

House Amendments to Senate Bill No. 2971

TO THE SECRETARY OF THE SENATE:

THIS IS TO INFORM YOU THAT THE HOUSE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

148 **SECTION 1.** (1) As used in this section, the following words
149 shall have the meanings ascribed herein unless the context clearly
150 requires otherwise:

151 (a) "Accreted value" of any bond means, as of any date
152 of computation, an amount equal to the sum of (i) the stated
153 initial value of such bond, plus (ii) the interest accrued thereon
154 from the issue date to the date of computation at the rate,
155 compounded semiannually, that is necessary to produce the
156 approximate yield to maturity shown for bonds of the same
157 maturity.

158 (b) "State" means the State of Mississippi.

159 (c) "Commission" means the State Bond Commission.

160 (2) (a) (i) A special fund, to be designated as the "2021
161 IHL Capital Improvements Fund," is created within the State
162 Treasury. The fund shall be maintained by the State Treasurer as
163 a separate and special fund, separate and apart from the General
164 Fund of the state. Unexpended amounts remaining in the fund at

165 the end of a fiscal year shall not lapse into the State General
166 Fund, and any interest earned or investment earnings on amounts in
167 the fund shall be deposited into such fund.

168 (ii) Monies deposited into the fund shall be
169 disbursed, in the discretion of the Department of Finance and
170 Administration, with the approval of the Board of Trustees of
171 State Institutions of Higher Learning on those projects related to
172 the universities under its management and control to pay the costs
173 of capital improvements, renovation and/or repair of existing
174 facilities, furnishings and/or equipping facilities for public
175 facilities as hereinafter described:

		AMOUNT
NAME	PROJECT	ALLOCATED
178	Alcorn State University.....\$	5,675,000.00
179	Phase I of repair and	
180	renovation of and	
181	upgrades and improvements	
182	to campus dormitories.....\$	5,675,000.00
183	Delta State University.....\$	10,800,000.00
184	Renovation and expansion	
185	of and upgrades,	
186	improvements and additions	
187	to the Robert E. Smith	
188	School of Nursing	
189	Building and related	
190	facilities.....\$	7,800,000.00

191 Repair, renovation
 192 and upgrading of
 193 campus buildings
 194 and facilities.....\$ 3,000,000.00
 195 Jackson State University.....\$ 6,500,000.00
 196 Phase III of repair,
 197 renovation and
 198 upgrading of campus
 199 buildings, facilities,
 200 and infrastructure.....\$ 6,000,000.00
 201 Preplanning for
 202 construction, furnishing
 203 and equipping of a new
 204 dining facility and
 205 related facilities.....\$ 500,000.00
 206 Mississippi State University.....\$ 15,000,000.00
 207 Construction, furnishing
 208 and equipping of a new
 209 building and related
 210 facilities to house the
 211 College of Architecture,
 212 Art and Design.....\$ 15,000,000.00
 213 Mississippi State University/Division of
 214 Agriculture, Forestry and Veterinary Medicine....\$ 8,000,000.00
 215 Repair and renovation of
 216 and upgrades and

217	improvements to Dorman Hall		
218	and related facilities.....	\$ 8,000,000.00	
219	Mississippi University for Women.....	\$	2,750,000.00
220	Repair, renovation,		
221	and upgrading of		
222	campus buildings		
223	and facilities.....	\$ 2,750,000.00	
224	Mississippi Valley State University.....	\$	500,000.00
225	Preplanning for repair,		
226	renovation, furnishing		
227	and equipping of the		
228	Charles Lackey		
229	Recreation Center.....	\$ 500,000.00	
230	University of Mississippi.....	\$	12,000,000.00
231	Construction, furnishing		
232	and equipping of a new		
233	mechanical and power		
234	plant building and related		
235	facilities.....	\$ 12,000,000.00	
236	University of Mississippi Medical Center.....	\$	8,000,000.00
237	Repair, renovation,		
238	and upgrading of		
239	campus buildings		
240	and facilities.....	\$ 8,000,000.00	
241	University of Southern Mississippi.....	\$	10,750,000.00
242	Repair and renovation		

243 of Hickman Hall and
 244 related facilities.....\$ 10,000,000.00
 245 Preplanning and
 246 construction, furnishing
 247 and equipping of a new
 248 science research facility...\$ 750,000.00
 249 University of Southern Mississippi/Gulf
 250 Coast Campuses.....\$ 5,800,000.00
 251 Construction, furnishing
 252 and equipping of
 253 Executive Education
 254 and Conference Center
 255 and related facilities
 256 on the Gulf Park
 257 Campus.....\$ 4,800,000.00
 258 Repair, renovation
 259 life safety, and
 260 ADA code upgrades,
 261 furnishing and equipping
 262 of campus buildings
 263 and facilities
 264 at the Gulf Coast
 265 Research Laboratory,
 266 Halstead Campus.....\$ 1,000,000.00
 267 IHL Education and Research Center.....\$ 600,000.00
 268 Repair and replacement of

269 underground mechanical
 270 hot/chilled water
 271 distribution system for
 272 the Mississippi Public
 273 Broadcasting Building and
 274 sewer lines for the
 275 Paul B. Johnson Building....\$ 600,000.00
 276 **TOTAL.....\$ 86,375,000.00**

277 (b) (i) Amounts deposited into such special fund shall
 278 be disbursed to pay the costs of projects described in paragraph
 279 (a) of this subsection. If any monies in such special fund are
 280 not used within four (4) years after the date the proceeds of the
 281 bonds authorized under this section are deposited into the special
 282 fund, then the institution of higher learning for which any unused
 283 monies are allocated under paragraph (a) of this subsection shall
 284 provide an accounting of such unused monies to the commission.
 285 Promptly after the commission has certified, by resolution duly
 286 adopted, that the projects described in paragraph (a) of this
 287 subsection shall have been completed, abandoned, or cannot be
 288 completed in a timely fashion, any amounts remaining in such
 289 special fund shall be applied to pay debt service on the bonds
 290 issued under this section, in accordance with the proceedings
 291 authorizing the issuance of such bonds and as directed by the
 292 commission.

293 (ii) Monies in the special fund may be used to
 294 reimburse reasonable actual and necessary costs incurred by the

295 Department of Finance and Administration, acting through the
296 Bureau of Building, Grounds and Real Property Management, in
297 administering or providing assistance directly related to a
298 project described in paragraph (a) of this subsection. An
299 accounting of actual costs incurred for which reimbursement is
300 sought shall be maintained for each project by the Department of
301 Finance and Administration, Bureau of Building, Grounds and Real
302 Property Management. Reimbursement of reasonable actual and
303 necessary costs for a project shall not exceed two percent (2%) of
304 the proceeds of bonds issued for such project. Monies authorized
305 for a particular project may not be used to reimburse
306 administrative costs for unrelated projects.

307 (c) The Department of Finance and Administration,
308 acting through the Bureau of Building, Grounds and Real Property
309 Management, is expressly authorized and empowered to receive and
310 expend any local or other source funds in connection with the
311 expenditure of funds provided for in this subsection. The
312 expenditure of monies deposited into the special fund shall be
313 under the direction of the Department of Finance and
314 Administration, and such funds shall be paid by the State
315 Treasurer upon warrants issued by such department, which warrants
316 shall be issued upon requisitions signed by the Executive Director
317 of the Department of Finance and Administration, or his designee.

318 (d) Any amounts allocated to an institution of higher
319 learning that are in excess of that needed to complete the
320 projects at such institution of higher learning that are described

321 in paragraph (a) of this subsection may be used for general
322 repairs and renovations at the institution of higher learning.

323 (3) (a) The commission, at one time, or from time to time,
324 may declare by resolution the necessity for issuance of general
325 obligation bonds of the State of Mississippi to provide funds for
326 all costs incurred or to be incurred for the purposes described in
327 subsection (2) of this section. Upon the adoption of a resolution
328 by the Department of Finance and Administration declaring the
329 necessity for the issuance of any part or all of the general
330 obligation bonds authorized by this section, the Department of
331 Finance and Administration shall deliver a certified copy of its
332 resolution or resolutions to the commission. Upon receipt of such
333 resolution, the commission, in its discretion, may act as issuing
334 agent, prescribe the form of the bonds, determine the appropriate
335 method for sale of the bonds, advertise for and accept bids or
336 negotiate the sale of the bonds, issue and sell the bonds so
337 authorized to be sold, and do any and all other things necessary
338 and advisable in connection with the issuance and sale of such
339 bonds. The total amount of bonds issued under this section shall
340 not exceed Eighty-six Million Three Hundred Seventy-five Thousand
341 Dollars (\$86,375,000.00). No bonds shall be issued under this
342 section after July 1, 2025.

343 (b) Any investment earnings on amounts deposited into
344 the special fund created in subsection (2) of this section shall
345 be used to pay debt service on bonds issued under this section, in

346 accordance with the proceedings authorizing issuance of such
347 bonds.

348 (4) The principal of and interest on the bonds authorized
349 under this section shall be payable in the manner provided in this
350 subsection. Such bonds shall bear such date or dates, be in such
351 denomination or denominations, bear interest at such rate or rates
352 (not to exceed the limits set forth in Section 75-17-101,
353 Mississippi Code of 1972), be payable at such place or places
354 within or without the State of Mississippi, shall mature
355 absolutely at such time or times not to exceed twenty-five (25)
356 years from date of issue, be redeemable before maturity at such
357 time or times and upon such terms, with or without premium, shall
358 bear such registration privileges, and shall be substantially in
359 such form, all as shall be determined by resolution of the
360 commission.

361 (5) The bonds authorized by this section shall be signed by
362 the chairman of the commission, or by his facsimile signature, and
363 the official seal of the commission shall be affixed thereto,
364 attested by the secretary of the commission. The interest
365 coupons, if any, to be attached to such bonds may be executed by
366 the facsimile signatures of such officers. Whenever any such
367 bonds shall have been signed by the officials designated to sign
368 the bonds who were in office at the time of such signing but who
369 may have ceased to be such officers before the sale and delivery
370 of such bonds, or who may not have been in office on the date such
371 bonds may bear, the signatures of such officers upon such bonds

372 and coupons shall nevertheless be valid and sufficient for all
373 purposes and have the same effect as if the person so officially
374 signing such bonds had remained in office until their delivery to
375 the purchaser, or had been in office on the date such bonds may
376 bear. However, notwithstanding anything herein to the contrary,
377 such bonds may be issued as provided in the Registered Bond Act of
378 the State of Mississippi.

379 (6) All bonds and interest coupons issued under the
380 provisions of this section have all the qualities and incidents of
381 negotiable instruments under the provisions of the Uniform
382 Commercial Code, and in exercising the powers granted by this
383 section, the commission shall not be required to and need not
384 comply with the provisions of the Uniform Commercial Code.

385 (7) The commission shall act as issuing agent for the bonds
386 authorized under this section, prescribe the form of the bonds,
387 determine the appropriate method for sale of the bonds, advertise
388 for and accept bids or negotiate the sale of the bonds, issue and
389 sell the bonds, pay all fees and costs incurred in such issuance
390 and sale, and do any and all other things necessary and advisable
391 in connection with the issuance and sale of such bonds. The
392 commission is authorized and empowered to pay the costs that are
393 incident to the sale, issuance and delivery of the bonds
394 authorized under this section from the proceeds derived from the
395 sale of such bonds. The commission may sell such bonds on sealed
396 bids at public sale or may negotiate the sale of the bonds for
397 such price as it may determine to be for the best interest of the

398 State of Mississippi. All interest accruing on such bonds so
399 issued shall be payable semiannually or annually.

400 If such bonds are sold by sealed bids at public sale, notice
401 of the sale shall be published at least one time, not less than
402 ten (10) days before the date of sale, and shall be so published
403 in one or more newspapers published or having a general
404 circulation in the City of Jackson, Mississippi, selected by the
405 commission.

406 The commission, when issuing any bonds under the authority of
407 this section, may provide that bonds, at the option of the State
408 of Mississippi, may be called in for payment and redemption at the
409 call price named therein and accrued interest on such date or
410 dates named therein.

411 (8) The bonds issued under the provisions of this section
412 are general obligations of the State of Mississippi, and for the
413 payment thereof the full faith and credit of the State of
414 Mississippi is irrevocably pledged. If the funds appropriated by
415 the Legislature are insufficient to pay the principal of and the
416 interest on such bonds as they become due, then the deficiency
417 shall be paid by the State Treasurer from any funds in the State
418 Treasury not otherwise appropriated. All such bonds shall contain
419 recitals on their faces substantially covering the provisions of
420 this subsection.

421 (9) Upon the issuance and sale of bonds under the provisions
422 of this section, the commission shall transfer the proceeds of any
423 such sale or sales to the special funds created in subsection (2)

424 of this section. The proceeds of such bonds shall be disbursed
425 solely upon the order of the Department of Finance and
426 Administration under such restrictions, if any, as may be
427 contained in the resolution providing for the issuance of the
428 bonds.

429 (10) The bonds authorized under this section may be issued
430 without any other proceedings or the happening of any other
431 conditions or things other than those proceedings, conditions and
432 things which are specified or required by this section. Any
433 resolution providing for the issuance of bonds under the
434 provisions of this section shall become effective immediately upon
435 its adoption by the commission, and any such resolution may be
436 adopted at any regular or special meeting of the commission by a
437 majority of its members.

438 (11) The bonds authorized under the authority of this
439 section may be validated in the Chancery Court of the First
440 Judicial District of Hinds County, Mississippi, in the manner and
441 with the force and effect provided by Title 31, Chapter 13,
442 Mississippi Code of 1972, for the validation of county, municipal,
443 school district and other bonds. The notice to taxpayers required
444 by such statutes shall be published in a newspaper published or
445 having a general circulation in the City of Jackson, Mississippi.

446 (12) Any holder of bonds issued under the provisions of this
447 section or of any of the interest coupons pertaining thereto may,
448 either at law or in equity, by suit, action, mandamus or other
449 proceeding, protect and enforce any and all rights granted under

450 this section, or under such resolution, and may enforce and compel
451 performance of all duties required by this section to be
452 performed, in order to provide for the payment of bonds and
453 interest thereon.

454 (13) All bonds issued under the provisions of this section
455 shall be legal investments for trustees and other fiduciaries, and
456 for savings banks, trust companies and insurance companies
457 organized under the laws of the State of Mississippi, and such
458 bonds shall be legal securities which may be deposited with and
459 shall be received by all public officers and bodies of this state
460 and all municipalities and political subdivisions for the purpose
461 of securing the deposit of public funds.

462 (14) Bonds issued under the provisions of this section and
463 income therefrom shall be exempt from all taxation in the State of
464 Mississippi.

465 (15) The proceeds of the bonds issued under this section
466 shall be used solely for the purposes herein provided, including
467 the costs incident to the issuance and sale of such bonds.

468 (16) The State Treasurer is authorized, without further
469 process of law, to certify to the Department of Finance and
470 Administration the necessity for warrants, and the Department of
471 Finance and Administration is authorized and directed to issue
472 such warrants, in such amounts as may be necessary to pay when due
473 the principal of, premium, if any, and interest on, or the
474 accreted value of, all bonds issued under this section; and the
475 State Treasurer shall forward the necessary amount to the

476 designated place or places of payment of such bonds in ample time
477 to discharge such bonds, or the interest thereon, on the due dates
478 thereof.

479 (17) This section shall be deemed to be full and complete
480 authority for the exercise of the powers herein granted, but this
481 section shall not be deemed to repeal or to be in derogation of
482 any existing law of this state.

483 **SECTION 2.** (1) As used in this section, the following words
484 shall have the meanings ascribed herein unless the context clearly
485 requires otherwise:

486 (a) "Accreted value" of any bond means, as of any date
487 of computation, an amount equal to the sum of (i) the stated
488 initial value of such bond, plus (ii) the interest accrued thereon
489 from the issue date to the date of computation at the rate,
490 compounded semiannually, that is necessary to produce the
491 approximate yield to maturity shown for bonds of the same
492 maturity.

493 (b) "State" means the State of Mississippi.

494 (c) "Commission" means the State Bond Commission.

495 (2) (a) (i) A special fund, to be designated as the "2021
496 Community and Junior Colleges Capital Improvements Fund," is
497 created within the State Treasury. The fund shall be maintained
498 by the State Treasurer as a separate and special fund, separate
499 and apart from the General Fund of the state. Unexpended amounts
500 remaining in the fund at the end of a fiscal year shall not lapse
501 into the State General Fund, and any interest earned or investment

502 earnings on amounts in the fund shall be deposited to the credit
503 of the fund. Monies in the fund may not be used or expended for
504 any purpose except as authorized under this act.

505 (ii) Monies deposited into the fund shall be
506 disbursed, in the discretion of the Department of Finance and
507 Administration, to pay the costs of acquisition of real property,
508 construction of new facilities, equipping and furnishing
509 facilities, including furniture and technology equipment and
510 infrastructure, and addition to or renovation of existing
511 facilities for community and junior college campuses as
512 recommended by the Mississippi Community College Board. The
513 amount to be expended at each community and junior college is as
514 follows:

515	Coahoma.....	\$ 1,601,497.00
516	Copiah-Lincoln.....	1,914,389.00
517	East Central.....	1,788,372.00
518	East Mississippi.....	2,070,016.00
519	Hinds.....	3,858,858.00
520	Holmes.....	2,670,171.00
521	Itawamba.....	2,436,346.00
522	Jones.....	2,354,904.00
523	Meridian.....	1,932,245.00
524	Mississippi Delta.....	1,801,892.00
525	Mississippi Gulf Coast.....	3,410,539.00
526	Northeast Mississippi.....	2,052,257.00
527	Northwest Mississippi.....	2,937,492.00

528 Pearl River..... 2,456,481.00
529 Southwest Mississippi..... 1,714,541.00
530 **GRAND TOTAL..... \$35,000,000.00**

531 (b) Amounts deposited into such special fund shall be
532 disbursed to pay the costs of projects described in paragraph (a)
533 of this subsection. If any monies in such special fund are not
534 used within four (4) years after the date the proceeds of the
535 bonds authorized under this section are deposited into the special
536 fund, then the community college or junior college for which any
537 such monies are allocated under paragraph (a) of this subsection
538 shall provide an accounting of such unused monies to the
539 commission. Promptly after the commission has certified, by
540 resolution duly adopted, that the projects described in paragraph
541 (a) of this section shall have been completed, abandoned, or
542 cannot be completed in a timely fashion, any amounts remaining in
543 such special fund shall be applied to pay debt service on the
544 bonds issued under this section, in accordance with the
545 proceedings authorizing the issuance of such bonds and as directed
546 by the commission.

547 (c) The Department of Finance and Administration,
548 acting through the Bureau of Building, Grounds and Real Property
549 Management, is expressly authorized and empowered to receive and
550 expend any local or other source funds in connection with the
551 expenditure of funds provided for in this section. The
552 expenditure of monies deposited into the special fund shall be
553 under the direction of the Department of Finance and

554 Administration, and such funds shall be paid by the State
555 Treasurer upon warrants issued by such department, which warrants
556 shall be issued upon requisitions signed by the Executive Director
557 of the Department of Finance and Administration, or his designee.

558 (3) (a) The commission, at one time, or from time to time,
559 may declare by resolution the necessity for issuance of general
560 obligation bonds of the State of Mississippi to provide funds for
561 all costs incurred or to be incurred for the purposes described in
562 subsection (2) of this section. Upon the adoption of a resolution
563 by the Department of Finance and Administration declaring the
564 necessity for the issuance of any part or all of the general
565 obligation bonds authorized by this section, the Department of
566 Finance and Administration shall deliver a certified copy of its
567 resolution or resolutions to the commission. Upon receipt of such
568 resolution, the commission, in its discretion, may act as issuing
569 agent, prescribe the form of the bonds, determine the appropriate
570 method for sale of the bonds, advertise for and accept bids or
571 negotiate the sale of the bonds, issue and sell the bonds so
572 authorized to be sold, and do any and all other things necessary
573 and advisable in connection with the issuance and sale of such
574 bonds. The total amount of bonds issued under this section shall
575 not exceed Thirty-five Million Dollars (\$35,000,000.00). No bonds
576 shall be issued under this section after July 1, 2025.

577 (b) Any investment earnings on amounts deposited into
578 the special funds created in subsection (2) of this section shall
579 be used to pay debt service on bonds issued under this section, in

580 accordance with the proceedings authorizing issuance of such
581 bonds.

582 (4) The principal of and interest on the bonds authorized
583 under this section shall be payable in the manner provided in this
584 subsection. Such bonds shall bear such date or dates, be in such
585 denomination or denominations, bear interest at such rate or rates
586 (not to exceed the limits set forth in Section 75-17-101,
587 Mississippi Code of 1972), be payable at such place or places
588 within or without the State of Mississippi, shall mature
589 absolutely at such time or times not to exceed twenty-five (25)
590 years from date of issue, be redeemable before maturity at such
591 time or times and upon such terms, with or without premium, shall
592 bear such registration privileges, and shall be substantially in
593 such form, all as shall be determined by resolution of the
594 commission.

595 (5) The bonds authorized by this section shall be signed by
596 the chairman of the commission, or by his facsimile signature, and
597 the official seal of the commission shall be affixed thereto,
598 attested by the secretary of the commission. The interest
599 coupons, if any, to be attached to such bonds may be executed by
600 the facsimile signatures of such officers. Whenever any such
601 bonds shall have been signed by the officials designated to sign
602 the bonds who were in office at the time of such signing but who
603 may have ceased to be such officers before the sale and delivery
604 of such bonds, or who may not have been in office on the date such
605 bonds may bear, the signatures of such officers upon such bonds

606 and coupons shall nevertheless be valid and sufficient for all
607 purposes and have the same effect as if the person so officially
608 signing such bonds had remained in office until their delivery to
609 the purchaser, or had been in office on the date such bonds may
610 bear. However, notwithstanding anything herein to the contrary,
611 such bonds may be issued as provided in the Registered Bond Act of
612 the State of Mississippi.

613 (6) All bonds and interest coupons issued under the
614 provisions of this section have all the qualities and incidents of
615 negotiable instruments under the provisions of the Uniform
616 Commercial Code, and in exercising the powers granted by this
617 section, the commission shall not be required to and need not
618 comply with the provisions of the Uniform Commercial Code.

