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To: Wildlife, Fisheries and
Parks; Ways and Means

HOUSE BILL NO. 1231

1 AN ACT TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE
2 DESIGNATED AS THE MISSISSIPPI OUTDOOR STEWARDSHIP TRUST FUND; TO
3 PROVIDE THAT MONIES IN THE SPECIAL FUND SHALL BE USED BY THE
4 DEPARTMENT OF FINANCE AND ADMINISTRATION, BASED UPON THE
5 RECOMMENDATION OF THE BOARD OF TRUSTEES OF THE MISSISSIPPI OUTDOOR
6 STEWARDSHIP TRUST FUND TO PROVIDE ASSISTANCE TO COUNTIES,
7 MUNICIPALITIES, STATE AGENCIES AND NONGOVERNMENTAL ENTITIES FOR
8 THE SUPPORT OF WILDLIFE, NATURE AND OTHER OUTDOOR ACTIVITY
9 CONSERVATION AND PROMOTION PURPOSES; TO CREATE THE BOARD OF
10 TRUSTEES OF THE MISSISSIPPI OUTDOOR STEWARDSHIP TRUST FUND; TO
11 PROVIDE FOR THE COMPOSITION OF THE BOARD OF TRUSTEES; TO PROVIDE
12 THAT THE BOARD OF TRUSTEES OF THE MISSISSIPPI OUTDOOR STEWARDSHIP
13 TRUST FUND SHALL REVIEW APPLICATIONS FOR ASSISTANCE UNDER THIS ACT
14 AND MAKE RECOMMENDATIONS FOR ASSISTANCE TO THE DEPARTMENT OF
15 FINANCE AND ADMINISTRATION; TO AMEND SECTION 27-65-75, MISSISSIPPI
16 CODE OF 1972, TO PROVIDE THAT A PORTION OF THE STATE SALES TAX
17 REVENUE DERIVED FROM SALES OF BUSINESSES WITH A CERTAIN NORTH
18 AMERICAN INDUSTRY CLASSIFICATION SYSTEM CODE SHALL BE DEPOSITED
19 INTO THE MISSISSIPPI OUTDOOR STEWARDSHIP TRUST FUND, AND FOR
20 RELATED PURPOSES.

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

22 **SECTION 1.** For the purposes of Sections 1 through 4 of this
23 act, the following words and phrases shall have the meanings
24 ascribed in this section unless the context clearly indicates
25 otherwise:

26 (a) "Board" means the Board of Trustees of the
27 Mississippi Outdoor Stewardship Trust Fund.



28 (b) "Conservation land" means land and water, or
29 interests therein, that are in their undeveloped, natural states
30 or that have been developed only to the extent consistent with, or
31 are restored to be consistent with, at least one (1) of the
32 following environmental values or conservation benefits:

33 (i) Water quality protection for wetlands, rivers,
34 streams, or lakes;

35 (ii) Protection of wildlife habitat;

36 (iii) Protection of cultural sites and
37 archeological and historic resources;

38 (iv) Protection of land around Mississippi's
39 military installations to ensure that missions are compatible with
40 surrounding communities and that encroachment on military
41 installations does not impair future missions;

42 (v) Support of economic development through
43 conservation projects;

44 (vi) Provision for recreation in the form of
45 archery, boating, hiking, camping, fishing, hunting, running,
46 jogging, biking, walking, shooting facilities or similar outdoor
47 activities; or

48 (vii) Recruiting and/or retention of recreation in
49 the form of archery, boating, hiking, camping, fishing, hunting,
50 running, jogging, biking, walking, shooting facilities or similar
51 outdoor activities.



52 (c) "Nongovernmental entity" means a nonprofit
53 organization primarily concerned with the protection and
54 conservation of land and natural resources, as evidenced by its
55 organizational documents.

56 (d) "Permanently protected conservation areas" means
57 those resources:

58 (i) Owned by the federal government and dedicated
59 for recreation or conservation or as a natural resource;

60 (ii) Owned by the State of Mississippi and
61 dedicated for recreation or conservation or as a natural resource;

62 (iii) Owned by a state, county or municipal unit
63 of government or authority and subject to:

64 1. A conservation easement ensuring that the
65 property will be maintained in a manner consistent with
66 conservation land;

67 2. Contractual arrangements ensuring that if
68 the protected status is discontinued on a parcel, such property
69 will be replaced by other conservation land which at the time of
70 such replacement is of equal or greater monetary and resource
71 protection value; or

72 3. A permanent restrictive covenant as
73 provided in state law; or

74 (iv) Owned by any person or entity and subject to
75 a conservation easement ensuring that the property will be
76 maintained in a manner consistent with conservation land.



77 (e) "Project proposal" means any application seeking
78 monies from the Mississippi Outdoor Stewardship Trust Fund.

79 (f) "State agency" means any agency, department,
80 commission or institution of the State of Mississippi.

