

By: Representatives Bounds, Lamar, Miles,
Felsher

To: Wildlife, Fisheries and
Parks; Ways and Means

HOUSE BILL NO. 1231
(As Passed the House)

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.



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

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

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

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

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

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

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

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

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



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

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

SECTION 2. (1) (a) There is created in the State Treasury a special fund to be designated as the "Mississippi Outdoor Stewardship Trust Fund." The special fund shall consist of funds appropriated or otherwise made available by the Legislature in any manner and funds from any other source designated for deposit into such fund. Funds shall be accounted for in such a manner to be termed unobligated funds or obligated funds. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund; however, any unobligated monies in excess of Twenty Million Dollars (\$20,000,000.00) remaining in the fund at the end of a fiscal year that have not been appropriated shall lapse into the State General Fund. Monies in the fund may be used by the Department of Finance and Administration, upon appropriation by the Legislature, based upon the recommendation of the Board of Trustees of the Mississippi Outdoor Stewardship Trust Fund for the purposes of providing assistance to counties, municipalities, state agencies and nongovernmental entities, as provided in Sections 1 through 4 of this act. The board may use not more than one percent (1%) of monies in the special fund to



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

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

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

1. Improvement of state park outdoor recreation features and trails;

2. Restoration or enhancement on privately owned working agricultural lands and forests that support conservation of soil, water, habitat of fish and wildlife resources;

3. Providing funds to counties and municipalities to acquire and improve parks and trails under the control and within the jurisdiction of such counties and municipalities;

4. Restoration or enhancement projects to create or improve access to public waters and lands for public outdoor recreation, conservation education, use or safe enjoyment of permanently protected conservation land; and



126 5. Restoration or enhancement of wetlands,
127 native forests, native grasslands, and other unique habitats
128 important for Mississippi's fish and wildlife;

129 6. To acquire critical areas for the
130 provision or protection of clean water, wildlife, hunting or
131 fishing, for military installation buffering, or for natural
132 resource-based outdoor recreation. Real property may only be
133 acquired under this item 6 under the following circumstances:

134 a. Where such property is, at the time
135 of acquisition, being leased by the state as a wildlife management
136 area;

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

140 c. Lands identified in any wildlife
141 action plan developed by a state agency;

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

144 e. Lands surrounding any military base
145 or military installation.

146 Acquisition of land under this item 6 may not be made through
147 the exercise of any power of eminent domain or condemnation
148 proceeding.



149 (ii) Loans to municipalities, counties,
150 nongovernmental entities and state agencies to defray the costs of
151 the projects described in subparagraph (i) of this paragraph.

152 (c) Unless otherwise authorized by the board, a county,
153 municipality, state agency or nongovernmental entity that receives
154 funds for a project under this section must expend the funds for
155 the project within two (2) years after receipt of the funds in
156 order to be eligible to apply for additional funds for the project
157 under this section. If a county, municipality, state agency or
158 nongovernmental entity receiving funds for a project does not
159 expend the funds within two (2) years after receipt of the funds,
160 then the county, municipality, state agency or nongovernmental
161 entity must provide an accounting of such unused funds and the
162 reason for failure to expend the funds.

163 (d) A county, municipality or state agency receiving
164 funds under this section may use the funds for purposes for which
165 the funds were provided to the county, municipality or state
166 agency.

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

170 (2) (a) The board shall accept applications from counties,
171 municipalities, state agencies and nongovernmental entities for
172 project proposals eligible for funding under this section. The



board shall evaluate the proposals received in accordance with this section and pursuant to priorities established by the board.

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

(ii) The board shall review an application for assistance and determine whether the applicant is eligible for assistance under this section and whether the applicant should receive assistance under this section. In reviewing applications, the board shall give increased priority to projects:

1. That leverage or match other nonfederal and/or federal funds which are available for similar purposes;

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

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

4. That contribute to the conservation of soil, water, and fish and wildlife resources on privately owned working agricultural lands or forests; and



197 5. That contribute to achieving the goals and
198 objectives of local, state, regional and national conservation or
199 outdoor recreational plans.