619 (7) The commission shall act as issuing agent for the bonds
620 authorized under this section, prescribe the form of the bonds,
621 determine the appropriate method for sale of the bonds, advertise
622 for and accept bids or negotiate the sale of the bonds, issue and
623 sell the bonds, pay all fees and costs incurred in such issuance
624 and sale, and do any and all other things necessary and advisable
625 in connection with the issuance and sale of such bonds. The
626 commission is authorized and empowered to pay the costs that are
627 incident to the sale, issuance and delivery of the bonds
628 authorized under this section from the proceeds derived from the
629 sale of such bonds. The commission may sell such bonds on sealed
630 bids at public sale or may negotiate the sale of the bonds for
631 such price as it may determine to be for the best interest of the

632 State of Mississippi. All interest accruing on such bonds so
633 issued shall be payable semiannually or annually.

634 If such bonds are sold by sealed bids at public sale, notice
635 of the sale shall be published at least one time, not less than
636 ten (10) days before the date of sale, and shall be so published
637 in one or more newspapers published or having a general
638 circulation in the City of Jackson, Mississippi, selected by the
639 commission.

640 The commission, when issuing any bonds under the authority of
641 this section, may provide that bonds, at the option of the State
642 of Mississippi, may be called in for payment and redemption at the
643 call price named therein and accrued interest on such date or
644 dates named therein.

645 (8) The bonds issued under the provisions of this section
646 are general obligations of the State of Mississippi, and for the
647 payment thereof the full faith and credit of the State of
648 Mississippi is irrevocably pledged. If the funds appropriated by
649 the Legislature are insufficient to pay the principal of and the
650 interest on such bonds as they become due, then the deficiency
651 shall be paid by the State Treasurer from any funds in the State
652 Treasury not otherwise appropriated. All such bonds shall contain
653 recitals on their faces substantially covering the provisions of
654 this subsection.

655 (9) Upon the issuance and sale of bonds under the provisions
656 of this section, the commission shall transfer the proceeds of any
657 such sale or sales to the special fund created in subsection (2)

658 of this section. The proceeds of such bonds shall be disbursed
659 solely upon the order of the Department of Finance and
660 Administration under such restrictions, if any, as may be
661 contained in the resolution providing for the issuance of the
662 bonds.

663 (10) The bonds authorized under this section may be issued
664 without any other proceedings or the happening of any other
665 conditions or things other than those proceedings, conditions and
666 things which are specified or required by this section. Any
667 resolution providing for the issuance of bonds under the
668 provisions of this section shall become effective immediately upon
669 its adoption by the commission, and any such resolution may be
670 adopted at any regular or special meeting of the commission by a
671 majority of its members.

672 (11) The bonds authorized under the authority of this
673 section may be validated in the Chancery Court of the First
674 Judicial District of Hinds County, Mississippi, in the manner and
675 with the force and effect provided by Chapter 13, Title 31,
676 Mississippi Code of 1972, for the validation of county, municipal,
677 school district and other bonds. The notice to taxpayers required
678 by such statutes shall be published in a newspaper published or
679 having a general circulation in the City of Jackson, Mississippi.

680 (12) Any holder of bonds issued under the provisions of this
681 section or of any of the interest coupons pertaining thereto may,
682 either at law or in equity, by suit, action, mandamus or other
683 proceeding, protect and enforce any and all rights granted under

684 this section, or under such resolution, and may enforce and compel
685 performance of all duties required by this section to be
686 performed, in order to provide for the payment of bonds and
687 interest thereon.

688 (13) All bonds issued under the provisions of this section
689 shall be legal investments for trustees and other fiduciaries, and
690 for savings banks, trust companies and insurance companies
691 organized under the laws of the State of Mississippi, and such
692 bonds shall be legal securities which may be deposited with and
693 shall be received by all public officers and bodies of this state
694 and all municipalities and political subdivisions for the purpose
695 of securing the deposit of public funds.

696 (14) Bonds issued under the provisions of this section and
697 income therefrom shall be exempt from all taxation in the State of
698 Mississippi.

699 (15) The proceeds of the bonds issued under this section
700 shall be used solely for the purposes herein provided, including
701 the costs incident to the issuance and sale of such bonds.

702 (16) The State Treasurer is authorized, without further
703 process of law, to certify to the Department of Finance and
704 Administration the necessity for warrants, and the Department of
705 Finance and Administration is authorized and directed to issue
706 such warrants, in such amounts as may be necessary to pay when due
707 the principal of, premium, if any, and interest on, or the
708 accreted value of, all bonds issued under this section; and the
709 State Treasurer shall forward the necessary amount to the

710 designated place or places of payment of such bonds in ample time
711 to discharge such bonds, or the interest thereon, on the due dates
712 thereof.

713 (17) This section shall be deemed to be full and complete
714 authority for the exercise of the powers herein granted, but this
715 section shall not be deemed to repeal or to be in derogation of
716 any existing law of this state.

717 **SECTION 3.** (1) As used in this section, the following words
718 shall have the meanings ascribed herein unless the context clearly
719 requires otherwise:

720 (a) "Accreted value" of any bond means, as of any date
721 of computation, an amount equal to the sum of (i) the stated
722 initial value of such bond, plus (ii) the interest accrued thereon
723 from the issue date to the date of computation at the rate,
724 compounded semiannually, that is necessary to produce the
725 approximate yield to maturity shown for bonds of the same
726 maturity.

727 (b) "State" means the State of Mississippi.

728 (c) "Commission" means the State Bond Commission.

729 (2) (a) The Mississippi Development Authority, at one time,
730 or from time to time, may declare by resolution the necessity for
731 issuance of general obligation bonds of the State of Mississippi
732 to provide funds for the program authorized in Section 57-1-701.
733 Upon the adoption of a resolution by the Mississippi Development
734 Authority declaring the necessity for the issuance of any part or
735 all of the general obligation bonds authorized by this subsection,

736 the Mississippi Development Authority shall deliver a certified
737 copy of its resolution or resolutions to the commission. Upon
738 receipt of such resolution, the commission, in its discretion, may
739 act as the issuing agent, prescribe the form of the bonds,
740 determine the appropriate method for sale of the bonds, advertise
741 for and accept bids or negotiate the sale of the bonds, issue and
742 sell the bonds so authorized to be sold, and do any and all other
743 things necessary and advisable in connection with the issuance and
744 sale of such bonds. The total amount of bonds issued under this
745 section shall not exceed Ten Million Dollars (\$10,000,000.00). No
746 bonds authorized under this section shall be issued after July 1,
747 2025.

748 (b) The proceeds of bonds issued pursuant to this
749 section shall be deposited into the Mississippi Site Development
750 Grant Fund created pursuant to Section 57-1-701. Any investment
751 earnings on bonds issued pursuant to this section shall be used to
752 pay debt service on bonds issued under this section, in accordance
753 with the proceedings authorizing issuance of such bonds.

754 (3) The principal of and interest on the bonds authorized
755 under this section shall be payable in the manner provided in this
756 subsection. Such bonds shall bear such date or dates, be in such
757 denomination or denominations, bear interest at such rate or rates
758 (not to exceed the limits set forth in Section 75-17-101,
759 Mississippi Code of 1972), be payable at such place or places
760 within or without the State of Mississippi, shall mature
761 absolutely at such time or times not to exceed twenty-five (25)

762 years from date of issue, be redeemable before maturity at such
763 time or times and upon such terms, with or without premium, shall
764 bear such registration privileges, and shall be substantially in
765 such form, all as shall be determined by resolution of the
766 commission.

767 (4) The bonds authorized by this section shall be signed by
768 the chairman of the commission, or by his facsimile signature, and
769 the official seal of the commission shall be affixed thereto,
770 attested by the secretary of the commission. The interest
771 coupons, if any, to be attached to such bonds may be executed by
772 the facsimile signatures of such officers. Whenever any such
773 bonds shall have been signed by the officials designated to sign
774 the bonds who were in office at the time of such signing but who
775 may have ceased to be such officers before the sale and delivery
776 of such bonds, or who may not have been in office on the date such
777 bonds may bear, the signatures of such officers upon such bonds
778 and coupons shall nevertheless be valid and sufficient for all
779 purposes and have the same effect as if the person so officially
780 signing such bonds had remained in office until their delivery to
781 the purchaser, or had been in office on the date such bonds may
782 bear. However, notwithstanding anything herein to the contrary,
783 such bonds may be issued as provided in the Registered Bond Act of
784 the State of Mississippi.

785 (5) All bonds and interest coupons issued under the
786 provisions of this section have all the qualities and incidents of
787 negotiable instruments under the provisions of the Uniform

788 Commercial Code, and in exercising the powers granted by this
789 section, the commission shall not be required to and need not
790 comply with the provisions of the Uniform Commercial Code.

791 (6) The commission shall act as the issuing agent for the
792 bonds authorized under this section, prescribe the form of the
793 bonds, determine the appropriate method for sale of the bonds,
794 advertise for and accept bids or negotiate the sale of the bonds,
795 issue and sell the bonds so authorized to be sold, pay all fees
796 and costs incurred in such issuance and sale, and do any and all
797 other things necessary and advisable in connection with the
798 issuance and sale of such bonds. The commission is authorized and
799 empowered to pay the costs that are incident to the sale, issuance
800 and delivery of the bonds authorized under this section from the
801 proceeds derived from the sale of such bonds. The commission
802 shall sell such bonds on sealed bids at public sale or may
803 negotiate the sale of the bonds for such price as it may determine
804 to be for the best interest of the State of Mississippi. All
805 interest accruing on such bonds so issued shall be payable
806 semiannually or annually.

807 If the bonds are to be sold on sealed bids at public sale,
808 notice of the sale of any such bonds shall be published at least
809 one time, not less than ten (10) days before the date of sale, and
810 shall be so published in one or more newspapers published or
811 having a general circulation in the City of Jackson, Mississippi,
812 selected by the commission.

813 The commission, when issuing any bonds under the authority of
814 this section, may provide that bonds, at the option of the State
815 of Mississippi, may be called in for payment and redemption at the
816 call price named therein and accrued interest on such date or
817 dates named therein.

818 (7) The bonds issued under the provisions of this section
819 are general obligations of the State of Mississippi, and for the
820 payment thereof the full faith and credit of the State of
821 Mississippi is irrevocably pledged. If the funds appropriated by
822 the Legislature are insufficient to pay the principal of and the
823 interest on such bonds as they become due, then the deficiency
824 shall be paid by the State Treasurer from any funds in the State
825 Treasury not otherwise appropriated. All such bonds shall contain
826 recitals on their faces substantially covering the provisions of
827 this subsection.

828 (8) Upon the issuance and sale of bonds under the provisions
829 of this section, the commission shall transfer the proceeds of any
830 such sale or sales to the Mississippi Site Development Grant Fund
831 created in Section 57-1-701. The proceeds of such bonds shall be
832 disbursed solely upon the order of the Mississippi Development
833 Authority under such restrictions, if any, as may be contained in
834 the resolution providing for the issuance of the bonds.

835 (9) The bonds authorized under this section may be issued
836 without any other proceedings or the happening of any other
837 conditions or things other than those proceedings, conditions and
838 things which are specified or required by this section. Any

839 resolution providing for the issuance of bonds under the
840 provisions of this section shall become effective immediately upon
841 its adoption by the commission, and any such resolution may be
842 adopted at any regular or special meeting of the commission by a
843 majority of its members.

844 (10) The bonds authorized under the authority of this
845 section may be validated in the Chancery Court of the First
846 Judicial District of Hinds County, Mississippi, in the manner and
847 with the force and effect provided by Title 31, Chapter 13,
848 Mississippi Code of 1972, for the validation of county, municipal,
849 school district and other bonds. The notice to taxpayers required
850 by such statutes shall be published in a newspaper published or
851 having a general circulation in the City of Jackson, Mississippi.

852 (11) Any holder of bonds issued under the provisions of this
853 section or of any of the interest coupons pertaining thereto may,
854 either at law or in equity, by suit, action, mandamus or other
855 proceeding, protect and enforce any and all rights granted under
856 this section, or under such resolution, and may enforce and compel
857 performance of all duties required by this section to be
858 performed, in order to provide for the payment of bonds and
859 interest thereon.

860 (12) All bonds issued under the provisions of this section
861 shall be legal investments for trustees and other fiduciaries, and
862 for savings banks, trust companies and insurance companies
863 organized under the laws of the State of Mississippi, and such
864 bonds shall be legal securities which may be deposited with and

865 shall be received by all public officers and bodies of this state
866 and all municipalities and political subdivisions for the purpose
867 of securing the deposit of public funds.

868 (13) Bonds issued under the provisions of this section and
869 income therefrom shall be exempt from all taxation in the State of
870 Mississippi.

871 (14) The proceeds of the bonds issued under this section
872 shall be used solely for the purposes therein provided, including
873 the costs incident to the issuance and sale of such bonds.

874 (15) The State Treasurer is authorized, without further
875 process of law, to certify to the Department of Finance and
876 Administration the necessity for warrants, and the Department of
877 Finance and Administration is authorized and directed to issue
878 such warrants, in such amounts as may be necessary to pay when due
879 the principal of, premium, if any, and interest on, or the
880 accreted value of, all bonds issued under this section; and the
881 State Treasurer shall forward the necessary amount to the
882 designated place or places of payment of such bonds in ample time
883 to discharge such bonds, or the interest thereon, on the due dates
884 thereof.

885 (16) This section shall be deemed to be full and complete
886 authority for the exercise of the powers therein granted, but this
887 section shall not be deemed to repeal or to be in derogation of
888 any existing law of this state.

889 **SECTION 4.** Section 57-1-701, Mississippi Code of 1972, is
890 amended as follows:

891 57-1-701. (1) For the purposes of this section, the
892 following words and phrases shall have the meanings ascribed in
893 this subsection unless the context clearly indicates otherwise:

894 (a) "Eligible entity" means any (i) county, (ii)
895 municipality or (iii) public or private nonprofit local economic
896 development entity including, but not limited to, local
897 authorities, commissions, or other entities created by local and
898 private legislation or pursuant to Section 19-5-99.

899 (b) "Eligible expenditures" means:

900 (i) Fees for architects, engineers, environmental
901 consultants, attorneys, and such other advisors, consultants and
902 agents that MDA determines are necessary to complete site due
903 diligence associated with site development improvements located on
904 industrial property that is publicly owned; and/or

905 (ii) Contributions toward site development
906 improvements, as approved by MDA, located on industrial property
907 that is publicly owned.

908 (c) "MDA" means the Mississippi Development Authority.

909 (d) "Site development improvements" means site
910 clearing, grading, and environmental mitigation; improvements to
911 drainage systems; easement and right-of-way acquisition; sewer
912 systems; transportation directly affecting the site, including
913 roads, bridges or rail; bulkheads; land reclamation; water supply
914 (storage, treatment and distribution); aesthetic improvements; the
915 dredging of channels and basins; or other improvements as approved
916 by MDA.

917 (2) (a) There is hereby created in the State Treasury a
918 special fund to be designated as the "Mississippi Site Development
919 Grant Fund," which shall consist of funds made available by the
920 Legislature in any manner and funds from any other source
921 designated for deposit into such fund. Unexpended amounts
922 remaining in the fund at the end of a fiscal year shall not lapse
923 into the State General Fund, and any investment earnings or
924 interest earned on amounts in the fund shall be deposited to the
925 credit of the fund. Monies in the fund shall be used to make
926 grants to assist eligible entities as provided in this section.

927 (b) Monies in the fund which are derived from proceeds
928 of bonds issued under Section 2 of Chapter 390, Laws of 2017,
929 Section 5 of Chapter 412, Laws of 2018, Section 1 of Chapter 421,
930 Laws of 2019, * * * Section 4 of Chapter 492, Laws of 2020, or
931 Section 1 of this act, may be used to reimburse reasonable actual
932 and necessary costs incurred by MDA for the administration of the
933 various grant, loan and financial incentive programs administered
934 by MDA. An accounting of actual costs incurred for which
935 reimbursement is sought shall be maintained by MDA. Reimbursement
936 of reasonable actual and necessary costs shall not exceed three
937 percent (3%) of the proceeds of bonds issued. Reimbursements
938 under this subsection shall satisfy any applicable federal tax law
939 requirements.

940 (3) (a) MDA shall establish a program to make grants to
941 eligible entities to match local or other funds associated with
942 improving the marketability of publicly owned industrial property

943 for industrial economic development purposes and other property
944 improvements as approved by MDA. An eligible entity may apply to
945 MDA for a grant under this program in the manner provided for in
946 this section. An eligible entity desiring assistance under this
947 section must provide matching funds in an amount determined by
948 MDA. Matching funds may be provided in the form of cash and/or
949 in-kind services as determined by MDA.

950 (b) An eligible entity desiring assistance under this
951 section must submit an application to MDA. The application must
952 include:

953 (i) A description of the eligible expenditures for
954 which assistance is requested;

955 (ii) The amount of assistance requested;

956 (iii) The amount and type of matching funds to be
957 provided by the eligible entity; and

958 (iv) Any other information required by MDA.

959 (c) Upon request by MDA, an eligible entity shall
960 provide MDA with access to all studies, reports, documents and/or
961 plans developed as a result of or related to an eligible entity
962 receiving assistance under this section.

963 (4) MDA shall have all powers necessary to implement and
964 administer the program established under this section, and the
965 department shall promulgate rules and regulations, in accordance
966 with the Mississippi Administrative Procedures Law, necessary for
967 the implementation of this section.

968 (5) MDA shall file an annual report with the Governor, the
969 Secretary of the Senate and the Clerk of the House of
970 Representatives not later than December 1 of each year, describing
971 all assistance provided under this section.

972 **SECTION 5.** (1) As used in this section, the following words
973 shall have the meanings ascribed herein unless the context clearly
974 requires otherwise:

975 (a) "Accreted value" of any bonds means, as of any date
976 of computation, an amount equal to the sum of (i) the stated
977 initial value of such bond, plus (ii) the interest accrued thereon
978 from the issue date to the date of computation at the rate,
979 compounded semiannually, that is necessary to produce the
980 approximate yield to maturity shown for bonds of the same
981 maturity.

982 (b) "State" means the State of Mississippi.

983 (c) "Commission" means the State Bond Commission.

984 (2) (a) The Mississippi Development Authority, at one time,
985 or from time to time, may declare by resolution the necessity for
986 issuance of general obligation bonds of the State of Mississippi
987 to provide funds for the program authorized in Section 57-1-16.
988 Upon the adoption of a resolution by the Mississippi Development
989 Authority declaring the necessity for the issuance of any part or
990 all of the general obligation bonds authorized by this subsection,
991 the Mississippi Development Authority shall deliver a certified
992 copy of its resolution or resolutions to the commission. Upon
993 receipt of such resolution, the commission, in its discretion, may

994 act as the issuing agent, prescribe the form of the bonds,
995 determine the appropriate method for sale of the bonds, advertise
996 for and accept bids or negotiate the sale of the bonds, issue and
997 sell the bonds so authorized to be sold, and do any and all other
998 things necessary and advisable in connection with the issuance and
999 sale of such bonds. The total amount of bonds issued under this
1000 section shall not exceed Twenty Million Dollars (\$20,000,000.00).
1001 No bonds authorized under this section shall be issued after July
1002 1, 2025.

1003 (b) The proceeds of bonds issued pursuant to this
1004 section shall be deposited into the ACE Fund created pursuant to
1005 Section 57-1-16. Any investment earnings on bonds issued pursuant
1006 to this section shall be used to pay debt service on bonds issued
1007 under this section, in accordance with the proceedings authorizing
1008 issuance of such bonds.

1009 (3) The principal of and interest on the bonds authorized
1010 under this section shall be payable in the manner provided in this
1011 subsection. Such bonds shall bear such date or dates, be in such
1012 denomination or denominations, bear interest at such rate or rates
1013 (not to exceed the limits set forth in Section 75-17-101,
1014 Mississippi Code of 1972), be payable at such place or places
1015 within or without the State of Mississippi, shall mature
1016 absolutely at such time or times not to exceed twenty-five (25)
1017 years from date of issue, be redeemable before maturity at such
1018 time or times and upon such terms, with or without premium, shall
1019 bear such registration privileges, and shall be substantially in

1020 such form, all as shall be determined by resolution of the
1021 commission.

1022 (4) The bonds authorized by this section shall be signed by
1023 the chairman of the commission, or by his facsimile signature, and
1024 the official seal of the commission shall be affixed thereto,
1025 attested by the secretary of the commission. The interest
1026 coupons, if any, to be attached to such bonds may be executed by
1027 the facsimile signatures of such officers. Whenever any such
1028 bonds shall have been signed by the officials designated to sign
1029 the bonds who were in office at the time of such signing but who
1030 may have ceased to be such officers before the sale and delivery
1031 of such bonds, or who may not have been in office on the date such
1032 bonds may bear, the signatures of such officers upon such bonds
1033 and coupons shall nevertheless be valid and sufficient for all
1034 purposes and have the same effect as if the person so officially
1035 signing such bonds had remained in office until their delivery to
1036 the purchaser, or had been in office on the date such bonds may
1037 bear. However, notwithstanding anything herein to the contrary,
1038 such bonds may be issued as provided in the Registered Bond Act of
1039 the State of Mississippi.

1040 (5) All bonds and interest coupons issued under the
1041 provisions of this section have all the qualities and incidents of
1042 negotiable instruments under the provisions of the Uniform
1043 Commercial Code, and in exercising the powers granted by this
1044 section, the commission shall not be required to and need not
1045 comply with the provisions of the Uniform Commercial Code.

1046 (6) The commission shall act as the issuing agent for the
1047 bonds authorized under this section, prescribe the form of the
1048 bonds, determine the appropriate method for sale of the bonds,
1049 advertise for and accept bids or negotiate the sale of the bonds,
1050 issue and sell the bonds so authorized to be sold, pay all fees
1051 and costs incurred in such issuance and sale, and do any and all
1052 other things necessary and advisable in connection with the
1053 issuance and sale of such bonds. The commission is authorized and
1054 empowered to pay the costs that are incident to the sale, issuance
1055 and delivery of the bonds authorized under this section from the
1056 proceeds derived from the sale of such bonds. The commission
1057 shall sell such bonds on sealed bids at public sale or may
1058 negotiate the sale of the bonds for such price as it may determine
1059 to be for the best interest of the State of Mississippi. All
1060 interest accruing on such bonds so issued shall be payable
1061 semiannually or annually.

1062 If the bonds are to be sold on sealed bids at public sale,
1063 notice of the sale of any such bonds shall be published at least
1064 one time, not less than ten (10) days before the date of sale, and
1065 shall be so published in one or more newspapers published or
1066 having a general circulation in the City of Jackson, Mississippi,
1067 selected by the commission.

1068 The commission, when issuing any bonds under the authority of
1069 this section, may provide that bonds, at the option of the State
1070 of Mississippi, may be called in for payment and redemption at the

1071 call price named therein and accrued interest on such date or
1072 dates named therein.