81 **SECTION 2.** (1) (a) There is created in the State Treasury
82 a special fund to be designated as the "Mississippi Outdoor
83 Stewardship Trust Fund." The special fund shall consist of funds
84 appropriated or otherwise made available by the Legislature in any
85 manner and funds from any other source designated for deposit into
86 such fund. Unexpended amounts remaining in the fund at the end of
87 a fiscal year shall not lapse into the State General Fund, and any
88 investment earnings or interest earned on amounts in the fund
89 shall be deposited to the credit of the fund; however, any monies
90 in excess of Twenty Million Dollars (\$20,000,000.00) remaining in
91 the fund at the end of a fiscal year that have not been
92 appropriated shall lapse into the State General Fund. Monies in
93 the fund may be used by the Department of Finance and
94 Administration, upon appropriation by the Legislature, based upon
95 the recommendation of the Board of Trustees of the Mississippi
96 Outdoor Stewardship Trust Fund for the purposes of providing
97 assistance to counties, municipalities, state agencies and
98 nongovernmental entities, as provided in Sections 1 through 4 of
99 this act. The board may use not more than one percent (1%) of
100 monies in the special fund to defray the expenses of the board in
101 carrying out its duties under Sections 1 through 4 of this act.



102 The Department of Finance and Administration may use not more than
103 three percent (3%) of monies in the special fund to defray the
104 expenses of the board in carrying out its duties under Sections 1
105 through 4 of this act.

106 (b) Subject to the provisions of this subsection (1),
107 monies in the fund may be used and expended by the board to
108 provide funds for:

109 (i) Grants to counties, municipalities, state
110 agencies and nongovernmental entities for:

111 1. Improvement and maintenance of state parks
112 and trails;

113 2. Providing funds to counties and
114 municipalities to acquire and improve parks and trails under the
115 control and within the jurisdiction of such counties and
116 municipalities;

117 3. Maintenance or restoration projects to
118 ensure public access, education, use or safe enjoyment of
119 permanently protected conservation land; and

120 4. To acquire critical areas for the
121 provision or protection of clean water, wildlife, hunting or
122 fishing, for military installation buffering, or for natural
123 resource-based outdoor recreation. Real property may only be
124 acquired under this item 4 under the following circumstances:



125 a. Where such property is, at the time
126 of acquisition, being leased by the state as a wildlife management
127 area;

128 b. Where such property adjoins or is in
129 close proximity to state or federal wildlife management areas,
130 state parks, or would provide better public access to such areas;

131 c. Lands identified in any wildlife
132 action plan developed by a state agency;

133 d. Riparian lands so as to protect any
134 drinking water supply; and/or

135 e. Lands surrounding any military base
136 or military installation.

137 Acquisition of land under this item 4 may not be made through
138 the use of condemnation.

139 (ii) Loans to municipalities, counties and
140 nongovernmental entities to defray the costs of conservation land
141 or of conservation easements placed upon property.

142 (c) Unless otherwise authorized by the board, a county,
143 municipality, state agency or nongovernmental entity that receives
144 funds for a project under this section must expend the funds for
145 the project within two (2) years after receipt of the funds in
146 order to be eligible to apply for additional funds for the project
147 under this section. If a county, municipality, state agency or
148 nongovernmental entity receiving funds for a project does not
149 expend the funds within two (2) years after receipt of the funds,



150 then the county, municipality, state agency or nongovernmental
151 entity must provide an accounting of such unused funds and the
152 reason for failure to expend the funds.

153 (d) A county, municipality or state agency receiving
154 funds under this section may use the funds for purposes for which
155 the funds were provided to the county, municipality or state
156 agency.

157 (e) Monies in the special fund may not be used,
158 expended or transferred for any other purpose other than
159 authorized under Sections 1 through 4 of this act.

160 (2) (a) The board shall accept applications from counties,
161 municipalities, state agencies and nongovernmental entities for
162 project proposals eligible for funding under this section. The
163 board shall evaluate the proposals received in accordance with
164 this section and pursuant to priorities established by the board.

165 (b) (i) A county, municipality, state agency or
166 nongovernmental entity desiring assistance under this section must
167 submit an application to the board. The application must include
168 a description of the purpose for which assistance is requested,
169 the type and amount of assistance requested and any other
170 information required by the board.

171 (ii) The board shall review an application for
172 assistance and determine whether the applicant is eligible for
173 assistance under this section and whether the applicant should



174 receive assistance under this section. In reviewing applications,
175 the board shall give increased priority to projects:

176 1. For which matching funds are available;

177 2. That support and promote hunting, fishing,
178 and provision for recreation in the form of archery, boating,
179 hiking, camping, fishing, hunting, running, jogging, biking,
180 walking, shooting facilities or similar outdoor activities;

181 3. That contribute to improving the quality
182 and quantity of surface water and ground water; and

183 4. That contribute to improving the water
184 quality and flow of springs.