200 (c) If the board determines that an applicant should
201 receive assistance, then the board shall prepare a recommendation
202 for assistance. A recommendation for assistance shall provide the
203 purpose for which the assistance is to be provided, the type of
204 assistance to be provided, the amount of assistance to be provided
205 and any other information determined necessary by the board. The
206 board shall provide its recommendation for assistance to the
207 Department of Finance and Administration and the department shall
208 use funds from the Mississippi Outdoor Stewardship Trust Fund for
209 the purpose of providing the assistance.

210 **SECTION 3.** (1) (a) There is established the Board of
211 Trustees of the Mississippi Outdoor Stewardship Trust Fund, which
212 shall consist of twelve (12) members as follows:

213 (i) The State Forester, who is an ex-officio
214 nonvoting member;

215 (ii) The Executive Director of the Mississippi
216 Soil and Water Conservation Commission, who is an ex-officio
217 nonvoting member;

218 (iii) The Executive Director of the Mississippi
219 Commission on Marine Resources, who is an ex-officio nonvoting
220 member;



221 (iv) The Executive Director of the Mississippi
222 Department of Wildlife, Fisheries and Parks, who is an ex-officio
223 nonvoting member;

224 (v) The Commissioner of Agriculture and Commerce,
225 who is an ex-officio nonvoting member

226 (vi) Three (3) members appointed by the Governor;
227 and

228 (vii) Four (4) members appointed by the Lieutenant
229 Governor.

230 Two (2) of the members to be appointed by the Lieutenant
231 Governor shall be appointed only after consideration of
232 recommendations for those appointments made by the Speaker of the
233 House of Representatives to the Lieutenant Governor.

234 This board shall not approve any funding to a county,
235 municipality, state agency or nongovernmental entity whereby a
236 voting member of this board is an executive, other employee or is
237 a voting member of a governing board with such county,
238 municipality, state agency or nongovernmental entity.

239 The members of the board appointed by the Governor and
240 Lieutenant Governor shall be appointed from the following private
241 sectors: forestry, conservation, agriculture, marine resources,
242 hunting or fishing. Such members shall be and shall remain
243 Mississippi residents during their tenure on the board and shall
244 possess a demonstrated knowledge of and commitment to land
245 conservation and outdoor recreation.



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

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

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

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

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

(3) No member of the board shall use his official position to obtain, or attempt to obtain, pecuniary benefit for himself



other than that compensation provided for by law, or to obtain, or attempt to obtain, pecuniary benefit for any relative or any business with which he is associated, as provided in Section 25-4-105.

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

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

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

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



294 27-65-75. On or before the fifteenth day of each month, the
295 revenue collected under the provisions of this chapter during the
296 preceding month shall be paid and distributed as follows:

297 (1) (a) On or before August 15, 1992, and each succeeding
298 month thereafter through July 15, 1993, eighteen percent (18%) of
299 the total sales tax revenue collected during the preceding month
300 under the provisions of this chapter, except that collected under
301 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
302 business activities within a municipal corporation shall be
303 allocated for distribution to the municipality and paid to the
304 municipal corporation. Except as otherwise provided in this
305 paragraph (a), on or before August 15, 1993, and each succeeding
306 month thereafter, eighteen and one-half percent (18-1/2%) of the
307 total sales tax revenue collected during the preceding month under
308 the provisions of this chapter, except that collected under the
309 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
310 27-65-24, on business activities within a municipal corporation
311 shall be allocated for distribution to the municipality and paid
312 to the municipal corporation. However, in the event the State
313 Auditor issues a certificate of noncompliance pursuant to Section
314 21-35-31, the Department of Revenue shall withhold ten percent
315 (10%) of the allocations and payments to the municipality that
316 would otherwise be payable to the municipality under this
317 paragraph (a) until such time that the department receives written



notice of the cancellation of a certificate of noncompliance from the State Auditor.

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

Monies allocated for distribution and credited to a municipal corporation under this paragraph may be pledged as security for a loan if the distribution received by the municipal corporation is otherwise authorized or required by law to be pledged as security for such a loan.

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

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



allocated for distribution to the state institution of higher learning or community or junior college and paid to the state institution of higher learning or community or junior college.

(c) On or before August 15, 2018, and each succeeding month thereafter until August 14, 2019, two percent (2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2019, and each succeeding month thereafter until August 14, 2020, four percent (4%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2020, and each succeeding month thereafter, six percent (6%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of



the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215.