1073 (7) The bonds issued under the provisions of this section
1074 are general obligations of the State of Mississippi, and for the
1075 payment thereof the full faith and credit of the State of
1076 Mississippi is irrevocably pledged. If the funds appropriated by
1077 the Legislature are insufficient to pay the principal of and the
1078 interest on such bonds as they become due, then the deficiency
1079 shall be paid by the State Treasurer from any funds in the State
1080 Treasury not otherwise appropriated. All such bonds shall contain
1081 recitals on their faces substantially covering the provisions of
1082 this subsection.

1083 (8) Upon the issuance and sale of bonds under the provisions
1084 of this section, the commission shall transfer the proceeds of any
1085 such sale or sales to the ACE Fund created in Section 57-1-16.
1086 The proceeds of such bonds shall be disbursed solely upon the
1087 order of the Mississippi Development Authority under such
1088 restrictions, if any, as may be contained in the resolution
1089 providing for the issuance of the bonds.

1090 (9) The bonds authorized under this section may be issued
1091 without any other proceedings or the happening of any other
1092 conditions or things other than those proceedings, conditions and
1093 things which are specified or required by this section. Any
1094 resolution providing for the issuance of bonds under the
1095 provisions of this section shall become effective immediately upon
1096 its adoption by the commission, and any such resolution may be

1097 adopted at any regular or special meeting of the commission by a
1098 majority of its members.

1099 (10) The bonds authorized under the authority of this
1100 section may be validated in the Chancery Court of the First
1101 Judicial District of Hinds County, Mississippi, in the manner and
1102 with the force and effect provided by Title 31, Chapter 13,
1103 Mississippi Code of 1972, for the validation of county, municipal,
1104 school district and other bonds. The notice to taxpayers required
1105 by such statutes shall be published in a newspaper published or
1106 having a general circulation in the City of Jackson, Mississippi.

1107 (11) Any holder of bonds issued under the provisions of this
1108 section or of any of the interest coupons pertaining thereto may,
1109 either at law or in equity, by suit, action, mandamus or other
1110 proceeding, protect and enforce any and all rights granted under
1111 this section, or under such resolution, and may enforce and compel
1112 performance of all duties required by this section to be
1113 performed, in order to provide for the payment of bonds and
1114 interest thereon.

1115 (12) All bonds issued under the provisions of this section
1116 shall be legal investments for trustees and other fiduciaries, and
1117 for savings banks, trust companies and insurance companies
1118 organized under the laws of the State of Mississippi, and such
1119 bonds shall be legal securities which may be deposited with and
1120 shall be received by all public officers and bodies of this state
1121 and all municipalities and political subdivisions for the purpose
1122 of securing the deposit of public funds.

1123 (13) Bonds issued under the provisions of this section and
1124 income therefrom shall be exempt from all taxation in the State of
1125 Mississippi.

1126 (14) The proceeds of the bonds issued under this section
1127 shall be used solely for the purposes therein provided, including
1128 the costs incident to the issuance and sale of such bonds.

1129 (15) The State Treasurer is authorized, without further
1130 process of law, to certify to the Department of Finance and
1131 Administration the necessity for warrants, and the Department of
1132 Finance and Administration is authorized and directed to issue
1133 such warrants, in such amounts as may be necessary to pay when due
1134 the principal of, premium, if any, and interest on, or the
1135 accreted value of, all bonds issued under this section; and the
1136 State Treasurer shall forward the necessary amount to the
1137 designated place or places of payment of such bonds in ample time
1138 to discharge such bonds, or the interest thereon, on the due dates
1139 thereof.

1140 (16) This section shall be deemed to be full and complete
1141 authority for the exercise of the powers therein granted, but this
1142 section shall not be deemed to repeal or to be in derogation of
1143 any existing law of this state.

1144 **SECTION 6.** Section 57-61-25, Mississippi Code of 1972, is
1145 amended as follows:

1146 57-61-25. (1) The seller is authorized to borrow, on the
1147 credit of the state upon receipt of a resolution from the
1148 Mississippi Development Authority requesting the same, monies not

1149 exceeding the aggregate sum of * * * Three Hundred Ninety-seven
1150 Million Five Hundred Thousand Dollars (\$397,500,000.00), not
1151 including monies borrowed to refund outstanding bonds, notes or
1152 replacement notes, as may be necessary to carry out the purposes
1153 of this chapter. The rate of interest on any such bonds or notes
1154 which are not subject to taxation shall not exceed the rates set
1155 forth in Section 75-17-101, Mississippi Code of 1972, for general
1156 obligation bonds.

1157 (2) As evidence of indebtedness authorized in this chapter,
1158 general or limited obligation bonds of the state shall be issued,
1159 from time to time, to provide monies necessary to carry out the
1160 purposes of this chapter for such total amounts, in such form, in
1161 such denominations payable in such currencies (either domestic or
1162 foreign, or both) and subject to such terms and conditions of
1163 issue, redemption and maturity, rate of interest and time of
1164 payment of interest as the seller directs, except that such bonds
1165 shall mature or otherwise be retired in annual installments
1166 beginning not more than five (5) years from date thereof and
1167 extending not more than thirty (30) years from date thereof.

1168 (3) All bonds and notes issued under authority of this
1169 chapter shall be signed by the chairman of the seller, or by his
1170 facsimile signature, and the official seal of the seller shall be
1171 affixed thereto, attested by the secretary of the seller.

1172 (4) All bonds and notes issued under authority of this
1173 chapter may be general or limited obligations of the state, and
1174 the full faith and credit of the State of Mississippi as to

1175 general obligation bonds, or the revenues derived from projects
1176 assisted as to limited obligation bonds, are hereby pledged for
1177 the payment of the principal of and interest on such bonds and
1178 notes.

1179 (5) Such bonds and notes and the income therefrom shall be
1180 exempt from all taxation in the State of Mississippi.

1181 (6) The bonds may be issued as coupon bonds or registered as
1182 to both principal and interest, as the seller may determine. If
1183 interest coupons are attached, they shall contain the facsimile
1184 signature of the chairman and secretary of the seller.

1185 (7) The seller is authorized to provide, by resolution, for
1186 the issuance of refunding bonds for the purpose of refunding any
1187 debt issued under the provisions of this chapter and then
1188 outstanding, either by voluntary exchange with the holders of the
1189 outstanding debt or to provide funds to redeem and the costs of
1190 issuance and retirement of the debt, at maturity or at any call
1191 date. The issuance of the refunding bonds, the maturities and
1192 other details thereof, the rights of the holders thereof and the
1193 duties of the issuing officials in respect to the same shall be
1194 governed by the provisions of this section, insofar as they may be
1195 applicable.

1196 (8) As to bonds issued hereunder and designated as taxable
1197 bonds by the seller, any immunity of the state to taxation by the
1198 United States government of interest on bonds or notes issued by
1199 the state is hereby waived.

1200 (9) The proceeds of bonds issued under this chapter after
1201 April 9, 2002, may be used to reimburse reasonable actual and
1202 necessary costs incurred by the Mississippi Development Authority
1203 for the administration of the various grant, loan and financial
1204 incentive programs administered by the authority. An accounting
1205 of actual costs incurred for which reimbursement is sought shall
1206 be maintained by the Mississippi Development Authority.
1207 Reimbursement of reasonable actual and necessary costs shall not
1208 exceed three percent (3%) of the proceeds of bonds issued.
1209 Reimbursements under this subsection shall satisfy any applicable
1210 federal tax law requirements.

1211 **SECTION 7.** Section 57-61-36, Mississippi Code of 1972, is
1212 amended as follows:

1213 57-61-36. (1) Notwithstanding any provision of this chapter
1214 to the contrary, the Mississippi Development Authority shall
1215 utilize not more than Fourteen Million Five Hundred Thousand
1216 Dollars (\$14,500,000.00) out of the proceeds of bonds authorized
1217 to be issued in this chapter for the purpose of making grants to
1218 municipalities through a Development Infrastructure Grant Fund to
1219 complete infrastructure related to new or expanded industry.

1220 (2) [Repealed]

1221 (3) Notwithstanding any provision of this chapter to the
1222 contrary, the Mississippi Development Authority shall utilize the
1223 monies transferred from the Housing Development Revolving Loan
1224 Fund and not more than * * * One Hundred Four Million One Hundred
1225 Thousand Dollars (\$104,100,000.00) out of the proceeds of bonds

1226 authorized to be issued in this chapter for the purpose of making
1227 grants or loans to municipalities through an equipment and public
1228 facilities grant and loan fund to aid in infrastructure-related
1229 improvements as determined by the Mississippi Development
1230 Authority, the purchase of equipment and in the purchase,
1231 construction or repair and renovation of public facilities. Any
1232 bonds previously issued for the Development Infrastructure
1233 Revolving Loan Program which have not been loaned or applied for
1234 are eligible to be administered as grants or loans. In making
1235 grants and loans under this section, the Mississippi Development
1236 Authority shall attempt to provide for an equitable distribution
1237 of such grants and loans among each of the congressional districts
1238 of this state in order to promote economic development across the
1239 entire state.

1240 The requirements of Section 57-61-9 shall not apply to any
1241 grant made under this subsection. The Mississippi Development
1242 Authority may establish criteria and guidelines to govern grants
1243 made pursuant to this subsection.

1244 (4) [Repealed]

1245 (5) (a) The Mississippi Development Authority may establish
1246 a Capital Access Program and may contract with any financial
1247 institution to participate in the program upon such terms and
1248 conditions as the authority shall consider necessary and proper.
1249 The Mississippi Development Authority may establish loss reserve
1250 accounts at financial institutions that participate in the program
1251 and require payments by the financial institution and the borrower

1252 to such loss reserve accounts. All monies in such loss reserve
1253 accounts is the property of the Mississippi Development Authority.

1254 (b) Under the Capital Access Program a participating
1255 financial institution may make a loan to any borrower the
1256 Mississippi Development Authority determines to be qualified under
1257 rules and regulations adopted by the authority and be protected
1258 against losses from such loans as provided in the program. Under
1259 such rules and regulations as may be adopted by the Mississippi
1260 Development Authority, a participating financial institution may
1261 submit claims for the reimbursement for losses incurred as a
1262 result of default on loans by qualified borrowers.

1263 (c) Under the Capital Access Program a participating
1264 financial institution may make a loan that is secured by the
1265 assignment of the proceeds of a contract between the borrower and
1266 a public entity if the Mississippi Development Authority
1267 determines the loan to be qualified under the rules and
1268 regulations adopted by the authority. Under such rules and
1269 regulations as may be adopted by the Mississippi Development
1270 Authority, a participating financial institution may submit an
1271 application to the authority requesting that a loan secured
1272 pursuant to this paragraph be funded under the Capital Access
1273 Program.

1274 (d) Notwithstanding any provision of this chapter to
1275 the contrary, the Mississippi Development Authority may utilize
1276 not more than One Million Five Hundred Fifty Thousand Dollars
1277 (\$1,550,000.00) out of the proceeds of bonds authorized to be

1278 issued in this chapter for the purpose of making payments to loan
1279 loss reserve accounts established at financial institutions that
1280 participate in the Capital Access Program established by the
1281 Mississippi Development Authority; however, any portion of the
1282 bond proceeds authorized to be utilized by this paragraph that are
1283 not utilized for making payments to loss reserve accounts may be
1284 utilized by the Mississippi Development Authority to advance funds
1285 to financial institutions that participate in the Capital Access
1286 Program pursuant to paragraph (c) of this subsection.

1287 (6) Notwithstanding any provision of this chapter to the
1288 contrary, the Mississippi Development Authority shall utilize not
1289 more than Two Hundred Thousand Dollars (\$200,000.00) out of the
1290 proceeds of bonds authorized to be issued in this chapter for the
1291 purpose of assisting Warren County, Mississippi, in the
1292 continuation and completion of the study for the proposed Kings
1293 Point Levee.

1294 (7) Notwithstanding any provision of this chapter to the
1295 contrary, the Mississippi Development Authority shall utilize not
1296 more than One Hundred Thousand Dollars (\$100,000.00) out of the
1297 proceeds of bonds authorized to be issued in this chapter for the
1298 purpose of developing a long-range plan for coordinating the
1299 resources of the state institutions of higher learning, the
1300 community and junior colleges, the Mississippi Development
1301 Authority and other state agencies in order to promote economic
1302 development in the state.

1303 (8) Notwithstanding any other provision of this chapter to
1304 the contrary, the Mississippi Development Authority shall use not
1305 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of
1306 the proceeds of bonds authorized to be issued in this chapter for
1307 the purpose of providing assistance to municipalities that have
1308 received Community Development Block Grant funds for repair,
1309 renovation and other improvements to buildings for use as
1310 community centers. Assistance provided to a municipality under
1311 this subsection shall be used by the municipality to match such
1312 Community Development Block Grant funds. The maximum amount of
1313 assistance that may be provided to a municipality under this
1314 subsection shall not exceed Seventy-five Thousand Dollars
1315 (\$75,000.00) in the aggregate.

1316 (9) Notwithstanding any provision of this chapter to the
1317 contrary, the Mississippi Development Authority shall utilize not
1318 more than Two Million Dollars (\$2,000,000.00) out of the proceeds
1319 of bonds authorized to be issued in this chapter for the purpose
1320 of assisting in paying the costs of constructing a new spillway
1321 and related bridge and dam structures at Lake Mary in Wilkinson
1322 County, Mississippi, including construction of a temporary dam and
1323 diversion canal, removing existing structures, removing and
1324 stockpiling riprap, spillway construction, dam embankment
1325 construction, road access, constructing bridges and related
1326 structures, design and construction engineering and field testing.

1327 (10) Notwithstanding any provision of this chapter to the
1328 contrary, the Mississippi Development Authority shall utilize not

1329 more than One Hundred Thousand Dollars (\$100,000.00) out of the
1330 proceeds of bonds authorized to be issued in this chapter for the
1331 purpose of assisting the City of Holly Springs, Mississippi, in
1332 providing water and sewer and other infrastructure services in the
1333 Marshall, Benton and Tippah Counties area.

1334 **SECTION 8.** Section 57-75-15, Mississippi Code of 1972, is
1335 amended as follows:

1336 **[Through June 30, 2022, this section shall read as follows:]**

1337 57-75-15. (1) Upon notification to the authority by the
1338 enterprise that the state has been finally selected as the site
1339 for the project, the State Bond Commission shall have the power
1340 and is hereby authorized and directed, upon receipt of a
1341 declaration from the authority as hereinafter provided, to borrow
1342 money and issue general obligation bonds of the state in one or
1343 more series for the purposes herein set out. Upon such
1344 notification, the authority may thereafter, from time to time,
1345 declare the necessity for the issuance of general obligation bonds
1346 as authorized by this section and forward such declaration to the
1347 State Bond Commission, provided that before such notification, the
1348 authority may enter into agreements with the United States
1349 government, private companies and others that will commit the
1350 authority to direct the State Bond Commission to issue bonds for
1351 eligible undertakings set out in subsection (4) of this section,
1352 conditioned on the siting of the project in the state.

1353 (2) Upon receipt of any such declaration from the authority,
1354 the State Bond Commission shall verify that the state has been

1355 selected as the site of the project and shall act as the issuing
1356 agent for the series of bonds directed to be issued in such
1357 declaration pursuant to authority granted in this section.

1358 (3) (a) Bonds issued under the authority of this section
1359 for projects as defined in Section 57-75-5(f) (i) shall not exceed
1360 an aggregate principal amount in the sum of Sixty-seven Million
1361 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

1362 (b) Bonds issued under the authority of this section
1363 for projects as defined in Section 57-75-5(f) (ii) shall not
1364 exceed * * * Eighty Million Dollars (\$80,000,000.00). The
1365 authority, with the express direction of the State Bond
1366 Commission, is authorized to expend any remaining proceeds of
1367 bonds issued under the authority of this act prior to January 1,
1368 1998, for the purpose of financing projects as then defined in
1369 Section 57-75-5(f) (ii) or for any other projects as defined in
1370 Section 57-75-5(f) (ii), as it may be amended from time to time.
1371 No bonds shall be issued under this paragraph (b) until the State
1372 Bond Commission by resolution adopts a finding that the issuance
1373 of such bonds will improve, expand or otherwise enhance the
1374 military installation, its support areas or military operations,
1375 or will provide employment opportunities to replace those lost by
1376 closure or reductions in operations at the military installation
1377 or will support critical studies or investigations authorized by
1378 Section 57-75-5(f) (ii).

1379 (c) Bonds issued under the authority of this section
1380 for projects as defined in Section 57-75-5(f) (iii) shall not

1381 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
1382 issued under this paragraph after December 31, 1996.

1383 (d) Bonds issued under the authority of this section
1384 for projects defined in Section 57-75-5(f)(iv) shall not exceed
1385 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
1386 additional amount of bonds in an amount not to exceed Twelve
1387 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
1388 issued under the authority of this section for the purpose of
1389 defraying costs associated with the construction of surface water
1390 transmission lines for a project defined in Section 57-75-5(f)(iv)
1391 or for any facility related to the project. No bonds shall be
1392 issued under this paragraph after June 30, 2005.

1393 (e) Bonds issued under the authority of this section
1394 for projects defined in Section 57-75-5(f)(v) and for facilities
1395 related to such projects shall not exceed Thirty-eight Million
1396 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
1397 issued under this paragraph after April 1, 2005.

1398 (f) Bonds issued under the authority of this section
1399 for projects defined in Section 57-75-5(f)(vii) shall not exceed
1400 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1401 under this paragraph after June 30, 2006.

1402 (g) Bonds issued under the authority of this section
1403 for projects defined in Section 57-75-5(f)(viii) shall not exceed
1404 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
1405 bonds shall be issued under this paragraph after June 30, 2008.

1406 (h) Bonds issued under the authority of this section
1407 for projects defined in Section 57-75-5(f)(ix) shall not exceed
1408 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1409 under this paragraph after June 30, 2007.

1410 (i) Bonds issued under the authority of this section
1411 for projects defined in Section 57-75-5(f)(x) shall not exceed
1412 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1413 under this paragraph after April 1, 2005.

1414 (j) Bonds issued under the authority of this section
1415 for projects defined in Section 57-75-5(f)(xii) shall not exceed
1416 Thirty-three Million Dollars (\$33,000,000.00). The amount of
1417 bonds that may be issued under this paragraph for projects defined
1418 in Section 57-75-5(f)(xii) may be reduced by the amount of any
1419 federal or local funds made available for such projects. No bonds
1420 shall be issued under this paragraph until local governments in or
1421 near the county in which the project is located have irrevocably
1422 committed funds to the project in an amount of not less than Two
1423 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
1424 aggregate; however, this irrevocable commitment requirement may be
1425 waived by the authority upon a finding that due to the unforeseen
1426 circumstances created by Hurricane Katrina, the local governments
1427 are unable to comply with such commitment. No bonds shall be
1428 issued under this paragraph after June 30, 2008.

1429 (k) Bonds issued under the authority of this section
1430 for projects defined in Section 57-75-5(f)(xiii) shall not exceed

1431 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
1432 under this paragraph after June 30, 2009.

1433 (l) Bonds issued under the authority of this section
1434 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
1435 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
1436 issued under this paragraph until local governments in the county
1437 in which the project is located have irrevocably committed funds
1438 to the project in an amount of not less than Two Million Dollars
1439 (\$2,000,000.00). No bonds shall be issued under this paragraph
1440 after June 30, 2009.

1441 (m) Bonds issued under the authority of this section
1442 for projects defined in Section 57-75-5(f)(xv) shall not exceed
1443 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
1444 issued under this paragraph after June 30, 2009.

1445 (n) Bonds issued under the authority of this section
1446 for projects defined in Section 57-75-5(f)(xvi) shall not exceed
1447 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
1448 under this paragraph after June 30, 2011.

1449 (o) Bonds issued under the authority of this section
1450 for projects defined in Section 57-75-5(f)(xvii) shall not exceed
1451 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
1452 bonds shall be issued under this paragraph after June 30, 2010.

1453 (p) Bonds issued under the authority of this section
1454 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
1455 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
1456 issued under this paragraph after June 30, 2011.

1457 (q) Bonds issued under the authority of this section
1458 for projects defined in Section 57-75-5(f) (xix) shall not exceed
1459 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
1460 issued under this paragraph after June 30, 2012.

1461 (r) Bonds issued under the authority of this section
1462 for projects defined in Section 57-75-5(f) (xx) shall not exceed
1463 Twenty-three Million Dollars (\$23,000,000.00). No bonds shall be
1464 issued under this paragraph after April 25, 2013.

1465 (s) Bonds issued under the authority of this section
1466 for projects defined in Section 57-75-5(f) (xxi) shall not exceed
1467 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
1468 (\$293,900,000.00). No bonds shall be issued under this paragraph
1469 after July 1, 2020.

1470 (t) Bonds issued under the authority of this section
1471 for Tier One suppliers shall not exceed Thirty Million Dollars
1472 (\$30,000,000.00). No bonds shall be issued under this paragraph
1473 after July 1, 2020.

1474 (u) Bonds issued under the authority of this section
1475 for projects defined in Section 57-75-5(f) (xxii) shall not exceed
1476 Forty-eight Million Four Hundred Thousand Dollars
1477 (\$48,400,000.00). No bonds shall be issued under this paragraph
1478 after July 1, 2020.

1479 (v) Bonds issued under the authority of this section
1480 for projects defined in Section 57-75-5(f) (xxiii) shall not exceed
1481 Eighty-eight Million Two Hundred Fifty Thousand Dollars

1482 (\$88,250,000.00). No bonds shall be issued under this paragraph
1483 after July 1, 2009.

1484 (w) Bonds issued under the authority of this section
1485 for projects defined in Section 57-75-5(f) (xxiv) shall not exceed
1486 Thirteen Million Dollars (\$13,000,000.00). No bonds shall be
1487 issued under this paragraph after July 1, 2020.

1488 (x) Bonds issued under the authority of this section
1489 for projects defined in Section 57-75-5(f) (xxv) shall not exceed
1490 Twenty-five Million Dollars (\$25,000,000.00). No bonds shall be
1491 issued under this paragraph after July 1, 2017.

1492 (y) Bonds issued under the authority of this section
1493 for projects defined in Section 57-75-5(f) (xxvi) shall not exceed
1494 Thirty-five Million One Hundred Thousand Dollars (\$35,100,000.00).
1495 No bonds shall be issued under this paragraph after July 1, 2021.

1496 (z) Bonds issued under the authority of this section
1497 for projects defined in Section 57-75-5(f) (xxvii) shall not exceed
1498 Fifty Million Dollars (\$50,000,000.00). No bonds shall be issued
1499 under this paragraph after April 25, 2013.