185 (c) If the board determines that an applicant should
186 receive assistance, then the board shall prepare a recommendation
187 for assistance. A recommendation for assistance shall provide the
188 purpose for which the assistance is to be provided, the type of
189 assistance to be provided, the amount of assistance to be provided
190 and any other information determined necessary by the board. The
191 board shall provide its recommendation for assistance to the
192 Department of Finance and Administration and the department shall
193 use funds from the Mississippi Outdoor Stewardship Trust Fund for
194 the purpose of providing the assistance.

195 **SECTION 3.** (1) (a) There is established the Board of
196 Trustees of the Mississippi Outdoor Stewardship Trust Fund, which
197 shall consist of eleven (11) members as follows:

198 (i) The State Forester;



199 (ii) The Executive Director of the Mississippi
200 Soil and Water Conservation Commission;
201 (iii) The Executive Director of the Mississippi
202 Commission on Marine Resources;
203 (iv) The Executive Director of the Mississippi
204 Department of Wildlife, Fisheries and Parks;
205 (v) The Commissioner of Agriculture and Commerce;
206 (vi) Two (2) members appointed by the Governor;
207 and
208 (vii) Four (4) members appointed by the Lieutenant
209 Governor.

210 Two (2) of the members to be appointed by the Lieutenant
211 Governor shall be appointed only after consideration of
212 recommendations for those appointments made by the Speaker of the
213 House of Representatives to the Lieutenant Governor.

214 The members of the board appointed by the Governor and
215 Lieutenant Governor shall be appointed from the following private
216 sectors: forestry, conservation, hunting and/or fishing.

217 (b) (i) One (1) person initially appointed by the
218 Governor and two (2) persons initially appointed by the Lieutenant
219 Governor shall serve for a term ending June 30, 2024; and (ii) one
220 (1) person initially appointed by the Governor and two (2) persons
221 initially appointed by the Lieutenant Governor shall serve for a
222 term ending June 30, 2025.



223 After the expiration of the initial terms, all such
224 appointments shall be for terms of four (4) years from the
225 expiration of the previous term.

226 (c) A majority of the voting members of the board shall
227 constitute a quorum for the conduct of meetings and all actions of
228 the board shall require a majority vote of the voting members of
229 the board.

230 (d) The board shall annually elect one (1) member to
231 serve as chairman of the board and one (1) member to serve as vice
232 chairman of the board. The vice chairman shall act as chairman in
233 the absence of or upon the disability of the chairman or if there
234 is a vacancy in the office of chairman.

235 (2) The members of the board appointed by the Governor and
236 Lieutenant Governor shall receive a per diem as provided in
237 Section 25-3-69, plus travel and necessary expenses incidental to
238 the attendance at each meeting of the board, including mileage, as
239 provided in Section 25-3-41.

240 (3) No member of the board shall use his official position
241 to obtain, or attempt to obtain, pecuniary benefit for himself
242 other than that compensation provided for by law, or to obtain, or
243 attempt to obtain, pecuniary benefit for any relative or any
244 business with which he is associated, as provided in Section
245 25-4-105.



246 (4) The Department of Finance and Administration shall
247 provide the office space, staff and other support necessary for
248 the board to perform its duties.

249 (5) Following the close of each state fiscal year, the board
250 shall submit an annual report of its activities for the preceding
251 state fiscal year pursuant to Sections 1 through 4 of this act to
252 the Governor, Lieutenant Governor, Speaker of the House of
253 Representatives, Chairman of the Ways and Means Committee of the
254 House of Representatives, Chairman of the Senate Finance
255 Committee, Chairman of the Appropriations Committee of the House
256 of Representatives and Chairman of the Appropriations Committee of
257 the Senate.

258 **SECTION 4.** The board shall have all powers necessary to
259 implement and administer Sections 1 through 3 of this act, and the
260 board shall promulgate rules and regulations, in accordance with
261 the Mississippi Administrative Procedures Law, necessary for the
262 implementation of Sections 1 through 3 of this act.

263 **SECTION 5.** Section 27-65-75, Mississippi Code of 1972, is
264 amended as follows:

265 27-65-75. On or before the fifteenth day of each month, the
266 revenue collected under the provisions of this chapter during the
267 preceding month shall be paid and distributed as follows:

268 (1) (a) On or before August 15, 1992, and each succeeding
269 month thereafter through July 15, 1993, eighteen percent (18%) of
270 the total sales tax revenue collected during the preceding month



271 under the provisions of this chapter, except that collected under
272 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
273 business activities within a municipal corporation shall be
274 allocated for distribution to the municipality and paid to the
275 municipal corporation. Except as otherwise provided in this
276 paragraph (a), on or before August 15, 1993, and each succeeding
277 month thereafter, eighteen and one-half percent (18-1/2%) of the
278 total sales tax revenue collected during the preceding month under
279 the provisions of this chapter, except that collected under the
280 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
281 27-65-24, on business activities within a municipal corporation
282 shall be allocated for distribution to the municipality and paid
283 to the municipal corporation. However, in the event the State
284 Auditor issues a certificate of noncompliance pursuant to Section
285 21-35-31, the Department of Revenue shall withhold ten percent
286 (10%) of the allocations and payments to the municipality that
287 would otherwise be payable to the municipality under this
288 paragraph (a) until such time that the department receives written
289 notice of the cancellation of a certificate of noncompliance from
290 the State Auditor.

