Section 27-5-103 shall not participate in any portion of any funds allocated to any county hereunder over and above One Hundred Ninety Thousand Dollars (\$190,000.00).

In any county having road or bridge bonds outstanding which exceed, in the aggregate, twelve percent (12%) of the assessed valuation of the taxable property of the county, it shall be the duty of the board of supervisors to set aside not less than sixty percent (60%) of such county's share of the gasoline, diesel fuel or kerosene taxes to be used in paying the principal and interest on such road or bridge bonds as they mature.

In any county having such road or bridge bonds outstanding which exceed, in the aggregate, eight percent (8%) of the assessed valuation of the taxable property of the county, but which do not exceed, in the aggregate, twelve percent (12%) of the assessed valuation of the taxable property of the county, it shall be the duty of the board of supervisors to set aside not less than



1503 thirty-five percent (35%) of such county's share of the gasoline,
1504 diesel fuel or kerosene taxes to be used in paying the principal
1505 and interest of such road or bridge bonds as they mature.

1506 In any county having such road or bridge bonds outstanding
1507 which exceed, in the aggregate, five percent (5%) of the assessed
1508 valuation of the taxable property of the county, but which do not
1509 exceed, in the aggregate, eight percent (8%) of the assessed
1510 valuation of the taxable property of the county, it shall be the
1511 duty of the board of supervisors to set aside not less than twenty
1512 percent (20%) of such county's share of the gasoline, diesel fuel
1513 or kerosene taxes to be used in paying the principal and interest
1514 of such road and bridge bonds as they mature.

1515 In any county having such road or bridge bonds outstanding
1516 which do not exceed, in the aggregate, five percent (5%) of the
1517 assessed valuation of the taxable property of the county, it shall
1518 be the duty of the board of supervisors to set aside not less than
1519 ten percent (10%) of such county's share of the gasoline, diesel
1520 fuel or kerosene taxes to be used in paying the principal and
1521 interest on such road or bridge bonds as they mature.

1522 The portion of any such county's share of the gasoline,
1523 diesel fuel or kerosene taxes thus set aside for the payment of
1524 the principal and interest of road or bridge bonds, as provided
1525 for in this section, shall be used in paying the currently
1526 maturing installments of the principal and interest of such road



1527 or bridge bonds, if there be any such road or bridge bonds
1528 outstanding.

1529 The remaining portion of such county's share of the gasoline,
1530 diesel fuel or kerosene taxes, after setting aside the portion
1531 above provided for the payment of the principal and interest of
1532 bonds, shall be used in the construction and maintenance of any
1533 public highways, bridges or culverts of the county, in the
1534 discretion of the board of supervisors.

1535 In any county having no road or bridge bonds outstanding, all
1536 such county's share of the gasoline, diesel fuel or kerosene taxes
1537 shall be used in the construction, reconstruction and maintenance
1538 of the public highways, bridges or culverts of the county, as the
1539 board of supervisors may determine.

1540 In every county in which there are county road bonds or
1541 seawall or road protection bonds outstanding which were issued for
1542 the purpose of building bridges or constructing public roads or
1543 seawalls, such funds shall be used in the manner provided by law.

1544 (c) From the amount produced by the nine-fourteenths
1545 (9/14) division allocated to the Department of Transportation,
1546 there shall be deducted:

1547 (i) The amount paid to the State Treasurer for the
1548 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

1549 (ii) Any amounts due counties in accordance with
1550 Section 65-33-45 which have outstanding bonds issued for seawall



1551 or road protection purposes, issued under provisions of Chapter
1552 319, Laws of 1924, and amendments thereto; and

1553 (iii) Except as otherwise provided in Section
1554 31-17-127, the remainder shall be paid by the Department of
1555 Revenue to the State Treasurer on the fifteenth day of each month
1556 next succeeding the month in which the gasoline, diesel fuel or
1557 kerosene taxes were collected to the credit of the State Highway
1558 Fund.

1559 The funds allocated for the construction, reconstruction and
1560 improvement of state highways, bridges and culverts, or so much
1561 thereof as may be necessary, shall first be used in conjunction
1562 with funds supplied by the federal government for such purposes
1563 and allocated to the Department of Transportation to be expended
1564 on the state highway system. It is specifically provided hereby
1565 that the necessary portion of such funds hereinabove allocated to
1566 the Department of Transportation may be used for the prompt
1567 payment of principal and interest on highway bonds heretofore
1568 issued, including such bonds issued or to be issued under the
1569 provisions of Chapter 312, Laws of 1956, and amendments thereto.

1570 Nothing contained in this section shall be construed to
1571 reduce the amount of such gasoline, diesel fuel or kerosene excise
1572 taxes levied by the state, allotted under the provisions of Title
1573 65, Chapter 33, Mississippi Code of 1972, to counties in which
1574 there are outstanding bonds issued for seawall or road protection
1575 purposes issued under the provisions of Chapter 319, Laws of 1924,



1576 and amendments thereto; the amount of said gasoline, diesel fuel
1577 or kerosene excise taxes designated in this section for the
1578 payment of bonds and interest authorized and issued or to be
1579 issued under the provisions of Chapter 130, Laws of 1938, and
1580 subsequent acts authorizing the issuance of bonds payable from
1581 gasoline, diesel fuel or kerosene tax revenue, shall, in such
1582 counties, be considered as being paid "into the State Treasury to
1583 the credit of the State Highway Fund" within the meaning of
1584 Section 65-33-45 in computing the amount to be paid to such
1585 counties under the provisions of said section, and this section
1586 shall be administered in connection with Title 65, Chapter 33,
1587 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
1588 65-33-49 dealing with seawalls, as if made a part of this section.

1589 (d) The proceeds of the Five and One-fourth Cents
1590 (5.25¢) of the tax per gallon on oils used as a propellant for jet
1591 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
1592 per gallon on aviation gasoline and the tax of One Cent (1¢) per
1593 gallon for each gallon of gasoline for which a refund has been
1594 made pursuant to Section 27-55-23 because such gasoline was used
1595 for aviation purposes, shall be paid to the State Treasury into a
1596 special fund to be used exclusively, pursuant to legislative
1597 appropriation, for the support and development of aeronautics as
1598 defined in Section 61-1-3.

1599 (e) State highway funds in an amount equal to the
1600 difference between Forty-two Million Dollars (\$42,000,000.00) and



1601 the annual debt service payable on the state's highway revenue
1602 refunding bonds, Series 1985, shall be expended for the
1603 construction or reconstruction of highways designated under the
1604 highway program created under Section 65-3-97.

1605 (f) "Gasoline, diesel fuel or kerosene taxes" as used
1606 in this section shall be deemed to mean and include state
1607 gasoline, diesel fuel or kerosene taxes levied and imposed on
1608 distributors of gasoline, diesel fuel or kerosene, and all state
1609 excise taxes derived from any fuel used to propel vehicles upon
1610 the highways of this state, when levied by any statute.

1611 **SECTION 5.** This act shall take effect and be in force from
1612 and after July 1, 2020.