1500 (aa) Bonds issued under the authority of this section
1501 for projects defined in Section 57-75-5(f) (xxviii) shall not
1502 exceed One Hundred Thirty Million Dollars (\$130,000,000.00). No
1503 bonds shall be issued under this paragraph after July 1, 2023.

1504 (bb) Bonds issued under the authority of this section
1505 for projects defined in Section 57-75-5(f) (xxix) shall not exceed
1506 Two Hundred Sixty-three Million Dollars (\$263,000,000.00). No
1507 bonds shall be issued under this paragraph after July 1, 2034.

1508 (cc) Bonds issued under the authority of this section
1509 for projects defined in Section 57-75-5(f) (xxx) shall not exceed
1510 Eleven Million Dollars (\$11,000,000.00). No bonds shall be issued
1511 under this paragraph after July 1, 2025.

1512 (4) (a) The proceeds from the sale of the bonds issued
1513 under this section may be applied for the following purposes:

1514 (i) Defraying all or any designated portion of the
1515 costs incurred with respect to acquisition, planning, design,
1516 construction, installation, rehabilitation, improvement,
1517 relocation and with respect to state-owned property, operation and
1518 maintenance of the project and any facility related to the project
1519 located within the project area, including costs of design and
1520 engineering, all costs incurred to provide land, easements and
1521 rights-of-way, relocation costs with respect to the project and
1522 with respect to any facility related to the project located within
1523 the project area, and costs associated with mitigation of
1524 environmental impacts and environmental impact studies;

1525 (ii) Defraying the cost of providing for the
1526 recruitment, screening, selection, training or retraining of
1527 employees, candidates for employment or replacement employees of
1528 the project and any related activity;

1529 (iii) Reimbursing the Mississippi Development
1530 Authority for expenses it incurred in regard to projects defined
1531 in Section 57-75-5(f) (iv) prior to November 6, 2000. The
1532 Mississippi Development Authority shall submit an itemized list of
1533 expenses it incurred in regard to such projects to the Chairmen of

1534 the Finance and Appropriations Committees of the Senate and the
1535 Chairmen of the Ways and Means and Appropriations Committees of
1536 the House of Representatives;

1537 (iv) Providing grants to enterprises operating
1538 projects defined in Section 57-75-5(f)(iv)1;

1539 (v) Paying any warranty made by the authority
1540 regarding site work for a project defined in Section
1541 57-75-5(f)(iv)1;

1542 (vi) Defraying the cost of marketing and promotion
1543 of a project as defined in Section 57-75-5(f)(iv)1, Section
1544 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii). The authority shall
1545 submit an itemized list of costs incurred for marketing and
1546 promotion of such project to the Chairmen of the Finance and
1547 Appropriations Committees of the Senate and the Chairmen of the
1548 Ways and Means and Appropriations Committees of the House of
1549 Representatives;

1550 (vii) Providing for the payment of interest on the
1551 bonds;

1552 (viii) Providing debt service reserves;

1553 (ix) Paying underwriters' discount, original issue
1554 discount, accountants' fees, engineers' fees, attorneys' fees,
1555 rating agency fees and other fees and expenses in connection with
1556 the issuance of the bonds;

1557 (x) For purposes authorized in paragraphs (b),
1558 (c), (d), (e), (f), (g), (h), (i), (j), (k), (l) and (m) of this
1559 subsection (4);

1560 (xi) Providing grants to enterprises operating
1561 projects defined in Section 57-75-5(f)(v), or, in connection with
1562 a facility related to such a project, for any purposes deemed by
1563 the authority in its sole discretion to be necessary and
1564 appropriate;

1565 (xii) Providing grant funds or loans to a public
1566 agency or an enterprise owning, leasing or operating a project
1567 defined in Section 57-75-5(f)(ii);

1568 (xiii) Providing grant funds or loans to an
1569 enterprise owning, leasing or operating a project defined in
1570 Section 57-75-5(f)(xiv);

1571 (xiv) Providing grants, loans and payments to or
1572 for the benefit of an enterprise owning or operating a project
1573 defined in Section 57-75-5(f)(xviii);

1574 (xv) Purchasing equipment for a project defined in
1575 Section 57-75-5(f)(viii) subject to such terms and conditions as
1576 the authority considers necessary and appropriate;

1577 (xvi) Providing grant funds to an enterprise
1578 developing or owning a project defined in Section 57-75-5(f)(xx);

1579 (xvii) Providing grants and loans for projects as
1580 authorized in Section 57-75-11(kk), (ll), (mm), (uu), (vv) or, in
1581 connection with a facility related to such a project, for any
1582 purposes deemed by the authority in its sole discretion to be
1583 necessary and appropriate;

1584 (xviii) Providing grants for projects as
1585 authorized in Section 57-75-11(pp) for any purposes deemed by the
1586 authority in its sole discretion to be necessary and appropriate;
1587 (xix) Providing grants and loans for projects as
1588 authorized in Section 57-75-11(qq);
1589 (xx) Providing grants for projects as authorized
1590 in Section 57-75-11(rr);
1591 (xxi) Providing grants, loans and payments as
1592 authorized in Section 57-75-11(ss);
1593 (xxii) Providing grants and loans as authorized in
1594 Section 57-75-11(tt); and
1595 (xxiii) Providing grants as authorized in Section
1596 57-75-11(wv) for any purposes deemed by the authority in its sole
1597 discretion to be necessary and appropriate.

1598 Such bonds shall be issued, from time to time, and in such
1599 principal amounts as shall be designated by the authority, not to
1600 exceed in aggregate principal amounts the amount authorized in
1601 subsection (3) of this section. Proceeds from the sale of the
1602 bonds issued under this section may be invested, subject to
1603 federal limitations, pending their use, in such securities as may
1604 be specified in the resolution authorizing the issuance of the
1605 bonds or the trust indenture securing them, and the earning on
1606 such investment applied as provided in such resolution or trust
1607 indenture.

1608 (b) (i) The proceeds of bonds issued after June 21,
1609 2002, under this section for projects described in Section

1610 57-75-5(f) (iv) may be used to reimburse reasonable actual and
1611 necessary costs incurred by the Mississippi Development Authority
1612 in providing assistance related to a project for which funding is
1613 provided from the use of proceeds of such bonds. The Mississippi
1614 Development Authority shall maintain an accounting of actual costs
1615 incurred for each project for which reimbursements are sought.
1616 Reimbursements under this paragraph (b) (i) shall not exceed Three
1617 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
1618 Reimbursements under this paragraph (b) (i) shall satisfy any
1619 applicable federal tax law requirements.

1620 (ii) The proceeds of bonds issued after June 21,
1621 2002, under this section for projects described in Section
1622 57-75-5(f) (iv) may be used to reimburse reasonable actual and
1623 necessary costs incurred by the Department of Audit in providing
1624 services related to a project for which funding is provided from
1625 the use of proceeds of such bonds. The Department of Audit shall
1626 maintain an accounting of actual costs incurred for each project
1627 for which reimbursements are sought. The Department of Audit may
1628 escalate its budget and expend such funds in accordance with rules
1629 and regulations of the Department of Finance and Administration in
1630 a manner consistent with the escalation of federal funds.
1631 Reimbursements under this paragraph (b) (ii) shall not exceed One
1632 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
1633 Reimbursements under this paragraph (b) (ii) shall satisfy any
1634 applicable federal tax law requirements.

1635 (c) (i) Except as otherwise provided in this
1636 subsection, the proceeds of bonds issued under this section for a
1637 project described in Section 57-75-5(f) may be used to reimburse
1638 reasonable actual and necessary costs incurred by the Mississippi
1639 Development Authority in providing assistance related to the
1640 project for which funding is provided for the use of proceeds of
1641 such bonds. The Mississippi Development Authority shall maintain
1642 an accounting of actual costs incurred for each project for which
1643 reimbursements are sought. Reimbursements under this paragraph
1644 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
1645 each project.

1646 (ii) Except as otherwise provided in this
1647 subsection, the proceeds of bonds issued under this section for a
1648 project described in Section 57-75-5(f) may be used to reimburse
1649 reasonable actual and necessary costs incurred by the Department
1650 of Audit in providing services related to the project for which
1651 funding is provided from the use of proceeds of such bonds. The
1652 Department of Audit shall maintain an accounting of actual costs
1653 incurred for each project for which reimbursements are sought.
1654 The Department of Audit may escalate its budget and expend such
1655 funds in accordance with rules and regulations of the Department
1656 of Finance and Administration in a manner consistent with the
1657 escalation of federal funds. Reimbursements under this paragraph
1658 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
1659 each project. Reimbursements under this paragraph shall satisfy
1660 any applicable federal tax law requirements.

1661 (5) The principal of and the interest on the bonds shall be
1662 payable in the manner hereinafter set forth. The bonds shall bear
1663 date or dates; be in such denomination or denominations; bear
1664 interest at such rate or rates; be payable at such place or places
1665 within or without the state; mature absolutely at such time or
1666 times; be redeemable before maturity at such time or times and
1667 upon such terms, with or without premium; bear such registration
1668 privileges; and be substantially in such form; all as shall be
1669 determined by resolution of the State Bond Commission except that
1670 such bonds shall mature or otherwise be retired in annual
1671 installments beginning not more than five (5) years from the date
1672 thereof and extending not more than twenty-five (25) years from
1673 the date thereof. The bonds shall be signed by the Chairman of
1674 the State Bond Commission, or by his facsimile signature, and the
1675 official seal of the State Bond Commission shall be imprinted on
1676 or affixed thereto, attested by the manual or facsimile signature
1677 of the Secretary of the State Bond Commission. Whenever any such
1678 bonds have been signed by the officials herein designated to sign
1679 the bonds, who were in office at the time of such signing but who
1680 may have ceased to be such officers before the sale and delivery
1681 of such bonds, or who may not have been in office on the date such
1682 bonds may bear, the signatures of such officers upon such bonds
1683 shall nevertheless be valid and sufficient for all purposes and
1684 have the same effect as if the person so officially signing such
1685 bonds had remained in office until the delivery of the same to the
1686 purchaser, or had been in office on the date such bonds may bear.

1687 (6) All bonds issued under the provisions of this section
1688 shall be and are hereby declared to have all the qualities and
1689 incidents of negotiable instruments under the provisions of the
1690 Uniform Commercial Code and in exercising the powers granted by
1691 this chapter, the State Bond Commission shall not be required to
1692 and need not comply with the provisions of the Uniform Commercial
1693 Code.

1694 (7) The State Bond Commission shall act as issuing agent for
1695 the bonds, prescribe the form of the bonds, determine the
1696 appropriate method for sale of the bonds, advertise for and accept
1697 bids or negotiate the sale of the bonds, issue and sell the bonds,
1698 pay all fees and costs incurred in such issuance and sale, and do
1699 any and all other things necessary and advisable in connection
1700 with the issuance and sale of the bonds. The State Bond
1701 Commission may sell such bonds on sealed bids at public sale or
1702 may negotiate the sale of the bonds for such price as it may
1703 determine to be for the best interest of the State of Mississippi.
1704 The bonds shall bear interest at such rate or rates not exceeding
1705 the limits set forth in Section 75-17-101 as shall be fixed by the
1706 State Bond Commission. All interest accruing on such bonds so
1707 issued shall be payable semiannually or annually.

1708 If the bonds are to be sold on sealed bids at public sale,
1709 notice of the sale of any bonds shall be published at least one
1710 time, the first of which shall be made not less than ten (10) days
1711 prior to the date of sale, and shall be so published in one or

1712 more newspapers having a general circulation in the City of
1713 Jackson, Mississippi, selected by the State Bond Commission.

1714 The State Bond Commission, when issuing any bonds under the
1715 authority of this section, may provide that the bonds, at the
1716 option of the state, may be called in for payment and redemption
1717 at the call price named therein and accrued interest on such date
1718 or dates named therein.

1719 (8) State bonds issued under the provisions of this section
1720 shall be the general obligations of the state and backed by the
1721 full faith and credit of the state. The Legislature shall
1722 appropriate annually an amount sufficient to pay the principal of
1723 and the interest on such bonds as they become due. All bonds
1724 shall contain recitals on their faces substantially covering the
1725 foregoing provisions of this section.

1726 (9) The State Treasurer is authorized to certify to the
1727 Department of Finance and Administration the necessity for
1728 warrants, and the Department of Finance and Administration is
1729 authorized and directed to issue such warrants payable out of any
1730 funds appropriated by the Legislature under this section for such
1731 purpose, in such amounts as may be necessary to pay when due the
1732 principal of and interest on all bonds issued under the provisions
1733 of this section. The State Treasurer shall forward the necessary
1734 amount to the designated place or places of payment of such bonds
1735 in ample time to discharge such bonds, or the interest thereon, on
1736 the due dates thereof.

1737 (10) The bonds may be issued without any other proceedings
1738 or the happening of any other conditions or things other than
1739 those proceedings, conditions and things which are specified or
1740 required by this chapter. Any resolution providing for the
1741 issuance of general obligation bonds under the provisions of this
1742 section shall become effective immediately upon its adoption by
1743 the State Bond Commission, and any such resolution may be adopted
1744 at any regular or special meeting of the State Bond Commission by
1745 a majority of its members.

1746 (11) In anticipation of the issuance of bonds hereunder, the
1747 State Bond Commission is authorized to negotiate and enter into
1748 any purchase, loan, credit or other agreement with any bank, trust
1749 company or other lending institution or to issue and sell interim
1750 notes for the purpose of making any payments authorized under this
1751 section. All borrowings made under this provision shall be
1752 evidenced by notes of the state which shall be issued from time to
1753 time, for such amounts not exceeding the amount of bonds
1754 authorized herein, in such form and in such denomination and
1755 subject to such terms and conditions of sale and issuance,
1756 prepayment or redemption and maturity, rate or rates of interest
1757 not to exceed the maximum rate authorized herein for bonds, and
1758 time of payment of interest as the State Bond Commission shall
1759 agree to in such agreement. Such notes shall constitute general
1760 obligations of the state and shall be backed by the full faith and
1761 credit of the state. Such notes may also be issued for the
1762 purpose of refunding previously issued notes. No note shall

1763 mature more than three (3) years following the date of its
1764 issuance. The State Bond Commission is authorized to provide for
1765 the compensation of any purchaser of the notes by payment of a
1766 fixed fee or commission and for all other costs and expenses of
1767 issuance and service, including paying agent costs. Such costs
1768 and expenses may be paid from the proceeds of the notes.

1769 (12) The bonds and interim notes authorized under the
1770 authority of this section may be validated in the Chancery Court
1771 of the First Judicial District of Hinds County, Mississippi, in
1772 the manner and with the force and effect provided now or hereafter
1773 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1774 validation of county, municipal, school district and other bonds.
1775 The necessary papers for such validation proceedings shall be
1776 transmitted to the State Bond Attorney, and the required notice
1777 shall be published in a newspaper published in the City of
1778 Jackson, Mississippi.

1779 (13) Any bonds or interim notes issued under the provisions
1780 of this chapter, a transaction relating to the sale or securing of
1781 such bonds or interim notes, their transfer and the income
1782 therefrom shall at all times be free from taxation by the state or
1783 any local unit or political subdivision or other instrumentality
1784 of the state, excepting inheritance and gift taxes.

1785 (14) All bonds issued under this chapter shall be legal
1786 investments for trustees, other fiduciaries, savings banks, trust
1787 companies and insurance companies organized under the laws of the
1788 State of Mississippi; and such bonds shall be legal securities

1789 which may be deposited with and shall be received by all public
1790 officers and bodies of the state and all municipalities and other
1791 political subdivisions thereof for the purpose of securing the
1792 deposit of public funds.

1793 (15) The Attorney General of the State of Mississippi shall
1794 represent the State Bond Commission in issuing, selling and
1795 validating bonds herein provided for, and the Bond Commission is
1796 hereby authorized and empowered to expend from the proceeds
1797 derived from the sale of the bonds authorized hereunder all
1798 necessary administrative, legal and other expenses incidental and
1799 related to the issuance of bonds authorized under this chapter.

1800 (16) There is hereby created a special fund in the State
1801 Treasury to be known as the Mississippi Major Economic Impact
1802 Authority Fund wherein shall be deposited the proceeds of the
1803 bonds issued under this chapter and all monies received by the
1804 authority to carry out the purposes of this chapter. Expenditures
1805 authorized herein shall be paid by the State Treasurer upon
1806 warrants drawn from the fund, and the Department of Finance and
1807 Administration shall issue warrants upon requisitions signed by
1808 the director of the authority.

1809 (17) (a) There is hereby created the Mississippi Economic
1810 Impact Authority Sinking Fund from which the principal of and
1811 interest on such bonds shall be paid by appropriation. All monies
1812 paid into the sinking fund not appropriated to pay accruing bonds
1813 and interest shall be invested by the State Treasurer in such

1814 securities as are provided by law for the investment of the
1815 sinking funds of the state.

1816 (b) In the event that all or any part of the bonds and
1817 notes are purchased, they shall be cancelled and returned to the
1818 loan and transfer agent as cancelled and paid bonds and notes and
1819 thereafter all payments of interest thereon shall cease and the
1820 cancelled bonds, notes and coupons, together with any other
1821 cancelled bonds, notes and coupons, shall be destroyed as promptly
1822 as possible after cancellation but not later than two (2) years
1823 after cancellation. A certificate evidencing the destruction of
1824 the cancelled bonds, notes and coupons shall be provided by the
1825 loan and transfer agent to the seller.

1826 (c) The State Treasurer shall determine and report to
1827 the Department of Finance and Administration and Legislative
1828 Budget Office by September 1 of each year the amount of money
1829 necessary for the payment of the principal of and interest on
1830 outstanding obligations for the following fiscal year and the
1831 times and amounts of the payments. It shall be the duty of the
1832 Governor to include in every executive budget submitted to the
1833 Legislature full information relating to the issuance of bonds and
1834 notes under the provisions of this chapter and the status of the
1835 sinking fund for the payment of the principal of and interest on
1836 the bonds and notes.

1837 (d) Any monies repaid to the state from loans
1838 authorized in Section 57-75-11(hh) shall be deposited into the
1839 Mississippi Major Economic Impact Authority Sinking Fund unless

1840 the State Bond Commission, at the request of the authority, shall
1841 determine that such loan repayments are needed to provide
1842 additional loans as authorized under Section 57-75-11(hh). For
1843 purposes of providing additional loans, there is hereby created
1844 the Mississippi Major Economic Impact Authority Revolving Loan
1845 Fund and loan repayments shall be deposited into the fund. The
1846 fund shall be maintained for such period as determined by the
1847 State Bond Commission for the sole purpose of making additional
1848 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1849 remaining in the fund at the end of a fiscal year shall not lapse
1850 into the State General Fund and any interest earned on amounts in
1851 such fund shall be deposited to the credit of the fund.

1852 (e) Any monies repaid to the state from loans
1853 authorized in Section 57-75-11(ii) shall be deposited into the
1854 Mississippi Major Economic Impact Authority Sinking Fund.

1855 (f) Any monies repaid to the state from loans
1856 authorized in Section 57-75-11(jj) or Section 57-75-11(vv) shall
1857 be deposited into the Mississippi Major Economic Impact Authority
1858 Sinking Fund.

1859 (18) (a) Upon receipt of a declaration by the authority
1860 that it has determined that the state is a potential site for a
1861 project, the State Bond Commission is authorized and directed to
1862 authorize the State Treasurer to borrow money from any special
1863 fund in the State Treasury not otherwise appropriated to be
1864 utilized by the authority for the purposes provided for in this
1865 subsection.

1866 (b) The proceeds of the money borrowed under this
1867 subsection may be utilized by the authority for the purpose of
1868 defraying all or a portion of the costs incurred by the authority
1869 with respect to acquisition options and planning, design and
1870 environmental impact studies with respect to a project defined in
1871 Section 57-75-5(f)(xi) or Section 57-75-5(f)(xxix). The authority
1872 may escalate its budget and expend the proceeds of the money
1873 borrowed under this subsection in accordance with rules and
1874 regulations of the Department of Finance and Administration in a
1875 manner consistent with the escalation of federal funds.

1876 (c) The authority shall request an appropriation or
1877 additional authority to issue general obligation bonds to repay
1878 the borrowed funds and establish a date for the repayment of the
1879 funds so borrowed.

1880 (d) Borrowings made under the provisions of this
1881 subsection shall not exceed Five Hundred Thousand Dollars
1882 (\$500,000.00) at any one time.

1883 **[From and after July 1, 2022, this section shall read as**
1884 **follows:]**

1885 57-75-15. (1) Upon notification to the authority by the
1886 enterprise that the state has been finally selected as the site
1887 for the project, the State Bond Commission shall have the power
1888 and is hereby authorized and directed, upon receipt of a
1889 declaration from the authority as hereinafter provided, to borrow
1890 money and issue general obligation bonds of the state in one or
1891 more series for the purposes herein set out. Upon such

1892 notification, the authority may thereafter, from time to time,
1893 declare the necessity for the issuance of general obligation bonds
1894 as authorized by this section and forward such declaration to the
1895 State Bond Commission, provided that before such notification, the
1896 authority may enter into agreements with the United States
1897 government, private companies and others that will commit the
1898 authority to direct the State Bond Commission to issue bonds for
1899 eligible undertakings set out in subsection (4) of this section,
1900 conditioned on the siting of the project in the state.

1901 (2) Upon receipt of any such declaration from the authority,
1902 the State Bond Commission shall verify that the state has been
1903 selected as the site of the project and shall act as the issuing
1904 agent for the series of bonds directed to be issued in such
1905 declaration pursuant to authority granted in this section.

1906 (3) (a) Bonds issued under the authority of this section
1907 for projects as defined in Section 57-75-5(f)(i) shall not exceed
1908 an aggregate principal amount in the sum of Sixty-seven Million
1909 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

1910 (b) Bonds issued under the authority of this section
1911 for projects as defined in Section 57-75-5(f)(ii) shall not
1912 exceed * * * Eighty Million Dollars (\$80,000,000.00). The
1913 authority, with the express direction of the State Bond
1914 Commission, is authorized to expend any remaining proceeds of
1915 bonds issued under the authority of this act prior to January 1,
1916 1998, for the purpose of financing projects as then defined in
1917 Section 57-75-5(f)(ii) or for any other projects as defined in

1918 Section 57-75-5(f) (ii), as it may be amended from time to time.
1919 No bonds shall be issued under this paragraph (b) until the State
1920 Bond Commission by resolution adopts a finding that the issuance
1921 of such bonds will improve, expand or otherwise enhance the
1922 military installation, its support areas or military operations,
1923 or will provide employment opportunities to replace those lost by
1924 closure or reductions in operations at the military installation
1925 or will support critical studies or investigations authorized by
1926 Section 57-75-5(f) (ii).