291 A municipal corporation, for the purpose of distributing the
292 tax under this subsection, shall mean and include all incorporated
293 cities, towns and villages.

294 Monies allocated for distribution and credited to a municipal
295 corporation under this paragraph may be pledged as security for a



296 loan if the distribution received by the municipal corporation is
297 otherwise authorized or required by law to be pledged as security
298 for such a loan.

299 In any county having a county seat that is not an
300 incorporated municipality, the distribution provided under this
301 subsection shall be made as though the county seat was an
302 incorporated municipality; however, the distribution to the
303 municipality shall be paid to the county treasury in which the
304 municipality is located, and those funds shall be used for road,
305 bridge and street construction or maintenance in the county.

306 (b) On or before August 15, 2006, and each succeeding
307 month thereafter, eighteen and one-half percent (18-1/2%) of the
308 total sales tax revenue collected during the preceding month under
309 the provisions of this chapter, except that collected under the
310 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
311 business activities on the campus of a state institution of higher
312 learning or community or junior college whose campus is not
313 located within the corporate limits of a municipality, shall be
314 allocated for distribution to the state institution of higher
315 learning or community or junior college and paid to the state
316 institution of higher learning or community or junior college.

317 (c) On or before August 15, 2018, and each succeeding
318 month thereafter until August 14, 2019, two percent (2%) of the
319 total sales tax revenue collected during the preceding month under
320 the provisions of this chapter, except that collected under the



321 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
322 27-65-24, on business activities within the corporate limits of
323 the City of Jackson, Mississippi, shall be deposited into the
324 Capitol Complex Improvement District Project Fund created in
325 Section 29-5-215. On or before August 15, 2019, and each
326 succeeding month thereafter until August 14, 2020, four percent
327 (4%) of the total sales tax revenue collected during the preceding
328 month under the provisions of this chapter, except that collected
329 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
330 and 27-65-24, on business activities within the corporate limits
331 of the City of Jackson, Mississippi, shall be deposited into the
332 Capitol Complex Improvement District Project Fund created in
333 Section 29-5-215. On or before August 15, 2020, and each
334 succeeding month thereafter, six percent (6%) of the total sales
335 tax revenue collected during the preceding month under the
336 provisions of this chapter, except that collected under the
337 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
338 27-65-24, on business activities within the corporate limits of
339 the City of Jackson, Mississippi, shall be deposited into the
340 Capitol Complex Improvement District Project Fund created in
341 Section 29-5-215.

342 (d) (i) On or before the fifteenth day of the month
343 that the diversion authorized by this section begins, and each
344 succeeding month thereafter, eighteen and one-half percent
345 (18-1/2%) of the total sales tax revenue collected during the



346 preceding month under the provisions of this chapter, except that
347 collected under the provisions of Sections 27-65-15, 27-65-19(3)
348 and 27-65-21, on business activities within a redevelopment
349 project area developed under a redevelopment plan adopted under
350 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be
351 allocated for distribution to the county in which the project area
352 is located if:

353 1. The county borders on the Mississippi
354 Sound and the State of Alabama;

355 2. The county has issued bonds under Section
356 21-45-9 to finance all or a portion of a redevelopment project in
357 the redevelopment project area;

358 3. Any debt service for the indebtedness
359 incurred is outstanding; and

360 4. A development with a value of Ten Million
361 Dollars (\$10,000,000.00) or more is, or will be, located in the
362 redevelopment area.

363 (ii) Before any sales tax revenue may be allocated
364 for distribution to a county under this paragraph, the county
365 shall certify to the Department of Revenue that the requirements
366 of this paragraph have been met, the amount of bonded indebtedness
367 that has been incurred by the county for the redevelopment project
368 and the expected date the indebtedness incurred by the county will
369 be satisfied.



370 (iii) The diversion of sales tax revenue
371 authorized by this paragraph shall begin the month following the
372 month in which the Department of Revenue determines that the
373 requirements of this paragraph have been met. The diversion shall
374 end the month the indebtedness incurred by the county is
375 satisfied. All revenue received by the county under this
376 paragraph shall be deposited in the fund required to be created in
377 the tax increment financing plan under Section 21-45-11 and be
378 utilized solely to satisfy the indebtedness incurred by the
379 county.