(d) (i) On or before the fifteenth day of the month that the diversion authorized by this section begins, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a redevelopment project area developed under a redevelopment plan adopted under the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be allocated for distribution to the county in which the project area is located if:

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

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

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

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



392 (ii) Before any sales tax revenue may be allocated
393 for distribution to a county under this paragraph, the county
394 shall certify to the Department of Revenue that the requirements
395 of this paragraph have been met, the amount of bonded indebtedness
396 that has been incurred by the county for the redevelopment project
397 and the expected date the indebtedness incurred by the county will
398 be satisfied.

399 (iii) The diversion of sales tax revenue
400 authorized by this paragraph shall begin the month following the
401 month in which the Department of Revenue determines that the
402 requirements of this paragraph have been met. The diversion shall
403 end the month the indebtedness incurred by the county is
404 satisfied. All revenue received by the county under this
405 paragraph shall be deposited in the fund required to be created in
406 the tax increment financing plan under Section 21-45-11 and be
407 utilized solely to satisfy the indebtedness incurred by the
408 county.

409 (2) On or before September 15, 1987, and each succeeding
410 month thereafter, from the revenue collected under this chapter
411 during the preceding month, One Million One Hundred Twenty-five
412 Thousand Dollars (\$1,125,000.00) shall be allocated for
413 distribution to municipal corporations as defined under subsection
414 (1) of this section in the proportion that the number of gallons
415 of gasoline and diesel fuel sold by distributors to consumers and
416 retailers in each such municipality during the preceding fiscal



417 year bears to the total gallons of gasoline and diesel fuel sold
418 by distributors to consumers and retailers in municipalities
419 statewide during the preceding fiscal year. The Department of
420 Revenue shall require all distributors of gasoline and diesel fuel
421 to report to the department monthly the total number of gallons of
422 gasoline and diesel fuel sold by them to consumers and retailers
423 in each municipality during the preceding month. The Department
424 of Revenue shall have the authority to promulgate such rules and
425 regulations as is necessary to determine the number of gallons of
426 gasoline and diesel fuel sold by distributors to consumers and
427 retailers in each municipality. In determining the percentage
428 allocation of funds under this subsection for the fiscal year
429 beginning July 1, 1987, and ending June 30, 1988, the Department
430 of Revenue may consider gallons of gasoline and diesel fuel sold
431 for a period of less than one (1) fiscal year. For the purposes
432 of this subsection, the term "fiscal year" means the fiscal year
433 beginning July 1 of a year.

434 (3) On or before September 15, 1987, and on or before the
435 fifteenth day of each succeeding month, until the date specified
436 in Section 65-39-35, the proceeds derived from contractors' taxes
437 levied under Section 27-65-21 on contracts for the construction or
438 reconstruction of highways designated under the highway program
439 created under Section 65-3-97 shall, except as otherwise provided
440 in Section 31-17-127, be deposited into the State Treasury to the
441 credit of the State Highway Fund to be used to fund that highway



442 program. The Mississippi Department of Transportation shall
443 provide to the Department of Revenue such information as is
444 necessary to determine the amount of proceeds to be distributed
445 under this subsection.

446 (4) On or before August 15, 1994, and on or before the
447 fifteenth day of each succeeding month through July 15, 1999, from
448 the proceeds of gasoline, diesel fuel or kerosene taxes as
449 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
450 (\$4,000,000.00) shall be deposited in the State Treasury to the
451 credit of a special fund designated as the "State Aid Road Fund,"
452 created by Section 65-9-17. On or before August 15, 1999, and on
453 or before the fifteenth day of each succeeding month, from the
454 total amount of the proceeds of gasoline, diesel fuel or kerosene
455 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
456 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
457 one-fourth percent (23-1/4%) of those funds, whichever is the
458 greater amount, shall be deposited in the State Treasury to the
459 credit of the "State Aid Road Fund," created by Section 65-9-17.
460 Those funds shall be pledged to pay the principal of and interest
461 on state aid road bonds heretofore issued under Sections 19-9-51
462 through 19-9-77, in lieu of and in substitution for the funds
463 previously allocated to counties under this section. Those funds
464 may not be pledged for the payment of any state aid road bonds
465 issued after April 1, 1981; however, this prohibition against the
466 pledging of any such funds for the payment of bonds shall not