1927 (c) Bonds issued under the authority of this section
1928 for projects as defined in Section 57-75-5(f) (iii) shall not
1929 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
1930 issued under this paragraph after December 31, 1996.

1931 (d) Bonds issued under the authority of this section
1932 for projects defined in Section 57-75-5(f) (iv) shall not exceed
1933 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
1934 additional amount of bonds in an amount not to exceed Twelve
1935 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
1936 issued under the authority of this section for the purpose of
1937 defraying costs associated with the construction of surface water
1938 transmission lines for a project defined in Section 57-75-5(f) (iv)
1939 or for any facility related to the project. No bonds shall be
1940 issued under this paragraph after June 30, 2005.

1941 (e) Bonds issued under the authority of this section
1942 for projects defined in Section 57-75-5(f) (v) and for facilities
1943 related to such projects shall not exceed Thirty-eight Million

1944 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
1945 issued under this paragraph after April 1, 2005.

1946 (f) Bonds issued under the authority of this section
1947 for projects defined in Section 57-75-5(f)(vii) shall not exceed
1948 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1949 under this paragraph after June 30, 2006.

1950 (g) Bonds issued under the authority of this section
1951 for projects defined in Section 57-75-5(f)(viii) shall not exceed
1952 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
1953 bonds shall be issued under this paragraph after June 30, 2008.

1954 (h) Bonds issued under the authority of this section
1955 for projects defined in Section 57-75-5(f)(ix) shall not exceed
1956 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1957 under this paragraph after June 30, 2007.

1958 (i) Bonds issued under the authority of this section
1959 for projects defined in Section 57-75-5(f)(x) shall not exceed
1960 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1961 under this paragraph after April 1, 2005.

1962 (j) Bonds issued under the authority of this section
1963 for projects defined in Section 57-75-5(f)(xii) shall not exceed
1964 Thirty-three Million Dollars (\$33,000,000.00). The amount of
1965 bonds that may be issued under this paragraph for projects defined
1966 in Section 57-75-5(f)(xii) may be reduced by the amount of any
1967 federal or local funds made available for such projects. No bonds
1968 shall be issued under this paragraph until local governments in or
1969 near the county in which the project is located have irrevocably

1970 committed funds to the project in an amount of not less than Two
1971 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
1972 aggregate; however, this irrevocable commitment requirement may be
1973 waived by the authority upon a finding that due to the unforeseen
1974 circumstances created by Hurricane Katrina, the local governments
1975 are unable to comply with such commitment. No bonds shall be
1976 issued under this paragraph after June 30, 2008.

1977 (k) Bonds issued under the authority of this section
1978 for projects defined in Section 57-75-5(f)(xiii) shall not exceed
1979 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
1980 under this paragraph after June 30, 2009.

1981 (l) Bonds issued under the authority of this section
1982 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
1983 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
1984 issued under this paragraph until local governments in the county
1985 in which the project is located have irrevocably committed funds
1986 to the project in an amount of not less than Two Million Dollars
1987 (\$2,000,000.00). No bonds shall be issued under this paragraph
1988 after June 30, 2009.

1989 (m) Bonds issued under the authority of this section
1990 for projects defined in Section 57-75-5(f)(xv) shall not exceed
1991 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
1992 issued under this paragraph after June 30, 2009.

1993 (n) Bonds issued under the authority of this section
1994 for projects defined in Section 57-75-5(f)(xvi) shall not exceed

1995 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
1996 under this paragraph after June 30, 2011.

1997 (o) Bonds issued under the authority of this section
1998 for projects defined in Section 57-75-5(f)(xvii) shall not exceed
1999 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
2000 bonds shall be issued under this paragraph after June 30, 2010.

2001 (p) Bonds issued under the authority of this section
2002 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
2003 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
2004 issued under this paragraph after June 30, 2016.

2005 (q) Bonds issued under the authority of this section
2006 for projects defined in Section 57-75-5(f)(xix) shall not exceed
2007 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
2008 issued under this paragraph after June 30, 2012.

2009 (r) Bonds issued under the authority of this section
2010 for projects defined in Section 57-75-5(f)(xx) shall not exceed
2011 Twenty-three Million Dollars (\$23,000,000.00). No bonds shall be
2012 issued under this paragraph after April 25, 2013.

2013 (s) Bonds issued under the authority of this section
2014 for projects defined in Section 57-75-5(f)(xxi) shall not exceed
2015 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
2016 (\$293,900,000.00). No bonds shall be issued under this paragraph
2017 after July 1, 2020.

2018 (t) Bonds issued under the authority of this section
2019 for Tier One suppliers shall not exceed Thirty Million Dollars

2020 (\$30,000,000.00). No bonds shall be issued under this paragraph
2021 after July 1, 2020.

2022 (u) Bonds issued under the authority of this section
2023 for projects defined in Section 57-75-5(f)(xxii) shall not exceed
2024 Forty-eight Million Four Hundred Thousand Dollars

2025 (\$48,400,000.00). No bonds shall be issued under this paragraph
2026 after July 1, 2020.

2027 (v) Bonds issued under the authority of this section
2028 for projects defined in Section 57-75-5(f)(xxiii) shall not exceed
2029 Eighty-eight Million Two Hundred Fifty Thousand Dollars

2030 (\$88,250,000.00). No bonds shall be issued under this paragraph
2031 after July 1, 2009.

2032 (w) Bonds issued under the authority of this section
2033 for projects defined in Section 57-75-5(f)(xxiv) shall not exceed
2034 Thirteen Million Dollars (\$13,000,000.00). No bonds shall be
2035 issued under this paragraph after July 1, 2020.

2036 (x) Bonds issued under the authority of this section
2037 for projects defined in Section 57-75-5(f)(xxv) shall not exceed
2038 Twenty-five Million Dollars (\$25,000,000.00). No bonds shall be
2039 issued under this paragraph after July 1, 2017.

2040 (y) Bonds issued under the authority of this section
2041 for projects defined in Section 57-75-5(f)(xxvi) shall not exceed
2042 Thirty-five Million One Hundred Thousand Dollars (\$35,100,000.00).
2043 No bonds shall be issued under this paragraph after July 1, 2021.

2044 (z) Bonds issued under the authority of this section
2045 for projects defined in Section 57-75-5(f)(xxvii) shall not exceed

2046 Fifty Million Dollars (\$50,000,000.00). No bonds shall be issued
2047 under this paragraph after April 25, 2013.

2048 (aa) Bonds issued under the authority of this section
2049 for projects defined in Section 57-75-5(f)(xxviii) shall not
2050 exceed One Hundred Thirty Million Dollars (\$130,000,000.00). No
2051 bonds shall be issued under this paragraph after July 1, 2023.

2052 (bb) Bonds issued under the authority of this section
2053 for projects defined in Section 57-75-5(f)(xxix) shall not exceed
2054 Two Hundred Sixty-three Million Dollars (\$263,000,000.00). No
2055 bonds shall be issued under this paragraph after July 1, 2034.

2056 (cc) Bonds issued under the authority of this section
2057 for projects defined in Section 57-75-5(f)(xxx) shall not exceed
2058 Eleven Million Dollars (\$11,000,000.00). No bonds shall be issued
2059 under this paragraph after July 1, 2025.

2060 (4) (a) The proceeds from the sale of the bonds issued
2061 under this section may be applied for the following purposes:

2062 (i) Defraying all or any designated portion of the
2063 costs incurred with respect to acquisition, planning, design,
2064 construction, installation, rehabilitation, improvement,
2065 relocation and with respect to state-owned property, operation and
2066 maintenance of the project and any facility related to the project
2067 located within the project area, including costs of design and
2068 engineering, all costs incurred to provide land, easements and
2069 rights-of-way, relocation costs with respect to the project and
2070 with respect to any facility related to the project located within

2071 the project area, and costs associated with mitigation of
2072 environmental impacts and environmental impact studies;

2073 (ii) Defraying the cost of providing for the
2074 recruitment, screening, selection, training or retraining of
2075 employees, candidates for employment or replacement employees of
2076 the project and any related activity;

2077 (iii) Reimbursing the Mississippi Development
2078 Authority for expenses it incurred in regard to projects defined
2079 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
2080 Mississippi Development Authority shall submit an itemized list of
2081 expenses it incurred in regard to such projects to the Chairmen of
2082 the Finance and Appropriations Committees of the Senate and the
2083 Chairmen of the Ways and Means and Appropriations Committees of
2084 the House of Representatives;

2085 (iv) Providing grants to enterprises operating
2086 projects defined in Section 57-75-5(f)(iv)1;

2087 (v) Paying any warranty made by the authority
2088 regarding site work for a project defined in Section
2089 57-75-5(f)(iv)1;

2090 (vi) Defraying the cost of marketing and promotion
2091 of a project as defined in Section 57-75-5(f)(iv)1, Section
2092 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii). The authority shall
2093 submit an itemized list of costs incurred for marketing and
2094 promotion of such project to the Chairmen of the Finance and
2095 Appropriations Committees of the Senate and the Chairmen of the

2096 Ways and Means and Appropriations Committees of the House of
2097 Representatives;

2098 (vii) Providing for the payment of interest on the
2099 bonds;

2100 (viii) Providing debt service reserves;

2101 (ix) Paying underwriters' discount, original issue
2102 discount, accountants' fees, engineers' fees, attorneys' fees,
2103 rating agency fees and other fees and expenses in connection with
2104 the issuance of the bonds;

2105 (x) For purposes authorized in paragraphs (b),
2106 (c), (d), (e) and (f) of this subsection (4);

2107 (xi) Providing grants to enterprises operating
2108 projects defined in Section 57-75-5(f) (v), or, in connection with
2109 a facility related to such a project, for any purposes deemed by
2110 the authority in its sole discretion to be necessary and
2111 appropriate;

2112 (xii) Providing grant funds or loans to a public
2113 agency or an enterprise owning, leasing or operating a project
2114 defined in Section 57-75-5(f) (ii);

2115 (xiii) Providing grant funds or loans to an
2116 enterprise owning, leasing or operating a project defined in
2117 Section 57-75-5(f) (xiv);

2118 (xiv) Providing grants, loans and payments to or
2119 for the benefit of an enterprise owning or operating a project
2120 defined in Section 57-75-5(f) (xviii);

2121 (xv) Purchasing equipment for a project defined in
2122 Section 57-75-5(f)(viii) subject to such terms and conditions as
2123 the authority considers necessary and appropriate;

2124 (xvi) Providing grant funds to an enterprise
2125 developing or owning a project defined in Section 57-75-5(f)(xx);

2126 (xvii) Providing grants and loans for projects as
2127 authorized in Section 57-75-11(kk), (ll), (mm), (uu), (vv) or, in
2128 connection with a facility related to such a project, for any
2129 purposes deemed by the authority in its sole discretion to be
2130 necessary and appropriate;

2131 (xviii) Providing grants for projects as
2132 authorized in Section 57-75-11(pp) for any purposes deemed by the
2133 authority in its sole discretion to be necessary and appropriate;

2134 (xix) Providing grants and loans for projects as
2135 authorized in Section 57-75-11(qq);

2136 (xx) Providing grants for projects as authorized
2137 in Section 57-75-11(rr);

2138 (xxi) Providing grants, loans and payments as
2139 authorized in Section 57-75-11(ss);

2140 (xxii) Providing loans as authorized in Section
2141 57-75-11(tt); and

2142 (xxiii) Providing grants as authorized in Section
2143 57-75-11(wv) for any purposes deemed by the authority in its sole
2144 discretion to be necessary and appropriate.

2145 Such bonds shall be issued, from time to time, and in such
2146 principal amounts as shall be designated by the authority, not to

2147 exceed in aggregate principal amounts the amount authorized in
2148 subsection (3) of this section. Proceeds from the sale of the
2149 bonds issued under this section may be invested, subject to
2150 federal limitations, pending their use, in such securities as may
2151 be specified in the resolution authorizing the issuance of the
2152 bonds or the trust indenture securing them, and the earning on
2153 such investment applied as provided in such resolution or trust
2154 indenture.

2155 (b) (i) The proceeds of bonds issued after June 21,
2156 2002, under this section for projects described in Section
2157 57-75-5(f) (iv) may be used to reimburse reasonable actual and
2158 necessary costs incurred by the Mississippi Development Authority
2159 in providing assistance related to a project for which funding is
2160 provided from the use of proceeds of such bonds. The Mississippi
2161 Development Authority shall maintain an accounting of actual costs
2162 incurred for each project for which reimbursements are sought.
2163 Reimbursements under this paragraph (b) (i) shall not exceed Three
2164 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
2165 Reimbursements under this paragraph (b) (i) shall satisfy any
2166 applicable federal tax law requirements.

2167 (ii) The proceeds of bonds issued after June 21,
2168 2002, under this section for projects described in Section
2169 57-75-5(f) (iv) may be used to reimburse reasonable actual and
2170 necessary costs incurred by the Department of Audit in providing
2171 services related to a project for which funding is provided from
2172 the use of proceeds of such bonds. The Department of Audit shall

2173 maintain an accounting of actual costs incurred for each project
2174 for which reimbursements are sought. The Department of Audit may
2175 escalate its budget and expend such funds in accordance with rules
2176 and regulations of the Department of Finance and Administration in
2177 a manner consistent with the escalation of federal funds.

2178 Reimbursements under this paragraph (b) (ii) shall not exceed One
2179 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

2180 Reimbursements under this paragraph (b) (ii) shall satisfy any
2181 applicable federal tax law requirements.

2182 (c) (i) Except as otherwise provided in this
2183 subsection, the proceeds of bonds issued under this section for a
2184 project described in Section 57-75-5(f) may be used to reimburse
2185 reasonable actual and necessary costs incurred by the Mississippi
2186 Development Authority in providing assistance related to the
2187 project for which funding is provided for the use of proceeds of
2188 such bonds. The Mississippi Development Authority shall maintain
2189 an accounting of actual costs incurred for each project for which
2190 reimbursements are sought. Reimbursements under this paragraph
2191 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
2192 each project.

2193 (ii) Except as otherwise provided in this
2194 subsection, the proceeds of bonds issued under this section for a
2195 project described in Section 57-75-5(f) may be used to reimburse
2196 reasonable actual and necessary costs incurred by the Department
2197 of Audit in providing services related to the project for which
2198 funding is provided from the use of proceeds of such bonds. The

2199 Department of Audit shall maintain an accounting of actual costs
2200 incurred for each project for which reimbursements are sought.
2201 The Department of Audit may escalate its budget and expend such
2202 funds in accordance with rules and regulations of the Department
2203 of Finance and Administration in a manner consistent with the
2204 escalation of federal funds. Reimbursements under this paragraph
2205 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
2206 each project. Reimbursements under this paragraph shall satisfy
2207 any applicable federal tax law requirements.

2208 (5) The principal of and the interest on the bonds shall be
2209 payable in the manner hereinafter set forth. The bonds shall bear
2210 date or dates; be in such denomination or denominations; bear
2211 interest at such rate or rates; be payable at such place or places
2212 within or without the state; mature absolutely at such time or
2213 times; be redeemable before maturity at such time or times and
2214 upon such terms, with or without premium; bear such registration
2215 privileges; and be substantially in such form; all as shall be
2216 determined by resolution of the State Bond Commission except that
2217 such bonds shall mature or otherwise be retired in annual
2218 installments beginning not more than five (5) years from the date
2219 thereof and extending not more than twenty-five (25) years from
2220 the date thereof. The bonds shall be signed by the Chairman of
2221 the State Bond Commission, or by his facsimile signature, and the
2222 official seal of the State Bond Commission shall be imprinted on
2223 or affixed thereto, attested by the manual or facsimile signature
2224 of the Secretary of the State Bond Commission. Whenever any such

2225 bonds have been signed by the officials herein designated to sign
2226 the bonds, who were in office at the time of such signing but who
2227 may have ceased to be such officers before the sale and delivery
2228 of such bonds, or who may not have been in office on the date such
2229 bonds may bear, the signatures of such officers upon such bonds
2230 shall nevertheless be valid and sufficient for all purposes and
2231 have the same effect as if the person so officially signing such
2232 bonds had remained in office until the delivery of the same to the
2233 purchaser, or had been in office on the date such bonds may bear.

2234 (6) All bonds issued under the provisions of this section
2235 shall be and are hereby declared to have all the qualities and
2236 incidents of negotiable instruments under the provisions of the
2237 Uniform Commercial Code and in exercising the powers granted by
2238 this chapter, the State Bond Commission shall not be required to
2239 and need not comply with the provisions of the Uniform Commercial
2240 Code.

2241 (7) The State Bond Commission shall act as issuing agent for
2242 the bonds, prescribe the form of the bonds, advertise for and
2243 accept bids, issue and sell the bonds on sealed bids at public
2244 sale, pay all fees and costs incurred in such issuance and sale,
2245 and do any and all other things necessary and advisable in
2246 connection with the issuance and sale of the bonds. The State
2247 Bond Commission may sell such bonds on sealed bids at public sale
2248 for such price as it may determine to be for the best interest of
2249 the State of Mississippi, but no such sale shall be made at a
2250 price less than par plus accrued interest to date of delivery of

2251 the bonds to the purchaser. The bonds shall bear interest at such
2252 rate or rates not exceeding the limits set forth in Section
2253 75-17-101 as shall be fixed by the State Bond Commission. All
2254 interest accruing on such bonds so issued shall be payable
2255 semiannually or annually; provided that the first interest payment
2256 may be for any period of not more than one (1) year.

2257 Notice of the sale of any bonds shall be published at least
2258 one time, the first of which shall be made not less than ten (10)
2259 days prior to the date of sale, and shall be so published in one
2260 or more newspapers having a general circulation in the City of
2261 Jackson, Mississippi, selected by the State Bond Commission.

2262 The State Bond Commission, when issuing any bonds under the
2263 authority of this section, may provide that the bonds, at the
2264 option of the state, may be called in for payment and redemption
2265 at the call price named therein and accrued interest on such date
2266 or dates named therein.

2267 (8) State bonds issued under the provisions of this section
2268 shall be the general obligations of the state and backed by the
2269 full faith and credit of the state. The Legislature shall
2270 appropriate annually an amount sufficient to pay the principal of
2271 and the interest on such bonds as they become due. All bonds
2272 shall contain recitals on their faces substantially covering the
2273 foregoing provisions of this section.

2274 (9) The State Treasurer is authorized to certify to the
2275 Department of Finance and Administration the necessity for
2276 warrants, and the Department of Finance and Administration is

2277 authorized and directed to issue such warrants payable out of any
2278 funds appropriated by the Legislature under this section for such
2279 purpose, in such amounts as may be necessary to pay when due the
2280 principal of and interest on all bonds issued under the provisions
2281 of this section. The State Treasurer shall forward the necessary
2282 amount to the designated place or places of payment of such bonds
2283 in ample time to discharge such bonds, or the interest thereon, on
2284 the due dates thereof.

2285 (10) The bonds may be issued without any other proceedings
2286 or the happening of any other conditions or things other than
2287 those proceedings, conditions and things which are specified or
2288 required by this chapter. Any resolution providing for the
2289 issuance of general obligation bonds under the provisions of this
2290 section shall become effective immediately upon its adoption by
2291 the State Bond Commission, and any such resolution may be adopted
2292 at any regular or special meeting of the State Bond Commission by
2293 a majority of its members.

2294 (11) In anticipation of the issuance of bonds hereunder, the
2295 State Bond Commission is authorized to negotiate and enter into
2296 any purchase, loan, credit or other agreement with any bank, trust
2297 company or other lending institution or to issue and sell interim
2298 notes for the purpose of making any payments authorized under this
2299 section. All borrowings made under this provision shall be
2300 evidenced by notes of the state which shall be issued from time to
2301 time, for such amounts not exceeding the amount of bonds
2302 authorized herein, in such form and in such denomination and

2303 subject to such terms and conditions of sale and issuance,
2304 prepayment or redemption and maturity, rate or rates of interest
2305 not to exceed the maximum rate authorized herein for bonds, and
2306 time of payment of interest as the State Bond Commission shall
2307 agree to in such agreement. Such notes shall constitute general
2308 obligations of the state and shall be backed by the full faith and
2309 credit of the state. Such notes may also be issued for the
2310 purpose of refunding previously issued notes. No note shall
2311 mature more than three (3) years following the date of its
2312 issuance. The State Bond Commission is authorized to provide for
2313 the compensation of any purchaser of the notes by payment of a
2314 fixed fee or commission and for all other costs and expenses of
2315 issuance and service, including paying agent costs. Such costs
2316 and expenses may be paid from the proceeds of the notes.

2317 (12) The bonds and interim notes authorized under the
2318 authority of this section may be validated in the Chancery Court
2319 of the First Judicial District of Hinds County, Mississippi, in
2320 the manner and with the force and effect provided now or hereafter
2321 by Chapter 13, Title 31, Mississippi Code of 1972, for the
2322 validation of county, municipal, school district and other bonds.
2323 The necessary papers for such validation proceedings shall be
2324 transmitted to the State Bond Attorney, and the required notice
2325 shall be published in a newspaper published in the City of
2326 Jackson, Mississippi.

2327 (13) Any bonds or interim notes issued under the provisions
2328 of this chapter, a transaction relating to the sale or securing of

2329 such bonds or interim notes, their transfer and the income
2330 therefrom shall at all times be free from taxation by the state or
2331 any local unit or political subdivision or other instrumentality
2332 of the state, excepting inheritance and gift taxes.

2333 (14) All bonds issued under this chapter shall be legal
2334 investments for trustees, other fiduciaries, savings banks, trust
2335 companies and insurance companies organized under the laws of the
2336 State of Mississippi; and such bonds shall be legal securities
2337 which may be deposited with and shall be received by all public
2338 officers and bodies of the state and all municipalities and other
2339 political subdivisions thereof for the purpose of securing the
2340 deposit of public funds.

2341 (15) The Attorney General of the State of Mississippi shall
2342 represent the State Bond Commission in issuing, selling and
2343 validating bonds herein provided for, and the Bond Commission is
2344 hereby authorized and empowered to expend from the proceeds
2345 derived from the sale of the bonds authorized hereunder all
2346 necessary administrative, legal and other expenses incidental and
2347 related to the issuance of bonds authorized under this chapter.