380 (2) On or before September 15, 1987, and each succeeding
381 month thereafter, from the revenue collected under this chapter
382 during the preceding month, One Million One Hundred Twenty-five
383 Thousand Dollars (\$1,125,000.00) shall be allocated for
384 distribution to municipal corporations as defined under subsection
385 (1) of this section in the proportion that the number of gallons
386 of gasoline and diesel fuel sold by distributors to consumers and
387 retailers in each such municipality during the preceding fiscal
388 year bears to the total gallons of gasoline and diesel fuel sold
389 by distributors to consumers and retailers in municipalities
390 statewide during the preceding fiscal year. The Department of
391 Revenue shall require all distributors of gasoline and diesel fuel
392 to report to the department monthly the total number of gallons of
393 gasoline and diesel fuel sold by them to consumers and retailers
394 in each municipality during the preceding month. The Department



395 of Revenue shall have the authority to promulgate such rules and
396 regulations as is necessary to determine the number of gallons of
397 gasoline and diesel fuel sold by distributors to consumers and
398 retailers in each municipality. In determining the percentage
399 allocation of funds under this subsection for the fiscal year
400 beginning July 1, 1987, and ending June 30, 1988, the Department
401 of Revenue may consider gallons of gasoline and diesel fuel sold
402 for a period of less than one (1) fiscal year. For the purposes
403 of this subsection, the term "fiscal year" means the fiscal year
404 beginning July 1 of a year.

405 (3) On or before September 15, 1987, and on or before the
406 fifteenth day of each succeeding month, until the date specified
407 in Section 65-39-35, the proceeds derived from contractors' taxes
408 levied under Section 27-65-21 on contracts for the construction or
409 reconstruction of highways designated under the highway program
410 created under Section 65-3-97 shall, except as otherwise provided
411 in Section 31-17-127, be deposited into the State Treasury to the
412 credit of the State Highway Fund to be used to fund that highway
413 program. The Mississippi Department of Transportation shall
414 provide to the Department of Revenue such information as is
415 necessary to determine the amount of proceeds to be distributed
416 under this subsection.

417 (4) On or before August 15, 1994, and on or before the
418 fifteenth day of each succeeding month through July 15, 1999, from
419 the proceeds of gasoline, diesel fuel or kerosene taxes as



420 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
421 (\$4,000,000.00) shall be deposited in the State Treasury to the
422 credit of a special fund designated as the "State Aid Road Fund,"
423 created by Section 65-9-17. On or before August 15, 1999, and on
424 or before the fifteenth day of each succeeding month, from the
425 total amount of the proceeds of gasoline, diesel fuel or kerosene
426 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
427 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
428 one-fourth percent (23-1/4%) of those funds, whichever is the
429 greater amount, shall be deposited in the State Treasury to the
430 credit of the "State Aid Road Fund," created by Section 65-9-17.
431 Those funds shall be pledged to pay the principal of and interest
432 on state aid road bonds heretofore issued under Sections 19-9-51
433 through 19-9-77, in lieu of and in substitution for the funds
434 previously allocated to counties under this section. Those funds
435 may not be pledged for the payment of any state aid road bonds
436 issued after April 1, 1981; however, this prohibition against the
437 pledging of any such funds for the payment of bonds shall not
438 apply to any bonds for which intent to issue those bonds has been
439 published for the first time, as provided by law before March 29,
440 1981. From the amount of taxes paid into the special fund under
441 this subsection and subsection (9) of this section, there shall be
442 first deducted and paid the amount necessary to pay the expenses
443 of the Office of State Aid Road Construction, as authorized by the
444 Legislature for all other general and special fund agencies. The



445 remainder of the fund shall be allocated monthly to the several
446 counties in accordance with the following formula:

447 (a) One-third (1/3) shall be allocated to all counties
448 in equal shares;

449 (b) One-third (1/3) shall be allocated to counties
450 based on the proportion that the total number of rural road miles
451 in a county bears to the total number of rural road miles in all
452 counties of the state; and

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

457 For the purposes of this subsection, the term "gasoline,
458 diesel fuel or kerosene taxes" means such taxes as defined in
459 paragraph (f) of Section 27-5-101.

460 The amount of funds allocated to any county under this
461 subsection for any fiscal year after fiscal year 1994 shall not be
462 less than the amount allocated to the county for fiscal year 1994.

463 Any reference in the general laws of this state or the
464 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
465 construed to refer and apply to subsection (4) of Section
466 27-65-75.

467 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
468 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
469 the special fund known as the "State Public School Building Fund"



470 created and existing under the provisions of Sections 37-47-1
471 through 37-47-67. Those payments into that fund are to be made on
472 the last day of each succeeding month hereafter.

473 (6) An amount each month beginning August 15, 1983, through
474 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
475 1983, shall be paid into the special fund known as the
476 Correctional Facilities Construction Fund created in Section 6,
477 Chapter 542, Laws of 1983.