467 apply to any bonds for which intent to issue those bonds has been
468 published for the first time, as provided by law before March 29,
469 1981. From the amount of taxes paid into the special fund under
470 this subsection and subsection (9) of this section, there shall be
471 first deducted and paid the amount necessary to pay the expenses
472 of the Office of State Aid Road Construction, as authorized by the
473 Legislature for all other general and special fund agencies. The
474 remainder of the fund shall be allocated monthly to the several
475 counties in accordance with the following formula:

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

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

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

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

489 The amount of funds allocated to any county under this
490 subsection for any fiscal year after fiscal year 1994 shall not be
491 less than the amount allocated to the county for fiscal year 1994.



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

(5) One Million Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars (\$1,666,666.00) each month shall be paid into the special fund known as the "State Public School Building Fund" created and existing under the provisions of Sections 37-47-1 through 37-47-67. Those payments into that fund are to be made on the last day of each succeeding month hereafter.

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

(7) On or before August 15, 1992, and each succeeding month thereafter through July 15, 2000, two and two hundred sixty-six one-thousandths percent (2.266%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited by the department into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35. On or before August 15, 2000, and each succeeding month thereafter, two and two hundred sixty-six one-thousandths percent (2.266%) of the total sales tax revenue collected during the preceding month



under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35 until such time that the total amount deposited into the fund during a fiscal year equals Forty-two Million Dollars (\$42,000,000.00). Thereafter, the amounts diverted under this subsection (7) during the fiscal year in excess of Forty-two Million Dollars (\$42,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

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

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

(10) On or before August 15, 1994, and each succeeding month thereafter through August 15, 1995, from the revenue collected



under this chapter during the preceding month, Two Million Dollars (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(11) Notwithstanding any other provision of this section to the contrary, on or before February 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-17(2) and the corresponding levy in Section 27-65-23 on the rental or lease of private carriers of passengers and light carriers of property as defined in Section 27-51-101 shall be deposited, without diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

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

(13) On or before July 15, 1994, and on or before the fifteenth day of each succeeding month thereafter, that portion of the avails of the tax imposed in Section 27-65-22 that is derived from activities held on the Mississippi State Fairgrounds Complex



shall be paid into a special fund that is created in the State Treasury and shall be expended upon legislative appropriation solely to defray the costs of repairs and renovation at the Trade Mart and Coliseum.

(14) On or before August 15, 1998, and each succeeding month thereafter through July 15, 2005, that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be deposited in an amount not to exceed Two Million Dollars (\$2,000,000.00) into the special fund created under Section 69-37-39. On or before August 15, 2007, and each succeeding month thereafter through July 15, 2010, that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be deposited in an amount not to exceed Two Million Dollars (\$2,000,000.00) into the special fund created under Section 69-37-39 until all debts or other obligations incurred by the Certified Cotton Growers Organization under the Mississippi Boll Weevil Management Act before January 1, 2007, are satisfied in full. On or before August 15, 2010, and each succeeding month thereafter through July 15, 2011, fifty percent (50%) of that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be



592 deposited into the special fund created under Section 69-37-39
593 until such time that the total amount deposited into the fund
594 during a fiscal year equals One Million Dollars (\$1,000,000.00).
595 On or before August 15, 2011, and each succeeding month
596 thereafter, that portion of the avails of the tax imposed in
597 Section 27-65-23 that is derived from sales by cotton compresses
598 or cotton warehouses and that would otherwise be paid into the
599 General Fund shall be deposited into the special fund created
600 under Section 69-37-39 until such time that the total amount
601 deposited into the fund during a fiscal year equals One Million
602 Dollars (\$1,000,000.00).

603 (15) Notwithstanding any other provision of this section to
604 the contrary, on or before September 15, 2000, and each succeeding
605 month thereafter, the sales tax revenue collected during the
606 preceding month under the provisions of Section
607 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
608 without diversion, into the Telecommunications Ad Valorem Tax
609 Reduction Fund established in Section 27-38-7.