2348 (16) There is hereby created a special fund in the State
2349 Treasury to be known as the Mississippi Major Economic Impact
2350 Authority Fund wherein shall be deposited the proceeds of the
2351 bonds issued under this chapter and all monies received by the
2352 authority to carry out the purposes of this chapter. Expenditures
2353 authorized herein shall be paid by the State Treasurer upon
2354 warrants drawn from the fund, and the Department of Finance and

2355 Administration shall issue warrants upon requisitions signed by
2356 the director of the authority.

2357 (17) (a) There is hereby created the Mississippi Economic
2358 Impact Authority Sinking Fund from which the principal of and
2359 interest on such bonds shall be paid by appropriation. All monies
2360 paid into the sinking fund not appropriated to pay accruing bonds
2361 and interest shall be invested by the State Treasurer in such
2362 securities as are provided by law for the investment of the
2363 sinking funds of the state.

2364 (b) In the event that all or any part of the bonds and
2365 notes are purchased, they shall be cancelled and returned to the
2366 loan and transfer agent as cancelled and paid bonds and notes and
2367 thereafter all payments of interest thereon shall cease and the
2368 cancelled bonds, notes and coupons, together with any other
2369 cancelled bonds, notes and coupons, shall be destroyed as promptly
2370 as possible after cancellation but not later than two (2) years
2371 after cancellation. A certificate evidencing the destruction of
2372 the cancelled bonds, notes and coupons shall be provided by the
2373 loan and transfer agent to the seller.

2374 (c) The State Treasurer shall determine and report to
2375 the Department of Finance and Administration and Legislative
2376 Budget Office by September 1 of each year the amount of money
2377 necessary for the payment of the principal of and interest on
2378 outstanding obligations for the following fiscal year and the
2379 times and amounts of the payments. It shall be the duty of the
2380 Governor to include in every executive budget submitted to the

2381 Legislature full information relating to the issuance of bonds and
2382 notes under the provisions of this chapter and the status of the
2383 sinking fund for the payment of the principal of and interest on
2384 the bonds and notes.

2385 (d) Any monies repaid to the state from loans
2386 authorized in Section 57-75-11(hh) shall be deposited into the
2387 Mississippi Major Economic Impact Authority Sinking Fund unless
2388 the State Bond Commission, at the request of the authority, shall
2389 determine that such loan repayments are needed to provide
2390 additional loans as authorized under Section 57-75-11(hh). For
2391 purposes of providing additional loans, there is hereby created
2392 the Mississippi Major Economic Impact Authority Revolving Loan
2393 Fund and loan repayments shall be deposited into the fund. The
2394 fund shall be maintained for such period as determined by the
2395 State Bond Commission for the sole purpose of making additional
2396 loans as authorized by Section 57-75-11(hh). Unexpended amounts
2397 remaining in the fund at the end of a fiscal year shall not lapse
2398 into the State General Fund and any interest earned on amounts in
2399 such fund shall be deposited to the credit of the fund.

2400 (e) Any monies repaid to the state from loans
2401 authorized in Section 57-75-11(ii) shall be deposited into the
2402 Mississippi Major Economic Impact Authority Sinking Fund.

2403 (f) Any monies repaid to the state from loans
2404 authorized in Section 57-75-11(jj) or Section 57-75-11(vv) shall
2405 be deposited into the Mississippi Major Economic Impact Authority
2406 Sinking Fund.

2407 (18) (a) Upon receipt of a declaration by the authority
2408 that it has determined that the state is a potential site for a
2409 project, the State Bond Commission is authorized and directed to
2410 authorize the State Treasurer to borrow money from any special
2411 fund in the State Treasury not otherwise appropriated to be
2412 utilized by the authority for the purposes provided for in this
2413 subsection.

2414 (b) The proceeds of the money borrowed under this
2415 subsection may be utilized by the authority for the purpose of
2416 defraying all or a portion of the costs incurred by the authority
2417 with respect to acquisition options and planning, design and
2418 environmental impact studies with respect to a project defined in
2419 Section 57-75-5(f)(xi) or Section 57-75-5(f)(xxix). The authority
2420 may escalate its budget and expend the proceeds of the money
2421 borrowed under this subsection in accordance with rules and
2422 regulations of the Department of Finance and Administration in a
2423 manner consistent with the escalation of federal funds.

2424 (c) The authority shall request an appropriation or
2425 additional authority to issue general obligation bonds to repay
2426 the borrowed funds and establish a date for the repayment of the
2427 funds so borrowed.

2428 (d) Borrowings made under the provisions of this
2429 subsection shall not exceed Five Hundred Thousand Dollars
2430 (\$500,000.00) at any one time.

2431 **SECTION 9.** Section 65-4-25, Mississippi Code of 1972, is
2432 amended as follows:

2433 65-4-25. The Mississippi Development Authority, acting
2434 through its executive director, is authorized, at one time or from
2435 time to time, to declare by resolution the necessity for issuance
2436 of negotiable general obligation bonds of the State of Mississippi
2437 to provide funds for the Economic Development Highway Fund
2438 established in Section 65-4-15, Mississippi Code of 1972. Upon
2439 the adoption of a resolution by the Executive Director of the
2440 Mississippi Development Authority, declaring the necessity for the
2441 issuance of any part or all of the general obligation bonds
2442 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code
2443 of 1972, the executive director shall deliver a certified copy of
2444 his resolution or resolutions to the State Bond Commission. Upon
2445 receipt of the resolution, the State Bond Commission, in its
2446 discretion, shall act as the issuing agent, prescribe the form of
2447 the bonds, determine the appropriate method for the sale of the
2448 bonds, advertise for and accept bids or negotiate the sale of the
2449 bonds, issue and sell the bonds so authorized to be sold, and do
2450 any and all other things necessary and advisable in connection
2451 with the issuance and sale of such bonds. The principal amount of
2452 bonds issued under Sections 65-4-25 through 65-4-45, Mississippi
2453 Code of 1972, shall not exceed * * * Three Hundred Ninety-one
2454 Million Five Hundred Thousand Dollars (\$391,500,000.00) in the
2455 aggregate. However, an additional amount of bonds may be issued
2456 under Sections 65-4-25 through 65-4-45, Mississippi Code of 1972,
2457 in an amount not to exceed Seven Million Dollars (\$7,000,000.00),
2458 and the proceeds of any such additional bonds issued shall be used

2459 to provide funding for a high economic benefit project as defined
2460 in Section 65-4-5(1)(c)(vi), Mississippi Code of 1972. An
2461 additional amount of bonds may be issued under Sections 65-4-25
2462 through 65-4-45, in an amount not to exceed One Million Dollars
2463 (\$1,000,000.00), the proceeds of which shall be used to provide
2464 funding for a high economic benefit project as defined in Section
2465 65-4-5(1)(c)(v).

2466 **SECTION 10.** Section 25, Chapter 533, Laws of 2010, as
2467 amended by Section 4, Chapter 30, Laws of 2010 Second
2468 Extraordinary Session, as amended by Section 1, Chapter 301, Laws
2469 of 2011, as amended by Section 6, Chapter 480, Laws of 2011, as
2470 amended by Section 1, Chapter 1, Laws of 2011 First Extraordinary
2471 Session, as amended by Section 8, Chapter 421, Laws of 2019, is
2472 amended as follows:

2473 Section 25. (1) As used in this section, the following
2474 words shall have the meanings ascribed herein unless the context
2475 clearly requires otherwise:

2476 (a) "Accreted value" of any bonds means, as of any date
2477 of computation, an amount equal to the sum of (i) the stated
2478 initial value of such bond, plus (ii) the interest accrued thereon
2479 from the issue date to the date of computation at the rate,
2480 compounded semiannually, that is necessary to produce the
2481 approximate yield to maturity shown for bonds of the same
2482 maturity.

2483 (b) "State" means the State of Mississippi.

2484 (c) "Commission" means the State Bond Commission.

2485 (2) (a) The Mississippi Development Authority, at one time,
2486 or from time to time, may declare by resolution the necessity for
2487 issuance of general obligation bonds of the State of Mississippi
2488 to provide funds for the program authorized in Section 57-1-221.
2489 Upon the adoption of a resolution by the Mississippi Development
2490 Authority, declaring the necessity for the issuance of any part or
2491 all of the general obligation bonds authorized by this subsection,
2492 the Mississippi Development Authority shall deliver a certified
2493 copy of its resolution or resolutions to the commission. Upon
2494 receipt of such resolution, the commission, in its discretion, may
2495 act as the issuing agent, prescribe the form of the bonds,
2496 determine the appropriate method for sale of the bonds, advertise
2497 for and accept bids or negotiate the sale of the bonds, issue and
2498 sell the bonds so authorized to be sold, and do any and all other
2499 things necessary and advisable in connection with the issuance and
2500 sale of such bonds. The total amount of bonds issued under this
2501 section shall not exceed * * * Four Hundred Seventy-eight Million
2502 Dollars (\$478,000,000.00). No bonds authorized under this section
2503 shall be issued after July 1, 2025.

2504 (b) The proceeds of bonds issued pursuant to this
2505 section shall be deposited into the Mississippi Industry Incentive
2506 Financing Revolving Fund created pursuant to Section 57-1-221.
2507 Any investment earnings on bonds issued pursuant to this section
2508 shall be used to pay debt service on bonds issued under this
2509 section, in accordance with the proceedings authorizing issuance
2510 of such bonds.

2511 (3) The principal of and interest on the bonds authorized
2512 under this section shall be payable in the manner provided in this
2513 subsection. Such bonds shall bear such date or dates, be in such
2514 denomination or denominations, bear interest at such rate or rates
2515 (not to exceed the limits set forth in Section 75-17-101,
2516 Mississippi Code of 1972), be payable at such place or places
2517 within or without the State of Mississippi, shall mature
2518 absolutely at such time or times not to exceed twenty-five (25)
2519 years from date of issue, be redeemable before maturity at such
2520 time or times and upon such terms, with or without premium, shall
2521 bear such registration privileges, and shall be substantially in
2522 such form, all as shall be determined by resolution of the
2523 commission.

2524 (4) The bonds authorized by this section shall be signed by
2525 the chairman of the commission, or by his facsimile signature, and
2526 the official seal of the commission shall be affixed thereto,
2527 attested by the secretary of the commission. The interest
2528 coupons, if any, to be attached to such bonds may be executed by
2529 the facsimile signatures of such officers. Whenever any such
2530 bonds shall have been signed by the officials designated to sign
2531 the bonds who were in office at the time of such signing but who
2532 may have ceased to be such officers before the sale and delivery
2533 of such bonds, or who may not have been in office on the date such
2534 bonds may bear, the signatures of such officers upon such bonds
2535 and coupons shall nevertheless be valid and sufficient for all
2536 purposes and have the same effect as if the person so officially

2537 signing such bonds had remained in office until their delivery to
2538 the purchaser, or had been in office on the date such bonds may
2539 bear. However, notwithstanding anything herein to the contrary,
2540 such bonds may be issued as provided in the Registered Bond Act of
2541 the State of Mississippi.

2542 (5) All bonds and interest coupons issued under the
2543 provisions of this section have all the qualities and incidents of
2544 negotiable instruments under the provisions of the Uniform
2545 Commercial Code, and in exercising the powers granted by this
2546 section, the commission shall not be required to and need not
2547 comply with the provisions of the Uniform Commercial Code.

2548 (6) The commission shall act as issuing agent for the bonds
2549 authorized under this section, prescribe the form of the bonds,
2550 determine the appropriate method for sale of the bonds, advertise
2551 for and accept bids or negotiate the sale of the bonds, issue and
2552 sell the bonds so authorized to be sold, pay all fees and costs
2553 incurred in such issuance and sale, and do any and all other
2554 things necessary and advisable in connection with the issuance and
2555 sale of such bonds. The commission is authorized and empowered to
2556 pay the costs that are incident to the sale, issuance and delivery
2557 of the bonds authorized under this section from the proceeds
2558 derived from the sale of such bonds. The commission may sell such
2559 bonds on sealed bids at public sale or may negotiate the sale of
2560 the bonds for such price as it may determine to be for the best
2561 interest of the State of Mississippi. All interest accruing on
2562 such bonds so issued shall be payable semiannually or annually.

2563 If such bonds are sold by sealed bids at public sale, notice
2564 of the sale shall be published at least one time, not less than
2565 ten (10) days before the date of sale, and shall be so published
2566 in one or more newspapers published or having a general
2567 circulation in the City of Jackson, Mississippi, selected by the
2568 commission.

2569 The commission, when issuing any bonds under the authority of
2570 this section, may provide that bonds, at the option of the State
2571 of Mississippi, may be called in for payment and redemption at the
2572 call price named therein and accrued interest on such date or
2573 dates named therein.

2574 (7) The bonds issued under the provisions of this section
2575 are general obligations of the State of Mississippi, and for the
2576 payment thereof the full faith and credit of the State of
2577 Mississippi is irrevocably pledged. If the funds appropriated by
2578 the Legislature are insufficient to pay the principal of and the
2579 interest on such bonds as they become due, then the deficiency
2580 shall be paid by the State Treasurer from any funds in the State
2581 Treasury not otherwise appropriated. All such bonds shall contain
2582 recitals on their faces substantially covering the provisions of
2583 this subsection.

2584 (8) Upon the issuance and sale of bonds under the provisions
2585 of this section, the commission shall transfer the proceeds of any
2586 such sale or sales to the Mississippi Industry Incentive Financing
2587 Revolving Fund created in Section 57-1-221. The proceeds of such
2588 bonds shall be disbursed solely upon the order of the Mississippi

2589 Development Authority under such restrictions, if any, as may be
2590 contained in the resolution providing for the issuance of the
2591 bonds.

2592 (9) The bonds authorized under this section may be issued
2593 without any other proceedings or the happening of any other
2594 conditions or things other than those proceedings, conditions and
2595 things which are specified or required by this section. Any
2596 resolution providing for the issuance of bonds under the
2597 provisions of this section shall become effective immediately upon
2598 its adoption by the commission, and any such resolution may be
2599 adopted at any regular or special meeting of the commission by a
2600 majority of its members.

2601 (10) The bonds authorized under the authority of this
2602 section may be validated in the Chancery Court of the First
2603 Judicial District of Hinds County, Mississippi, in the manner and
2604 with the force and effect provided by Chapter 13, Title 31,
2605 Mississippi Code of 1972, for the validation of county, municipal,
2606 school district and other bonds. The notice to taxpayers required
2607 by such statutes shall be published in a newspaper published or
2608 having a general circulation in the City of Jackson, Mississippi.

2609 (11) Any holder of bonds issued under the provisions of this
2610 section or of any of the interest coupons pertaining thereto may,
2611 either at law or in equity, by suit, action, mandamus or other
2612 proceeding, protect and enforce any and all rights granted under
2613 this section, or under such resolution, and may enforce and compel
2614 performance of all duties required by this section to be

2615 performed, in order to provide for the payment of bonds and
2616 interest thereon.

2617 (12) All bonds issued under the provisions of this section
2618 shall be legal investments for trustees and other fiduciaries, and
2619 for savings banks, trust companies and insurance companies
2620 organized under the laws of the State of Mississippi, and such
2621 bonds shall be legal securities which may be deposited with and
2622 shall be received by all public officers and bodies of this state
2623 and all municipalities and political subdivisions for the purpose
2624 of securing the deposit of public funds.

2625 (13) Bonds issued under the provisions of this section and
2626 income therefrom shall be exempt from all taxation in the State of
2627 Mississippi.

2628 (14) The proceeds of the bonds issued under this section
2629 shall be used solely for the purposes therein provided, including
2630 the costs incident to the issuance and sale of such bonds.

2631 (15) The State Treasurer is authorized, without further
2632 process of law, to certify to the Department of Finance and
2633 Administration the necessity for warrants, and the Department of
2634 Finance and Administration is authorized and directed to issue
2635 such warrants, in such amounts as may be necessary to pay when due
2636 the principal of, premium, if any, and interest on, or the
2637 accreted value of, all bonds issued under this section; and the
2638 State Treasurer shall forward the necessary amount to the
2639 designated place or places of payment of such bonds in ample time

2640 to discharge such bonds, or the interest thereon, on the due dates
2641 thereof.

2642 (16) This section shall be deemed to be full and complete
2643 authority for the exercise of the powers therein granted, but this
2644 section shall not be deemed to repeal or to be in derogation of
2645 any existing law of this state.

2646 **SECTION 11.** Section 27-7-21, Mississippi Code of 1972, is
2647 amended as follows:

2648 27-7-21. (a) **Allowance of deductions.** In the case of a
2649 resident individual, the exemptions provided by this section, as
2650 applicable to individuals, shall be allowed as deductions in
2651 computing taxable income.

2652 (b) **Single individuals.** In the case of a single individual,
2653 a personal exemption of Five Thousand Two Hundred Fifty Dollars
2654 (\$5,250.00) for the 1979 and 1980 calendar years * * *, Six
2655 Thousand Dollars (\$6,000.00) for each calendar year thereafter
2656 through calendar year 2021, and Thirty-seven Thousand Seven
2657 Hundred Dollars (\$37,700.00) for each calendar year thereafter.

2658 (c) **Married individuals.** In the case of married individuals
2659 living together, a joint personal exemption of Eight Thousand
2660 Dollars (\$8,000.00) for the 1979 and 1980 calendar years and Nine
2661 Thousand Five Hundred Dollars (\$9,500.00) for the 1981 through
2662 1997 calendar years, Ten Thousand Dollars (\$10,000.00) for the
2663 calendar year 1998, Eleven Thousand Dollars (\$11,000.00) for the
2664 calendar year 1999, * * * Twelve Thousand Dollars (\$12,000.00) for
2665 each calendar year thereafter through calendar year 2021, and

2666 Seventy-five Thousand Four Hundred Dollars (\$75,400.00) for each
2667 calendar year thereafter. A husband and wife living together
2668 shall receive but one (1) personal exemption in the amounts
2669 provided for in this subsection for each calendar year against
2670 their aggregate income.

2671 (d) **Head of family individuals.** In the case of a head of
2672 family individual, a personal exemption of Eight Thousand Dollars
2673 (\$8,000.00) for the 1979 and 1980 calendar years * * *, Nine
2674 Thousand Five Hundred Dollars (\$9,500.00) for each calendar year
2675 thereafter through calendar year 2021, and Thirty-six Thousand Six
2676 Hundred Dollars (\$36,600.00) for each calendar year thereafter.

2677 The term "head of family" means an individual who is single, or
2678 married but not living with his spouse for the entire taxable
2679 year, who maintains a household which constitutes the principal
2680 place of abode of himself and one or more individuals who are
2681 dependents under the provisions of Section 152(a) of the Internal
2682 Revenue Code of 1954, as amended. The head of family individual
2683 shall be entitled to the additional dependent exemption as
2684 provided in subsection (e) of this section only to the extent of
2685 dependents in excess of the one (1) dependent needed to qualify as
2686 head of family.

2687 (e) **Additional exemption for dependents.** In the case of any
2688 individual having a dependent, other than husband or wife, an
2689 additional personal exemption of One Thousand Five Hundred Dollars
2690 (\$1,500.00) for each such dependent, except as otherwise provided
2691 in subsection (d) of this section. The term "dependent" as used

2692 in this subsection shall mean any person or individual who
2693 qualifies as a dependent under the provisions of Section 152,
2694 Internal Revenue Code of 1954, as amended.

2695 (f) **Additional exemption for taxpayer or spouse aged**
2696 **sixty-five (65) or more.** In the case of any taxpayer or the
2697 spouse of the taxpayer who has attained the age of sixty-five (65)
2698 before the close of his taxable year, an additional exemption of
2699 One Thousand Five Hundred Dollars (\$1,500.00).

2700 (g) **Additional exemption for blindness of taxpayer or**
2701 **spouse.** In the case of any taxpayer or the spouse of the taxpayer
2702 who is blind at the close of the taxable year, an additional
2703 exemption of One Thousand Five Hundred Dollars (\$1,500.00). For
2704 the purpose of this subsection, an individual is blind only if his
2705 central visual acuity does not exceed 20/200 in the better eye
2706 with correcting lenses, or if his visual acuity is greater than
2707 20/200 but is accompanied by a limitation in the fields of vision
2708 such that the widest diameter of the visual field subtends an
2709 angle no greater than twenty (20) degrees.

2710 (h) **Husband and wife--claiming exemptions.** In the case of
2711 husband and wife living together and filing combined returns, the
2712 personal and additional exemptions authorized and allowed by this
2713 section may be taken by either, or divided between them in any
2714 manner they may choose. If the husband and wife fail to choose,
2715 the commissioner shall divide the exemptions between husband and
2716 wife in an equitable manner. In the case of a husband and wife
2717 filing separate returns, the personal and additional exemptions

2718 authorized and allowed by this section shall be divided equally
2719 between the spouses.

2720 (i) **Nonresidents.** A nonresident individual shall be allowed
2721 the same personal and additional exemptions as are authorized for
2722 resident individuals in subsection (a) of this section; however,
2723 the nonresident individual is entitled only to that proportion of
2724 the personal and additional exemptions as his net income from
2725 sources within the State of Mississippi bears to his total or
2726 entire net income from all sources.

2727 A nonresident individual who is married and whose spouse has
2728 income from independent sources must declare the joint income of
2729 himself and his spouse from sources within and without Mississippi
2730 and claim as a personal exemption that proportion of the
2731 authorized personal and additional exemptions which the total net
2732 income from Mississippi sources bears to the total net income of
2733 both spouses from all sources. If both spouses have income from
2734 sources within Mississippi and wish to file separate returns,
2735 their combined personal and additional exemptions shall be that
2736 proration of the exemption which their combined net income from
2737 Mississippi sources is of their total combined net income from all
2738 sources. The amount of the personal and additional exemptions so
2739 computed may be divided between them in any manner they choose.

2740 In the case of married individuals where one (1) spouse is a
2741 resident and the other is a nonresident, the personal exemption of
2742 the resident individual shall be prorated on the same basis as if

2743 both were nonresidents having net income from within and without
2744 the State of Mississippi.

2745 For the purpose of this subsection, the term "net income"
2746 means gross income less business expenses incurred in the
2747 taxpayer's regular trade or business and computed in accordance
2748 with the provisions of the Mississippi Income Tax Law.

2749 (j) **Part-year residents.** An individual who is a resident of
2750 Mississippi for only a part of his taxable year by reason of
2751 either moving into the state or moving from the state shall be
2752 allowed the same personal and additional exemptions as authorized
2753 for resident individuals in subsection (a) of this section; the
2754 part-year resident shall prorate his exemption on the same basis
2755 as nonresidents having net income from within and without the
2756 state.

2757 (k) **Estates.** In the case of an estate, a specific exemption
2758 of Six Hundred Dollars (\$600.00).