478 (7) On or before August 15, 1992, and each succeeding month
479 thereafter through July 15, 2000, two and two hundred sixty-six
480 one-thousandths percent (2.266%) of the total sales tax revenue
481 collected during the preceding month under the provisions of this
482 chapter, except that collected under the provisions of Section
483 27-65-17(2), shall be deposited by the department into the School
484 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
485 or before August 15, 2000, and each succeeding month thereafter,
486 two and two hundred sixty-six one-thousandths percent (2.266%) of
487 the total sales tax revenue collected during the preceding month
488 under the provisions of this chapter, except that collected under
489 the provisions of Section 27-65-17(2), shall be deposited into the
490 School Ad Valorem Tax Reduction Fund created under Section
491 37-61-35 until such time that the total amount deposited into the
492 fund during a fiscal year equals Forty-two Million Dollars
493 (\$42,000,000.00). Thereafter, the amounts diverted under this
494 subsection (7) during the fiscal year in excess of Forty-two



495 Million Dollars (\$42,000,000.00) shall be deposited into the
496 Education Enhancement Fund created under Section 37-61-33 for
497 appropriation by the Legislature as other education needs and
498 shall not be subject to the percentage appropriation requirements
499 set forth in Section 37-61-33.

500 (8) On or before August 15, 1992, and each succeeding month
501 thereafter, nine and seventy-three one-thousandths percent
502 (9.073%) of the total sales tax revenue collected during the
503 preceding month under the provisions of this chapter, except that
504 collected under the provisions of Section 27-65-17(2), shall be
505 deposited into the Education Enhancement Fund created under
506 Section 37-61-33.

507 (9) On or before August 15, 1994, and each succeeding month
508 thereafter, from the revenue collected under this chapter during
509 the preceding month, Two Hundred Fifty Thousand Dollars
510 (\$250,000.00) shall be paid into the State Aid Road Fund.

511 (10) On or before August 15, 1994, and each succeeding month
512 thereafter through August 15, 1995, from the revenue collected
513 under this chapter during the preceding month, Two Million Dollars
514 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
515 Valorem Tax Reduction Fund established in Section 27-51-105.

516 (11) Notwithstanding any other provision of this section to
517 the contrary, on or before February 15, 1995, and each succeeding
518 month thereafter, the sales tax revenue collected during the
519 preceding month under the provisions of Section 27-65-17(2) and



520 the corresponding levy in Section 27-65-23 on the rental or lease
521 of private carriers of passengers and light carriers of property
522 as defined in Section 27-51-101 shall be deposited, without
523 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
524 established in Section 27-51-105.

525 (12) Notwithstanding any other provision of this section to
526 the contrary, on or before August 15, 1995, and each succeeding
527 month thereafter, the sales tax revenue collected during the
528 preceding month under the provisions of Section 27-65-17(1) on
529 retail sales of private carriers of passengers and light carriers
530 of property, as defined in Section 27-51-101 and the corresponding
531 levy in Section 27-65-23 on the rental or lease of these vehicles,
532 shall be deposited, after diversion, into the Motor Vehicle Ad
533 Valorem Tax Reduction Fund established in Section 27-51-105.

534 (13) On or before July 15, 1994, and on or before the
535 fifteenth day of each succeeding month thereafter, that portion of
536 the avails of the tax imposed in Section 27-65-22 that is derived
537 from activities held on the Mississippi State Fairgrounds Complex
538 shall be paid into a special fund that is created in the State
539 Treasury and shall be expended upon legislative appropriation
540 solely to defray the costs of repairs and renovation at the Trade
541 Mart and Coliseum.

542 (14) On or before August 15, 1998, and each succeeding month
543 thereafter through July 15, 2005, that portion of the avails of
544 the tax imposed in Section 27-65-23 that is derived from sales by



545 cotton compresses or cotton warehouses and that would otherwise be
546 paid into the General Fund shall be deposited in an amount not to
547 exceed Two Million Dollars (\$2,000,000.00) into the special fund
548 created under Section 69-37-39. On or before August 15, 2007, and
549 each succeeding month thereafter through July 15, 2010, that
550 portion of the avails of the tax imposed in Section 27-65-23 that
551 is derived from sales by cotton compresses or cotton warehouses
552 and that would otherwise be paid into the General Fund shall be
553 deposited in an amount not to exceed Two Million Dollars
554 (\$2,000,000.00) into the special fund created under Section
555 69-37-39 until all debts or other obligations incurred by the
556 Certified Cotton Growers Organization under the Mississippi Boll
557 Weevil Management Act before January 1, 2007, are satisfied in
558 full. On or before August 15, 2010, and each succeeding month
559 thereafter through July 15, 2011, fifty percent (50%) of that
560 portion of the avails of the tax imposed in Section 27-65-23 that
561 is derived from sales by cotton compresses or cotton warehouses
562 and that would otherwise be paid into the General Fund shall be
563 deposited into the special fund created under Section 69-37-39
564 until such time that the total amount deposited into the fund
565 during a fiscal year equals One Million Dollars (\$1,000,000.00).
566 On or before August 15, 2011, and each succeeding month
567 thereafter, that portion of the avails of the tax imposed in
568 Section 27-65-23 that is derived from sales by cotton compresses
569 or cotton warehouses and that would otherwise be paid into the



570 General Fund shall be deposited into the special fund created
571 under Section 69-37-39 until such time that the total amount
572 deposited into the fund during a fiscal year equals One Million
573 Dollars (\$1,000,000.00).