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



617 (b) On or before August 15, 2007, and each succeeding
618 month thereafter, eighty percent (80%) of the sales tax revenue
619 collected during the preceding month under the provisions of this
620 chapter from the operation of a tourism project under the
621 provisions of Sections 57-26-1 through 57-26-5, shall be
622 deposited, after the diversions required in subsections (7) and
623 (8) of this section, into the Tourism Project Sales Tax Incentive
624 Fund created in Section 57-26-3.

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

632 (18) [Repealed]

633 (19) (a) On or before August 15, 2005, and each succeeding
634 month thereafter, the sales tax revenue collected during the
635 preceding month under the provisions of this chapter on the gross
636 proceeds of sales of a business enterprise located within a
637 redevelopment project area under the provisions of Sections
638 57-91-1 through 57-91-11, and the revenue collected on the gross
639 proceeds of sales from sales made to a business enterprise located
640 in a redevelopment project area under the provisions of Sections
641 57-91-1 through 57-91-11 (provided that such sales made to a



642 business enterprise are made on the premises of the business
643 enterprise), shall, except as otherwise provided in this
644 subsection (19), be deposited, after all diversions, into the
645 Redevelopment Project Incentive Fund as created in Section
646 57-91-9.

647 (b) For a municipality participating in the Economic
648 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
649 the diversion provided for in subsection (1) of this section
650 attributable to the gross proceeds of sales of a business
651 enterprise located within a redevelopment project area under the
652 provisions of Sections 57-91-1 through 57-91-11, and attributable
653 to the gross proceeds of sales from sales made to a business
654 enterprise located in a redevelopment project area under the
655 provisions of Sections 57-91-1 through 57-91-11 (provided that
656 such sales made to a business enterprise are made on the premises
657 of the business enterprise), shall be deposited into the
658 Redevelopment Project Incentive Fund as created in Section
659 57-91-9, as follows:

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

664 (ii) For the seventh year in which such payments
665 are made to a developer from the Redevelopment Project Incentive



666 Fund, eighty percent (80%) of the diversion shall be deposited
667 into the fund;

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

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

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

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

687 (21) (a) On or before April 15, 2007, and each succeeding
688 month thereafter through June 15, 2013, One Hundred Fifty Thousand
689 Dollars (\$150,000.00) of the sales tax revenue collected during
690 the preceding month under the provisions of this chapter shall be



691 deposited into the MMEIA Tax Incentive Fund created in Section
692 57-101-3.

693 (b) On or before July 15, 2013, and each succeeding
694 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
695 of the sales tax revenue collected during the preceding month
696 under the provisions of this chapter shall be deposited into the
697 Mississippi Development Authority Job Training Grant Fund created
698 in Section 57-1-451.

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

705 (23) (a) On or before August 15, 2019, and each month
706 thereafter through July 15, 2020, one percent (1%) of the total
707 sales tax revenue collected during the preceding month from
708 restaurants and hotels shall be allocated for distribution to the
709 Mississippi Development Authority Tourism Advertising Fund
710 established under Section 57-1-64, to be used exclusively for the
711 purpose stated therein. On or before August 15, 2020, and each
712 month thereafter through July 15, 2021, two percent (2%) of the
713 total sales tax revenue collected during the preceding month from
714 restaurants and hotels shall be allocated for distribution to the
715 Mississippi Development Authority Tourism Advertising Fund



established under Section 57-1-64, to be used exclusively for the purpose stated therein. On or before August 15, 2021, and each month thereafter, three percent (3%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. The revenue diverted pursuant to this subsection shall not be available for expenditure until February 1, 2020.

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

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



total sales tax revenue collected during the preceding month under the provisions of this chapter from businesses with the North American Industry Classification System Code of 451110 shall be deposited into the Mississippi Outdoor Stewardship Trust Fund created in Section 2 of this act. On or before August 15, 2023, and each succeeding month thereafter, One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) of the total sales tax revenue collected during the preceding month under the provisions of this chapter from businesses with the North American Industry Classification System Code of 451110 shall be deposited into the Mississippi Outdoor Stewardship Trust Fund created in Section 2 of this act.

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

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

(b) (i) Except as otherwise provided in subparagraph (ii) of this paragraph, if any funds have been erroneously



disbursed to any municipality or any overpayment of tax is recovered by the taxpayer, the commissioner may make correction and adjust the error or overpayment with the municipality by withholding the necessary funds from any later payment to be made to the municipality.

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

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