2759 (l) **Trusts.** In the case of a trust which, under its
2760 governing instrument, is required to distribute all of its income
2761 currently, a specific exemption of Three Hundred Dollars
2762 (\$300.00). In the case of all other trusts, a specific exemption
2763 of One Hundred Dollars (\$100.00).

2764 (m) **Corporations, foundations, joint ventures, associations.**
2765 In the case of a corporation, foundation, joint venture or
2766 association taxable herein, there shall be allowed no specific
2767 exemption, except as provided under the Growth and Prosperity Act,

2768 Sections 57-113-1 through 57-113-7, and Sections 57-113-21 through
2769 57-113-27.

2770 (n) **Status.** The status on the last day of the taxable year,
2771 except in the case of the head of family as provided in subsection
2772 (d) of this section, shall determine the right to the exemptions
2773 provided in this section; provided, that a taxpayer shall be
2774 entitled to such exemptions, otherwise allowable, if the husband
2775 or wife or dependent has died during the taxable year.

2776 (o) **Fiscal-year taxpayers.** Individual taxpayers reporting
2777 on a fiscal year basis shall prorate their exemptions in a manner
2778 established by regulations promulgated by the commissioner.

2779 (p) (i) On or before December 1, 2022, and on or before
2780 December 1 of each succeeding year, the Commissioner of Revenue
2781 shall calculate the amount of the increases in the personal
2782 exemption for single individuals, the personal exemption for
2783 married individuals, and the personal exemption for head of family
2784 individuals, that will produce a reduction in revenue equal to the
2785 tax reduction growth amount calculated as provided in paragraph
2786 (ii) of this subsection (p). The commissioner shall increase each
2787 of the personal exemptions by the amount calculated in this
2788 paragraph (i), rounded down to the nearest One Thousand Dollars
2789 (\$1,000.00) increment, and the revised personal exemption amounts
2790 calculated by the commissioner shall be effective for the next
2791 calendar year. From and after January 1 of the next succeeding
2792 year after the date that the Commissioner of Revenue certifies
2793 that the reduction in revenue mandated by this paragraph (i)

2794 equals or exceeds the remaining revenue produced by the individual
2795 income tax, the individual income tax shall stand repealed as
2796 provided in Section 27-7-5.

2797 (ii) On or before October 1, 2022, and on or before
2798 October 1 of each succeeding year, the Legislative Budget Office
2799 shall provide to the Commissioner of Revenue the following
2800 amounts:

2801 1. The amount of the actual general fund revenue
2802 collected during the most recent full fiscal year, excluding any
2803 funds received from a nonrecurring revenue source;

2804 2. The amount of the actual general fund revenue
2805 collected during the fiscal year immediately preceding the most
2806 recent full fiscal year, excluding any funds received from a
2807 nonrecurring revenue source;

2808 3. The inflation factor, which shall be determined
2809 by dividing the CPI-U for the most recent full fiscal year by the
2810 CPI-U for the fiscal year immediately preceding the most recent
2811 full fiscal year. As used in this paragraph (ii), "CPI-U" means
2812 the United States Consumer Price Index for All Urban Consumers,
2813 South Region as defined and reported by the United States
2814 Department of Labor, Bureau of Labor Statistics;

2815 4. The adjusted inflation factor, which is the
2816 lesser of 1.015 or the inflation factor determined under
2817 subparagraph 3 of this paragraph (ii); and

2818 5. The tax reduction growth amount for the current
2819 fiscal year, which shall be determined by:

2820 a. Multiplying the amount of the actual
2821 general fund revenue collected during the fiscal year immediately
2822 preceding the most recent full fiscal year by the adjusted
2823 inflation factor, and

2824 b. Subtracting the amount determined under
2825 item a of this subparagraph 5 from the amount of the actual
2826 general fund revenue collected during the most recent full fiscal
2827 year.

2828 (iii) For the purposes of paragraph (ii)1 of this
2829 subsection (p), the amount of the actual general fund revenue
2830 collected during Fiscal Year 2022 shall be reduced by the amount
2831 of income tax paid during the months of January through June of
2832 Fiscal Year 2022 for calendar year 2021 on amounts up to
2833 Thirty-seven Thousand Seven Hundred Dollars (\$37,700.00) for
2834 single individuals, Seventy-five Thousand Four Hundred Dollars
2835 (\$75,400.00) for married individuals, and Thirty-six Thousand Six
2836 Hundred Dollars (\$36,600.00) for head of family individuals.

2837 (q) Notwithstanding any other provision of this section,
2838 with regard to the personal exemptions authorized under this
2839 section, a taxpayer may elect to have the taxpayer's individual
2840 income tax liability for any year after calendar year 2021
2841 assessed with the personal exemptions authorized under this
2842 section as it existed on January 1, 2021, or with the personal
2843 exemptions authorized under this section, as amended by this act.

2844 **SECTION 12.** Section 27-65-17, Mississippi Code of 1972, is
2845 amended as follows:

2846 27-65-17. (1) (a) Except as otherwise provided in this
2847 section, upon every person engaging or continuing within this
2848 state in the business of selling any tangible personal property
2849 whatsoever there is hereby levied, assessed and shall be collected
2850 a tax equal to * * * nine and one-half percent (9-1/2%) of the
2851 gross proceeds of the retail sales of the business.

2852 (b) Retail sales of farm tractors and parts and labor
2853 used to maintain and/or repair such tractors shall be taxed at the
2854 rate of one and one-half percent (1-1/2%) when made to farmers for
2855 agricultural purposes.

2856 (c) (i) Retail sales of farm implements sold to
2857 farmers and used directly in the production of poultry, ratite,
2858 domesticated fish as defined in Section 69-7-501, livestock,
2859 livestock products, agricultural crops or ornamental plant crops
2860 or used for other agricultural purposes, and parts and labor used
2861 to maintain and/or repair such implements, shall be taxed at the
2862 rate of one and one-half percent (1-1/2%) when used on the farm.

2863 (ii) The one and one-half percent (1-1/2%) rate
2864 shall also apply to all equipment used in logging, pulpwood
2865 operations or tree farming, and parts and labor used to maintain
2866 and/or repair such equipment, which is either:

- 2867 1. Self-propelled, or
2868 2. Mounted so that it is permanently attached
2869 to other equipment which is self-propelled or attached to other
2870 equipment drawn by a vehicle which is self-propelled.

2871 In order to be eligible for the rate of tax provided for in
2872 this subparagraph (ii), such sales must be made to a professional
2873 logger. For the purposes of this subparagraph (ii), a
2874 "professional logger" is a person, corporation, limited liability
2875 company or other entity, or an agent thereof, who possesses a
2876 professional logger's permit issued by the Department of Revenue
2877 and who presents the permit to the seller at the time of purchase.
2878 The department shall establish an application process for a
2879 professional logger's permit to be issued, which shall include a
2880 requirement that the applicant submit a copy of documentation
2881 verifying that the applicant is certified according to Sustainable
2882 Forestry Initiative guidelines. Upon a determination that an
2883 applicant is a professional logger, the department shall issue the
2884 applicant a numbered professional logger's permit.

2885 (d) Except as otherwise provided in subsection (3) of
2886 this section, retail sales of aircraft, automobiles, trucks,
2887 truck-tractors, semitrailers and manufactured or mobile homes
2888 shall be taxed at the rate of * * * five and one-half percent
2889 (5-1/2%).

2890 (e) Sales of manufacturing machinery or manufacturing
2891 machine parts when made to a manufacturer or custom processor for
2892 plant use only when the machinery and machine parts will be used
2893 exclusively and directly within this state in manufacturing a
2894 commodity for sale, rental or in processing for a fee shall be
2895 taxed at the rate of one and one-half percent (1-1/2%).

2896 (f) Sales of machinery and machine parts when made to a
2897 technology intensive enterprise for plant use only when the
2898 machinery and machine parts will be used exclusively and directly
2899 within this state for industrial purposes, including, but not
2900 limited to, manufacturing or research and development activities,
2901 shall be taxed at the rate of one and one-half percent (1-1/2%).
2902 In order to be considered a technology intensive enterprise for
2903 purposes of this paragraph:

2904 (i) The enterprise shall meet minimum criteria
2905 established by the Mississippi Development Authority;

2906 (ii) The enterprise shall employ at least ten (10)
2907 persons in full-time jobs;

2908 (iii) At least ten percent (10%) of the workforce
2909 in the facility operated by the enterprise shall be scientists,
2910 engineers or computer specialists;

2911 (iv) The enterprise shall manufacture plastics,
2912 chemicals, automobiles, aircraft, computers or electronics; or
2913 shall be a research and development facility, a computer design or
2914 related facility, or a software publishing facility or other
2915 technology intensive facility or enterprise as determined by the
2916 Mississippi Development Authority;

2917 (v) The average wage of all workers employed by
2918 the enterprise at the facility shall be at least one hundred fifty
2919 percent (150%) of the state average annual wage; and

2920 (vi) The enterprise must provide a basic health
2921 care plan to all employees at the facility.

2922 (g) Sales of materials for use in track and track
2923 structures to a railroad whose rates are fixed by the Interstate
2924 Commerce Commission or the Mississippi Public Service Commission
2925 shall be taxed at the rate of * * * five and one-half percent
2926 (5-1/2%).

2927 (h) Sales of tangible personal property to electric
2928 power associations for use in the ordinary and necessary operation
2929 of their generating or distribution systems shall be taxed at the
2930 rate of * * * three and one-half percent (3-1/2%).

2931 (i) Wholesale sales of beer shall be taxed at the rate
2932 of seven percent (7%), and the retailer shall file a return and
2933 compute the retail tax on retail sales but may take credit for the
2934 amount of the tax paid to the wholesaler on said return covering
2935 the subsequent sales of same property, provided adequate invoices
2936 and records are maintained to substantiate the credit.

2937 (j) Wholesale sales of food and drink for human
2938 consumption to full-service vending machine operators to be sold
2939 through vending machines located apart from and not connected with
2940 other taxable businesses shall be taxed at the rate of eight
2941 percent (8%).

2942 (k) Sales of equipment used or designed for the purpose
2943 of assisting disabled persons, such as wheelchair equipment and
2944 lifts, that is mounted or attached to or installed on a private
2945 carrier of passengers or light carrier of property, as defined in
2946 Section 27-51-101, at the time when the private carrier of

2947 passengers or light carrier of property is sold shall be taxed at
2948 the same rate as the sale of such vehicles under this section.

2949 (l) Sales of the factory-built components of modular
2950 homes, panelized homes and precut homes, and panel constructed
2951 homes consisting of structural insulated panels, shall be taxed at
2952 the rate of * * * five and one-half percent (5-1/2%).

2953 (m) Sales of materials used in the repair, renovation,
2954 addition to, expansion and/or improvement of buildings and related
2955 facilities used by a dairy producer shall be taxed at the rate
2956 of * * * six percent (6%). For the purposes of this paragraph
2957 (m), "dairy producer" means any person engaged in the production
2958 of milk for commercial use.

2959 (n) From and after July 1, 2021, retail sales of food
2960 for human consumption not purchased with food stamps issued by the
2961 United States Department of Agriculture, or other federal agency,
2962 but which would be exempt under Section 27-65-111(o) from the
2963 taxes imposed by this chapter if the food items were purchased
2964 with food stamps, shall be taxed as follows:

2965 (i) From and after July 1, 2021, through June 30,
2966 2024, such sales shall be taxed at the rate of four and one-half
2967 percent (4-1/2%);

2968 (ii) From and after July 1, 2024, through June 30,
2969 2026, such sales shall be taxed at the rate of four percent (4%);
2970 and

2971 (ii) From and after July 1, 2026, such sales shall
2972 be taxed at the rate of three and one-half percent (3-1/2%).

2973 (2) From and after January 1, 1995, retail sales of private
2974 carriers of passengers and light carriers of property, as defined
2975 in Section 27-51-101, shall be taxed an additional two percent
2976 (2%).

2977 (3) A manufacturer selling at retail in this state shall be
2978 required to make returns of the gross proceeds of such sales and
2979 pay the tax imposed in this section.

2980 **SECTION 13.** Section 27-65-19, Mississippi Code of 1972, is
2981 amended as follows:

2982 27-65-19. (1) (a) (i) Except as otherwise provided in
2983 this subsection, upon every person selling to consumers,
2984 electricity, current, power, potable water, steam, coal, natural
2985 gas, liquefied petroleum gas or other fuel, there is hereby
2986 levied, assessed and shall be collected a tax equal to * * * nine
2987 and one-half percent (9-1/2%) of the gross income of the business.
2988 Provided, gross income from sales to consumers of electricity,
2989 current, power, natural gas, liquefied petroleum gas or other fuel
2990 for residential heating, lighting or other residential
2991 noncommercial or nonagricultural use, and sales of potable water
2992 for residential, noncommercial or nonagricultural use shall be
2993 excluded from taxable gross income of the business. Provided
2994 further, upon every such seller using electricity, current, power,
2995 potable water, steam, coal, natural gas, liquefied petroleum gas
2996 or other fuel for nonindustrial purposes, there is hereby levied,
2997 assessed and shall be collected a tax equal to * * * nine and

2998 one-half percent (9-1/2%) of the cost or value of the product or
2999 service used.

3000 (ii) Gross income from sales to a church that is
3001 exempt from federal income taxation under 26 USCS Section
3002 501(c)(3) of electricity, current, power, natural gas, liquefied
3003 petroleum gas or other fuel for heating, lighting or other use,
3004 and sales of potable water to such a church shall be excluded from
3005 taxable gross income of the business if the electricity, current,
3006 power, natural gas, liquefied petroleum gas or potable water is
3007 utilized on property that is primarily used for religious or
3008 educational purposes.

3009 (b) (i) There is hereby levied, assessed and shall be
3010 collected a tax equal to one and one-half percent (1-1/2%) of the
3011 gross income of the business from the sale of naturally occurring
3012 carbon dioxide and anthropogenic carbon dioxide lawfully injected
3013 into the earth for:

3014 1. Use in an enhanced oil recovery project,
3015 including, but not limited to, use for cycling, repressuring or
3016 lifting of oil; or

3017 2. Permanent sequestration in a geological
3018 formation.

3019 (ii) The one and one-half percent (1-1/2%) rate
3020 provided for in this subsection shall apply to electricity,
3021 current, power, steam, coal, natural gas, liquefied petroleum gas
3022 or other fuel that is sold to a producer of oil and gas for use
3023 directly in enhanced oil recovery using carbon dioxide and/or the

3024 permanent sequestration of carbon dioxide in a geological
3025 formation.

3026 (c) The one and one-half percent (1-1/2%) rate provided
3027 for in this subsection shall not apply to sales of fuel for
3028 automobiles, trucks, truck-tractors, buses, farm tractors or
3029 airplanes.

3030 (d) (i) Upon every person providing services in this
3031 state, there is hereby levied, assessed and shall be collected:

3032 1. A tax equal to * * * nine and one-half
3033 percent (9-1/2%) of the gross income received from all charges for
3034 intrastate telecommunications services.

3035 2. A tax equal to * * * nine and one-half
3036 percent (9-1/2%) of the gross income received from all charges for
3037 interstate telecommunications services.

3038 3. A tax equal to * * * nine and one-half
3039 percent (9-1/2%) of the gross income received from all charges for
3040 international telecommunications services.

3041 4. A tax equal to * * * nine and one-half
3042 percent (9-1/2%) of the gross income received from all charges for
3043 ancillary services.

3044 5. A tax equal to * * * nine and one-half
3045 percent (9-1/2%) of the gross income received from all charges for
3046 products delivered electronically, including, but not limited to,
3047 software, music, games, reading materials or ring tones.

3048 (ii) A person, upon proof that he has paid a tax
3049 in another state on an event described in subparagraph (i) of this

3050 paragraph (d), shall be allowed a credit against the tax imposed
3051 in this paragraph (d) on interstate telecommunications service
3052 charges to the extent that the amount of such tax is properly due
3053 and actually paid in such other state and to the extent that the
3054 rate of sales tax imposed by and paid in such other state does not
3055 exceed the rate of sales tax imposed by this paragraph (d).

3056 (iii) Charges by one (1) telecommunications
3057 provider to another telecommunications provider holding a permit
3058 issued under Section 27-65-27 for services that are resold by such
3059 other telecommunications provider, including, but not limited to,
3060 access charges, shall not be subject to the tax levied pursuant to
3061 this paragraph (d).

3062 (iv) For purposes of this paragraph (d):

3063 1. "Telecommunications service" means the
3064 electronic transmission, conveyance or routing of voice, data,
3065 audio, video or any other information or signals to a point, or
3066 between points. The term "telecommunications service" includes
3067 such transmission, conveyance or routing in which computer
3068 processing applications are used to act on the form, code or
3069 protocol of the content for purposes of transmission, conveyance
3070 or routing without regard to whether such service is referred to
3071 as voice over Internet protocol services or is classified by the
3072 Federal Communications Commission as enhanced or value added. The
3073 term "telecommunications service" shall not include:

3074 a. Data processing and information
3075 services that allow data to be generated, acquired, stored,

3076 processed or retrieved and delivered by an electronic transmission
3077 to a purchaser where such purchaser's primary purpose for the
3078 underlying transaction is the processed data or information;

- 3079 b. Installation or maintenance of wiring
3080 or equipment on a customer's premises;
- 3081 c. Tangible personal property;
- 3082 d. Advertising, including, but not
3083 limited to, directory advertising;
- 3084 e. Billing and collection services
3085 provided to third parties;
- 3086 f. Internet access service;
- 3087 g. Radio and television audio and video
3088 programming services regardless of the medium, including the
3089 furnishing of transmission, conveyance and routing of such
3090 services by the programming service provider. Radio and
3091 television audio and video programming services shall include, but
3092 not be limited to, cable service as defined in 47 USCS 522(6) and
3093 audio and video programming services delivered by commercial
3094 mobile radio service providers, as defined in 47 CFR 20.3;
- 3095 h. Ancillary services; or
- 3096 i. Digital products delivered
3097 electronically, including, but not limited to, software, music,
3098 video, reading materials or ring tones.

3099 2. "Ancillary services" means services that
3100 are associated with or incidental to the provision of
3101 telecommunications services, including, but not limited to,

3102 detailed telecommunications billing, directory assistance,
3103 vertical service and voice mail service.

3104 a. "Conference bridging" means an
3105 ancillary service that links two (2) or more participants of an
3106 audio or video conference call and may include the provision of a
3107 telephone number. Conference bridging does not include the
3108 telecommunications services used to reach the conference bridge.

3109 b. "Detailed telecommunications billing
3110 service" means an ancillary service of separately stating
3111 information pertaining to individual calls on a customer's billing
3112 statement.

3113 c. "Directory assistance" means an
3114 ancillary service of providing telephone number information and/or
3115 address information.

3116 d. "Vertical service" means an ancillary
3117 service that is offered in connection with one or more
3118 telecommunications services, which offers advanced calling
3119 features that allow customers to identify callers and to manage
3120 multiple calls and call connections, including conference bridging
3121 services.

3122 e. "Voice mail service" means an
3123 ancillary service that enables the customer to store, send or
3124 receive recorded messages. Voice mail service does not include
3125 any vertical services that the customer may be required to have in
3126 order to utilize the voice mail service.

3127 3. "Intrastate" means telecommunications
3128 service that originates in one (1) United States state or United
3129 States territory or possession, and terminates in the same United
3130 States state or United States territory or possession.

3131 4. "Interstate" means a telecommunications
3132 service that originates in one (1) United States state or United
3133 States territory or possession, and terminates in a different
3134 United States state or United States territory or possession.

3135 5. "International" means a telecommunications
3136 service that originates or terminates in the United States and
3137 terminates or originates outside the United States, respectively.

3138 (v) For purposes of paragraph (d), the following
3139 sourcing rules shall apply:

3140 1. Except for the defined telecommunications
3141 services in item 3 of this subparagraph, the sales of
3142 telecommunications services sold on a call-by-call basis shall be
3143 sourced to:

3144 a. Each level of taxing jurisdiction
3145 where the call originates and terminates in that jurisdiction, or

3146 b. Each level of taxing jurisdiction
3147 where the call either originates or terminates and in which the
3148 service address is also located.

3149 2. Except for the defined telecommunications
3150 services in item 3 of this subparagraph, a sale of
3151 telecommunications services sold on a basis other than a

3152 call-by-call basis, is sourced to the customer's place of primary
3153 use.

3154 3. The sale of the following
3155 telecommunications services shall be sourced to each level of
3156 taxing jurisdiction as follows:

3157 a. A sale of mobile telecommunications
3158 services other than air-to-ground radiotelephone service and
3159 prepaid calling service is sourced to the customer's place of
3160 primary use as required by the Mobile Telecommunication Sourcing
3161 Act.

3162 A. A home service provider shall be
3163 responsible for obtaining and maintaining the customer's place of
3164 primary use. The home service provider shall be entitled to rely
3165 on the applicable residential or business street address supplied
3166 by such customer, if the home service provider's reliance is in
3167 good faith; and the home service provider shall be held harmless
3168 from liability for any additional taxes based on a different
3169 determination of the place of primary use for taxes that are
3170 customarily passed on to the customer as a separate itemized
3171 charge. A home service provider shall be allowed to treat the
3172 address used for purposes of the tax levied by this chapter for
3173 any customer under a service contract in effect on August 1, 2002,
3174 as that customer's place of primary use for the remaining term of
3175 such service contract or agreement, excluding any extension or
3176 renewal of such service contract or agreement. Month-to-month

3177 services provided after the expiration of a contract shall be
3178 treated as an extension or renewal of such contract or agreement.

3179 B. If the commissioner determines
3180 that the address used by a home service provider as a customer's
3181 place of primary use does not meet the definition of the term
3182 "place of primary use" as defined in subitem a.A. of this item 3,
3183 the commissioner shall give binding notice to the home service
3184 provider to change the place of primary use on a prospective basis
3185 from the date of notice of determination; however, the customer
3186 shall have the opportunity, prior to such notice of determination,
3187 to demonstrate that such address satisfies the definition.

3188 C. The department has the right to
3189 collect any taxes due directly from the home service provider's
3190 customer that has failed to provide an address that meets the
3191 definition of the term "place of primary use" which resulted in a
3192 failure of tax otherwise due being remitted.

3193 b. A sale of postpaid calling service is
3194 sourced to the origination point of the telecommunications signal
3195 as first identified by either:

3196 A. The seller's telecommunications
3197 system; or

3198 B. Information received by the
3199 seller from its service provider, where the system used to
3200 transport such signals is not that of the seller.