574 (15) Notwithstanding any other provision of this section to
575 the contrary, on or before September 15, 2000, and each succeeding
576 month thereafter, the sales tax revenue collected during the
577 preceding month under the provisions of Section
578 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
579 without diversion, into the Telecommunications Ad Valorem Tax
580 Reduction Fund established in Section 27-38-7.

581 (16) (a) On or before August 15, 2000, and each succeeding
582 month thereafter, the sales tax revenue collected during the
583 preceding month under the provisions of this chapter on the gross
584 proceeds of sales of a project as defined in Section 57-30-1 shall
585 be deposited, after all diversions except the diversion provided
586 for in subsection (1) of this section, into the Sales Tax
587 Incentive Fund created in Section 57-30-3.

588 (b) On or before August 15, 2007, and each succeeding
589 month thereafter, eighty percent (80%) of the sales tax revenue
590 collected during the preceding month under the provisions of this
591 chapter from the operation of a tourism project under the
592 provisions of Sections 57-26-1 through 57-26-5, shall be
593 deposited, after the diversions required in subsections (7) and



594 (8) of this section, into the Tourism Project Sales Tax Incentive
595 Fund created in Section 57-26-3.

596 (17) Notwithstanding any other provision of this section to
597 the contrary, on or before April 15, 2002, and each succeeding
598 month thereafter, the sales tax revenue collected during the
599 preceding month under Section 27-65-23 on sales of parking
600 services of parking garages and lots at airports shall be
601 deposited, without diversion, into the special fund created under
602 Section 27-5-101(d).

603 (18) [Repealed]

604 (19) (a) On or before August 15, 2005, and each succeeding
605 month thereafter, the sales tax revenue collected during the
606 preceding month under the provisions of this chapter on the gross
607 proceeds of sales of a business enterprise located within a
608 redevelopment project area under the provisions of Sections
609 57-91-1 through 57-91-11, and the revenue collected on the gross
610 proceeds of sales from sales made to a business enterprise located
611 in a redevelopment project area under the provisions of Sections
612 57-91-1 through 57-91-11 (provided that such sales made to a
613 business enterprise are made on the premises of the business
614 enterprise), shall, except as otherwise provided in this
615 subsection (19), be deposited, after all diversions, into the
616 Redevelopment Project Incentive Fund as created in Section
617 57-91-9.



618 (b) For a municipality participating in the Economic
619 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
620 the diversion provided for in subsection (1) of this section
621 attributable to the gross proceeds of sales of a business
622 enterprise located within a redevelopment project area under the
623 provisions of Sections 57-91-1 through 57-91-11, and attributable
624 to the gross proceeds of sales from sales made to a business
625 enterprise located in a redevelopment project area under the
626 provisions of Sections 57-91-1 through 57-91-11 (provided that
627 such sales made to a business enterprise are made on the premises
628 of the business enterprise), shall be deposited into the
629 Redevelopment Project Incentive Fund as created in Section
630 57-91-9, as follows:

631 (i) For the first six (6) years in which payments
632 are made to a developer from the Redevelopment Project Incentive
633 Fund, one hundred percent (100%) of the diversion shall be
634 deposited into the fund;

635 (ii) For the seventh year in which such payments
636 are made to a developer from the Redevelopment Project Incentive
637 Fund, eighty percent (80%) of the diversion shall be deposited
638 into the fund;

639 (iii) For the eighth year in which such payments
640 are made to a developer from the Redevelopment Project Incentive
641 Fund, seventy percent (70%) of the diversion shall be deposited
642 into the fund;



643 (iv) For the ninth year in which such payments are
644 made to a developer from the Redevelopment Project Incentive Fund,
645 sixty percent (60%) of the diversion shall be deposited into the
646 fund; and

647 (v) For the tenth year in which such payments are
648 made to a developer from the Redevelopment Project Incentive Fund,
649 fifty percent (50%) of the funds shall be deposited into the fund.

650 (20) On or before January 15, 2007, and each succeeding
651 month thereafter, eighty percent (80%) of the sales tax revenue
652 collected during the preceding month under the provisions of this
653 chapter from the operation of a tourism project under the
654 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
655 after the diversions required in subsections (7) and (8) of this
656 section, into the Tourism Sales Tax Incentive Fund created in
657 Section 57-28-3.

658 (21) (a) On or before April 15, 2007, and each succeeding
659 month thereafter through June 15, 2013, One Hundred Fifty Thousand
660 Dollars (\$150,000.00) of the sales tax revenue collected during
661 the preceding month under the provisions of this chapter shall be
662 deposited into the MMEIA Tax Incentive Fund created in Section
663 57-101-3.

664 (b) On or before July 15, 2013, and each succeeding
665 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
666 of the sales tax revenue collected during the preceding month
667 under the provisions of this chapter shall be deposited into the



668 Mississippi Development Authority Job Training Grant Fund created
669 in Section 57-1-451.

670 (22) Notwithstanding any other provision of this section to
671 the contrary, on or before August 15, 2009, and each succeeding
672 month thereafter, the sales tax revenue collected during the
673 preceding month under the provisions of Section 27-65-201 shall be
674 deposited, without diversion, into the Motor Vehicle Ad Valorem
675 Tax Reduction Fund established in Section 27-51-105.

676 (23) (a) On or before August 15, 2019, and each month
677 thereafter through July 15, 2020, one percent (1%) of the total
678 sales tax revenue collected during the preceding month from
679 restaurants and hotels shall be allocated for distribution to the
680 Mississippi Development Authority Tourism Advertising Fund
681 established under Section 57-1-64, to be used exclusively for the
682 purpose stated therein. On or before August 15, 2020, and each
683 month thereafter through July 15, 2021, two percent (2%) of the
684 total sales tax revenue collected during the preceding month from
685 restaurants and hotels shall be allocated for distribution to the
686 Mississippi Development Authority Tourism Advertising Fund
687 established under Section 57-1-64, to be used exclusively for the
688 purpose stated therein. On or before August 15, 2021, and each
689 month thereafter, three percent (3%) of the total sales tax
690 revenue collected during the preceding month from restaurants and
691 hotels shall be allocated for distribution to the Mississippi
692 Development Authority Tourism Advertising Fund established under



693 Section 57-1-64, to be used exclusively for the purpose stated
694 therein. The revenue diverted pursuant to this subsection shall
695 not be available for expenditure until February 1, 2020.

696 (b) The Joint Legislative Committee on Performance
697 Evaluation and Expenditure Review (PEER) must provide an annual
698 report to the Legislature indicating the amount of funds deposited
699 into the Mississippi Development Authority Tourism Advertising
700 Fund established under Section 57-1-64, and a detailed record of
701 how the funds are spent.

702 (24) On or before August 15, 2021, and each succeeding month
703 thereafter through July 15, 2022, Eight Hundred Thirty-three
704 Thousand Three Hundred Thirty-three Dollars and Thirty-four Cents
705 (\$833,333.34) of the total sales tax revenue collected during the
706 preceding month under the provisions of this chapter from
707 businesses with the North American Industry Classification System
708 Code of 451110 shall be deposited into the Mississippi Outdoor
709 Stewardship Trust Fund created in Section 2 of this act. On or
710 before August 15, 2022, and each succeeding month thereafter
711 through July 15, 2023, One Million Dollars (\$1,000,000.00) of the
712 total sales tax revenue collected during the preceding month under
713 the provisions of this chapter from businesses with the North
714 American Industry Classification System Code of 451110 shall be
715 deposited into the Mississippi Outdoor Stewardship Trust Fund
716 created in Section 2 of this act. On or before August 15, 2023,
717 and each succeeding month thereafter, One Million Two Hundred



718 Fifty Thousand Dollars (\$1,250,000.00) of the total sales tax
719 revenue collected during the preceding month under the provisions
720 of this chapter from businesses with the North American Industry
721 Classification System Code of 451110 shall be deposited into the
722 Mississippi Outdoor Stewardship Trust Fund created in Section 2 of
723 this act.

724 (* * *25) The remainder of the amounts collected under the
725 provisions of this chapter shall be paid into the State Treasury
726 to the credit of the General Fund.

727 (* * *26) (a) It shall be the duty of the municipal
728 officials of any municipality that expands its limits, or of any
729 community that incorporates as a municipality, to notify the
730 commissioner of that action thirty (30) days before the effective
731 date. Failure to so notify the commissioner shall cause the
732 municipality to forfeit the revenue that it would have been
733 entitled to receive during this period of time when the
734 commissioner had no knowledge of the action.

735 (b) (i) Except as otherwise provided in subparagraph
736 (ii) of this paragraph, if any funds have been erroneously
737 disbursed to any municipality or any overpayment of tax is
738 recovered by the taxpayer, the commissioner may make correction
739 and adjust the error or overpayment with the municipality by
740 withholding the necessary funds from any later payment to be made
741 to the municipality.



742 (ii) Subject to the provisions of Sections
743 27-65-51 and 27-65-53, if any funds have been erroneously
744 disbursed to a municipality under subsection (1) of this section
745 for a period of three (3) years or more, the maximum amount that
746 may be recovered or withheld from the municipality is the total
747 amount of funds erroneously disbursed for a period of three (3)
748 years beginning with the date of the first erroneous disbursement.
749 However, if during such period, a municipality provides written
750 notice to the Department of Revenue indicating the erroneous
751 disbursement of funds, then the maximum amount that may be
752 recovered or withheld from the municipality is the total amount of
753 funds erroneously disbursed for a period of one (1) year beginning
754 with the date of the first erroneous disbursement.

755 **SECTION 6.** This act shall take effect and be in force from
756 and after July 1, 2021.