3201 c. A sale of a prepaid calling service
3202 or prepaid wireless calling service shall be subject to the tax

3203 imposed by this paragraph if the sale takes place in this state.
3204 If the customer physically purchases a prepaid calling service or
3205 prepaid wireless calling service at the vendor's place of
3206 business, the sale is deemed to take place at the vendor's place
3207 of business. If the customer does not physically purchase the
3208 service at the vendor's place of business, the sale of a prepaid
3209 calling card or prepaid wireless calling card is deemed to take
3210 place at the first of the following locations that applies to the
3211 sale:

- 3212 A. The customer's shipping address,
3213 if the sale involves a shipment;
- 3214 B. The customer's billing address;
- 3215 C. Any other address of the
3216 customer that is known by the vendor; or
- 3217 D. The address of the vendor, or
3218 alternatively, in the case of a prepaid wireless calling service,
3219 the location associated with the mobile telephone number.

3220 4. A sale of a private communication service
3221 is sourced as follows:

- 3222 a. Service for a separate charge related
3223 to a customer channel termination point is sourced to each level
3224 of jurisdiction in which such customer channel termination point
3225 is located.
- 3226 b. Service where all customer
3227 termination points are located entirely within one (1)
3228 jurisdiction or levels of jurisdiction is sourced in such

3229 jurisdiction in which the customer channel termination points are
3230 located.

3231 c. Service for segments of a channel
3232 between two (2) customer channel termination points located in
3233 different jurisdictions and which segments of a channel are
3234 separately charged is sourced fifty percent (50%) in each level of
3235 jurisdiction in which the customer channel termination points are
3236 located.

3237 d. Service for segments of a channel
3238 located in more than one (1) jurisdiction or levels of
3239 jurisdiction and which segments are not separately billed is
3240 sourced in each jurisdiction based on the percentage determined by
3241 dividing the number of customer channel termination points in such
3242 jurisdiction by the total number of customer channel termination
3243 points.

3244 5. A sale of ancillary services is sourced to
3245 the customer's place of primary use.

3246 (vi) For purposes of subparagraph (v) of this
3247 paragraph (d):

3248 1. "Air-to-ground radiotelephone service"
3249 means a radio service, as that term is defined in 47 CFR 22.99, in
3250 which common carriers are authorized to offer and provide radio
3251 telecommunications service for hire to subscribers in aircraft.

3252 2. "Call-by-call basis" means any method of
3253 charging for telecommunications services where the price is
3254 measured by individual calls.

3255 3. "Communications channel" means a physical
3256 or virtual path of communications over which signals are
3257 transmitted between or among customer channel termination points.

3258 4. "Customer" means the person or entity that
3259 contracts with the seller of telecommunications services. If the
3260 end user of telecommunications services is not the contracting
3261 party, the end user of the telecommunications service is the
3262 customer of the telecommunications service. Customer does not
3263 include a reseller of telecommunications service or for mobile
3264 telecommunications service of a serving carrier under an agreement
3265 to serve the customer outside the home service provider's licensed
3266 service area.

3267 5. "Customer channel termination point" means
3268 the location where the customer either inputs or receives the
3269 communications.

3270 6. "End user" means the person who utilizes
3271 the telecommunications service. In the case of an entity, "end
3272 user" means the individual who utilizes the service on behalf of
3273 the entity.

3274 7. "Home service provider" has the meaning
3275 ascribed to such term in Section 124(5) of Public Law 106-252
3276 (Mobile Telecommunications Sourcing Act).

3277 8. "Mobile telecommunications service" has
3278 the meaning ascribed to such term in Section 124(7) of Public Law
3279 106-252 (Mobile Telecommunications Sourcing Act).

3280 9. "Place of primary use" means the street
3281 address representative of where the customer's use of the
3282 telecommunications service primarily occurs, which must be the
3283 residential street address or the primary business street address
3284 of the customer. In the case of mobile telecommunications
3285 services, the place of primary use must be within the licensed
3286 service area of the home service provider.

3287 10. "Post-paid calling service" means the
3288 telecommunications service obtained by making a payment on a
3289 call-by-call basis either through the use of a credit card or
3290 payment mechanism such as a bank card, travel card, credit card or
3291 debit card, or by charge made to a telephone number which is not
3292 associated with the origination or termination of the
3293 telecommunications service. A post-paid calling service includes
3294 a telecommunications service, except a prepaid wireless calling
3295 service that would be a prepaid calling service except it is not
3296 exclusively a telecommunications service.

3297 11. "Prepaid calling service" means the right
3298 to access exclusively telecommunications services, which must be
3299 paid for in advance and which enables the origination of calls
3300 using an access number or authorization code, whether manually or
3301 electronically dialed, and that is sold in predetermined units or
3302 dollars of which the number declines with use in a known amount.

3303 12. "Prepaid wireless calling service" means
3304 a telecommunications service that provides the right to utilize
3305 mobile wireless service as well as other nontelecommunications

3306 services, including the download of digital products delivered
3307 electronically, content and ancillary service, which must be paid
3308 for in advance that is sold in predetermined units or dollars of
3309 which the number declines with use in a known amount.

3310 13. "Private communication service" means a
3311 telecommunications service that entitles the customer to exclusive
3312 or priority use of a communications channel or group of channels
3313 between or among termination points, regardless of the manner in
3314 which such channel or channels are connected, and includes
3315 switching capacity, extension lines, stations and any other
3316 associated services that are provided in connection with the use
3317 of such channel or channels.

3318 14. "Service address" means:

3319 a. The location of the
3320 telecommunications equipment to which a customer's call is charged
3321 and from which the call originates or terminates, regardless of
3322 where the call is billed or paid.

3323 b. If the location in subitem a of this
3324 item 14 is not known, the origination point of the signal of the
3325 telecommunications services first identified by either the
3326 seller's telecommunications system or in information received by
3327 the seller from its service provider, where the system used to
3328 transport such signals is not that of the seller.

3329 c. If the location in subitems a and b
3330 of this item 14 are not known, the location of the customer's
3331 place of primary use.

3332 (vii) 1. For purposes of this subparagraph (vii),
3333 "bundled transaction" means a transaction that consists of
3334 distinct and identifiable properties or services which are sold
3335 for a single nonitemized price but which are treated differently
3336 for tax purposes.

3337 2. In the case of a bundled transaction that
3338 includes telecommunications services, ancillary services, Internet
3339 access, or audio or video programming services taxed under this
3340 chapter in which the price of the bundled transaction is
3341 attributable to properties or services that are taxable and
3342 nontaxable, the portion of the price that is attributable to any
3343 nontaxable property or service shall be subject to the tax unless
3344 the provider can reasonably identify that portion from its books
3345 and records kept in the regular course of business.

3346 3. In the case of a bundled transaction that
3347 includes telecommunications services, ancillary services, Internet
3348 access, audio or video programming services subject to tax under
3349 this chapter in which the price is attributable to properties or
3350 services that are subject to the tax but the tax revenue from the
3351 different properties or services are dedicated to different funds
3352 or purposes, the provider shall allocate the price among the
3353 properties or services:

3354 a. By reasonably identifying the portion
3355 of the price attributable to each of the properties and services
3356 from its books and records kept in the regular course of business;
3357 or

3358 b. Based on a reasonable allocation
3359 methodology approved by the department.

3360 4. This subparagraph (vii) shall not create a
3361 right of action for a customer to require that the provider or the
3362 department, for purposes of determining the amount of tax
3363 applicable to a bundled transaction, allocate the price to the
3364 different portions of the transaction in order to minimize the
3365 amount of tax charged to the customer. A customer shall not be
3366 entitled to rely on the fact that a portion of the price is
3367 attributable to properties or services not subject to tax unless
3368 the provider elects, after receiving a written request from the
3369 customer in the form required by the provider, to provide
3370 verifiable data based upon the provider's books and records that
3371 are kept in the regular course of business that reasonably
3372 identifies the portion of the price attributable to the properties
3373 or services not subject to the tax.

3374 (2) Persons making sales to consumers of electricity,
3375 current, power, natural gas, liquefied petroleum gas or other fuel
3376 for residential heating, lighting or other residential
3377 noncommercial or nonagricultural use or sales of potable water for
3378 residential, noncommercial or nonagricultural use shall indicate
3379 on each statement rendered to customers that such charges are
3380 exempt from sales taxes.

3381 (3) There is hereby levied, assessed and shall be paid on
3382 transportation charges on shipments moving between points within
3383 this state when paid directly by the consumer, a tax equal to the

3384 rate applicable to the sale of the property being transported.
3385 Such tax shall be reported and paid directly to the Department of
3386 Revenue by the consumer.

3387 **SECTION 14.** Section 27-65-20, Mississippi Code of 1972, is
3388 amended as follows:

3389 27-65-20. Upon every person engaging or continuing within
3390 this state in the business of selling machinery, machine parts
3391 and/or equipment to an operator or lessee of any structures,
3392 facilities and lands acquired and operated or leased pursuant to
3393 any of the provisions of Chapter 9, Title 59, Mississippi Code of
3394 1972, which machinery, machine parts and/or equipment is to be
3395 located on and used exclusively and directly in the operation of
3396 such structures, facilities and lands, there is hereby levied,
3397 assessed and shall be collected a tax equal to * * * four percent
3398 (4%) of the gross proceeds of such retail sales of the business.

3399 **SECTION 15.** Section 27-65-22, Mississippi Code of 1972, is
3400 amended as follows:

3401 27-65-22. (1) Upon every person engaging or continuing in
3402 any amusement business or activity, which shall include all manner
3403 and forms of entertainment and amusement, all forms of diversion,
3404 sport, recreation or pastime, shows, exhibitions, contests,
3405 displays, games or any other and all methods of obtaining
3406 admission charges, donations, contributions or monetary charges of
3407 any character, from the general public or a limited or selected
3408 number thereof, directly or indirectly in return for other than
3409 tangible property or specific personal or professional services,

3410 whether such amusement is held or conducted in a public or private
3411 building, hotel, tent, pavilion, lot or resort, enclosed or in the
3412 open, there is hereby levied, assessed and shall be collected a
3413 tax equal to * * * nine and one-half percent (9-1/2%) of the gross
3414 income received as admission, except as otherwise provided herein.
3415 In lieu of the rate set forth above, there is hereby imposed,
3416 levied and assessed, to be collected as hereinafter provided, a
3417 tax of three percent (3%) of gross revenue derived from sales of
3418 admission to publicly owned enclosed coliseums and auditoriums
3419 (except admissions to athletic contests between colleges and
3420 universities). There is hereby imposed, levied and assessed a tax
3421 of * * * nine and one-half percent (9-1/2%) of gross revenue
3422 derived from sales of admission to events conducted on property
3423 managed by the Mississippi Veterans Memorial Stadium, which tax
3424 shall be administered in the manner prescribed in this chapter,
3425 subject, however, to the provisions of Sections 55-23-3 through
3426 55-23-11.

3427 (2) The operator of any place of amusement in this state
3428 shall collect the tax imposed by this section, in addition to the
3429 price charged for admission to any place of amusement, and under
3430 all circumstances the person conducting the amusement shall be
3431 liable for, and pay the tax imposed based upon the actual charge
3432 for such admission. Where permits are obtained for conducting
3433 temporary amusements by persons who are not the owners, lessees or
3434 custodians of the buildings, lots or places where the amusements
3435 are to be conducted, or where such temporary amusement is

3436 permitted by the owner, lessee or custodian of any place to be
3437 conducted without the procurement of a permit as required by this
3438 chapter, the tax imposed by this chapter shall be paid by the
3439 owner, lessee or custodian of such place where such temporary
3440 amusement is held or conducted, unless paid by the person
3441 conducting the amusement, and the applicant for such temporary
3442 permit shall furnish with the application therefor, the name and
3443 address of the owner, lessee or custodian of the premises upon
3444 which such amusement is to be conducted, and such owner, lessee or
3445 custodian shall be notified by the commission of the issuance of
3446 such permit, and of the joint liability for such tax.

3447 (3) The tax imposed by this section shall not be levied or
3448 collected upon:

3449 (a) Any admissions charged at any place of amusement
3450 operated by a religious, charitable or educational organization,
3451 or by a nonprofit civic club or fraternal organization (i) when
3452 the net proceeds of such admissions do not inure to any one or
3453 more individuals within such organization and are to be used
3454 solely for religious, charitable, educational or civic purposes;
3455 or (ii) when the entire net proceeds are used to defray the normal
3456 operating expenses of such organization, such as loan payments,
3457 maintenance costs, repairs and other operating expenses;

3458 (b) Any admissions charged to hear gospel singing when
3459 promoted by a duly constituted local, bona fide nonprofit
3460 charitable or religious organization, irrespective of the fact
3461 that the performers and promoters are paid out of the proceeds of

3462 admissions collected, provided the program is composed entirely of
3463 gospel singing and not generally mixed with hillbilly or popular
3464 singing;

3465 (c) Any admissions charged at any athletic games or
3466 contests between high schools or between grammar schools;

3467 (d) Any admissions or tickets to or for baseball games
3468 between teams operated under a professional league franchise;

3469 (e) Any admissions to county, state or community fairs,
3470 or any admissions to entertainments presented in community homes
3471 or houses which are publicly owned and controlled, and the
3472 proceeds of which do not inure to any individual or individuals;

3473 (f) Any admissions or tickets to organized garden
3474 pilgrimages and to antebellum and historic houses when sponsored
3475 by an organized civic or garden club;

3476 (g) Any admissions to any golf tournament held under
3477 the auspices of the Professional Golf Association or United States
3478 Golf Association wherein touring professionals compete, if such
3479 tournament is sponsored by a nonprofit association incorporated
3480 under the laws of the State of Mississippi where no dividends are
3481 declared and the proceeds do not inure to any individual or group;

3482 (h) Any admissions to university or community college
3483 conference, state, regional or national playoffs or championships;

3484 (i) Any admissions or fees charged by any county or
3485 municipally owned and operated swimming pools, golf courses and
3486 tennis courts other than sales or rental of tangible personal
3487 property;

3488 (j) Any admissions charged for the performance of
3489 symphony orchestras, operas, vocal or instrumental artists in
3490 which professional or amateur performers are compensated out of
3491 the proceeds of such admissions, when sponsored by local music or
3492 charity associations, or amateur dramatic performances or
3493 professional dramatic productions when sponsored by a children's
3494 dramatic association, where no dividends are declared, profits
3495 received, nor any salary or compensation paid to any of the
3496 members of such associations, or to any person for procuring or
3497 producing such performance;

3498 (k) Any admissions or tickets to or for hockey games
3499 between teams operated under a professional league franchise;

3500 (l) Any admissions or tickets to or for events
3501 sanctioned by the Mississippi Athletic Commission that are held
3502 within publicly owned enclosed coliseums and auditoriums;

3503 (m) Guided tours on any navigable waters of this state,
3504 which include providing accommodations, guide services and/or
3505 related equipment operated by or under the direction of the person
3506 providing the tour, for the purposes of outdoor tourism;

3507 (n) Any admissions to events held solely for religious
3508 or charitable purposes at livestock facilities, agriculture
3509 facilities or other facilities constructed, renovated or expanded
3510 with funds from the grant program authorized under Section 18 of
3511 Chapter 530, Laws of 1995; and

3512 (o) (i) Any admissions charged at events, activities
3513 or entertainments:

3514 1. Which are open to the public and held in
3515 or on parks, lands or buildings which are publicly owned, leased,
3516 used and/or controlled by a municipality, or any agency thereof;

3517 2. Which are created and sponsored by the
3518 municipality, or an agency thereof; and

3519 3. The proceeds of which do not inure to the
3520 benefit of any individual or individuals; however,

3521 (ii) The governing authorities of a municipality
3522 may require the tax imposed by this section to be levied and
3523 collected at events, activities or entertainments described in
3524 subparagraph (i) of this paragraph by:

3525 1. Adopting an ordinance requiring the levy
3526 and collection of the tax;

3527 2. Providing the Department of Revenue with a
3528 certified copy of the ordinance requiring the tax to be levied and
3529 assessed at least thirty (30) days prior to the effective date of
3530 the ordinance;

3531 (iii) If the ordinance described in subparagraph
3532 (ii) of this paragraph is repealed, the municipality shall provide
3533 the Department of Revenue with a certified copy of the repeal of
3534 the ordinance at least thirty (30) days prior to the effective
3535 date of the repeal.

3536 **SECTION 16.** Section 27-65-23, Mississippi Code of 1972, is
3537 amended as follows:

3538 27-65-23. (1) Upon every person engaging or continuing in
3539 any of the following businesses or activities there is hereby

3540 levied, assessed and shall be collected a tax equal to * * * nine
3541 and one-half percent (9-1/2%) of the gross income of the business,
3542 except as otherwise provided:

3543 Air-conditioning installation or repairs;

3544 Automobile, motorcycle, boat or any other vehicle
3545 repairing or servicing;

3546 Billiards, pool or domino parlors;

3547 Bowling or tenpin alleys;

3548 Burglar and fire alarm systems or services;

3549 Car washing – automatic, self-service, or manual;

3550 Computer software sales and services;

3551 Cotton compresses or cotton warehouses;

3552 Custom creosoting or treating, custom planing, custom
3553 sawing;

3554 Custom meat processing;

3555 Electricians, electrical work, wiring, all repairs or
3556 installation of electrical equipment;

3557 Elevator or escalator installing, repairing or
3558 servicing;

3559 Film developing or photo finishing;

3560 Foundries, machine or general repairing;

3561 Furniture repairing or upholstering;

3562 Grading, excavating, ditching, dredging or landscaping;

3563 Hotels (as defined in Section 41-49-3), motels, tourist
3564 courts or camps, trailer parks;

3565 Insulating services or repairs;

3566 Jewelry or watch repairing;
3567 Laundering, cleaning, pressing or dyeing;
3568 Marina services;
3569 Mattress renovating;
3570 Office and business machine repairing;
3571 Parking garages and lots;
3572 Plumbing or pipe fitting;
3573 Public storage warehouses (There shall be no tax levied
3574 on gross income of a public storage warehouse derived from the
3575 temporary storage of tangible personal property in this state
3576 pending shipping or mailing of the property to another state.);
3577 Refrigerating equipment repairs;
3578 Radio or television installing, repairing, or servicing;
3579 Renting or leasing personal property used within this
3580 state;
3581 Services performed in connection with geophysical
3582 surveying, exploring, developing, drilling, producing,
3583 distributing, or testing of oil, gas, water and other mineral
3584 resources;
3585 Shoe repairing;
3586 Storage lockers;
3587 Telephone answering or paging services;
3588 Termite or pest control services;
3589 Tin and sheet metal shops;
3590 TV cable systems, subscription TV services, and other
3591 similar activities;

3592 Vulcanizing, repairing or recapping of tires or tubes;
3593 Welding; and
3594 Woodworking or woodu-turning shops.

3595 (2) Income from services taxed herein performed for electric
3596 power associations in the ordinary and necessary operation of
3597 their generating or distribution systems shall be taxed at the
3598 rate of * * * three and one-half percent (3-1/2%).

3599 (3) Income from services taxed herein performed on materials
3600 for use in track or track structures to a railroad whose rates are
3601 fixed by the Interstate Commerce Commission or the Mississippi
3602 Public Service Commission shall be taxed at the rate of * * * five
3603 and one-half percent (5-1/2%).

3604 (4) Income from renting or leasing tangible personal
3605 property used within this state shall be taxed at the same rates
3606 as sales of the same property.

3607 (5) Persons doing business in this state who rent
3608 transportation equipment with a situs within or without the state
3609 to common, contract or private commercial carriers are taxed on
3610 that part of the income derived from use within this state. If
3611 specific accounting is impracticable, a formula may be used with
3612 approval of the commissioner.

3613 (6) A lessor may deduct from the tax computed on the rental
3614 income from tangible personal property a credit for sales or use
3615 tax paid to this state at the time of purchase of the specific
3616 personal property being leased or rented until such credit has
3617 been exhausted.

3618 (7) Charges for custom processing and repairing services may
3619 be excluded from gross taxable income when the property on which
3620 the service was performed is delivered to the customer in another
3621 state either by common carrier or in the seller's equipment.

3622 (8) When a taxpayer performs unitary services covered by
3623 this section, which are performed both in intrastate and
3624 interstate commerce, the commissioner is hereby invested with
3625 authority to formulate in each particular case and to fix for such
3626 taxpayer in each instance formulae of apportionment which will
3627 apportion to this state, for taxation, that portion of the
3628 services which are performed within the State of Mississippi.

3629 **SECTION 17.** Section 27-65-25, Mississippi Code of 1972, is
3630 amended as follows:

3631 27-65-25. Upon every person engaging or continuing within
3632 this state in the business of selling alcoholic beverages, the
3633 sales of which are legal under the provisions of Chapter 1 of
3634 Title 67, Mississippi Code of 1972, there is hereby levied,
3635 assessed and shall be collected a tax equal to * * * nine and
3636 one-half percent (9-1/2%) of the gross proceeds of the retail
3637 sales of the business. All sales at wholesale to retailers shall
3638 be taxed at the same rate as provided in this section for retail
3639 sales. A retailer in computing the tax on sales may take credit
3640 for the amount of the tax paid to the wholesaler at the rates
3641 provided herein and remit the difference to the commissioner,
3642 provided adequate records and all invoices are maintained to
3643 substantiate the credit claimed.

3644 SECTION 18. Section 27-65-26, Mississippi Code of 1972, is
3645 amended as follows:

3646 27-65-26. (1) Upon every person engaging or continuing
3647 within this state in the business of selling, renting or leasing
3648 specified digital products, there shall be levied, assessed and
3649 shall be collected a tax equal to * * * nine and one-half percent
3650 (9-1/2%) of the gross income of the business. The sale of a
3651 digital code that allows the purchaser to obtain a specified
3652 digital product shall be taxed in the same manner as the sale of a
3653 specified digital product. The tax is imposed when:

3654 (a) The sale is to an end user;

3655 (b) The seller grants the right of permanent or less
3656 than permanent use of the products transferred electronically; or

3657 (c) The sale is conditioned or not conditioned upon
3658 continued payment.

3659 (2) Charges by one (1) specified digital products provider
3660 to another specified digital products provider holding a permit
3661 issued under Section 27-65-27 for services that are resold by such
3662 other specified digital products provider shall not be subject to
3663 the tax levied pursuant to this section.

3664 (3) For purposes of this section:

3665 (a) "Specified digital products" means electronically
3666 transferred digital audio-visual works, digital audio works and
3667 digital books.

3668 (b) "Digital audio-visual works" means a series of
3669 related images which, when shown in succession, impart an
3670 impression of motion, together with accompanying sounds, if any.

3671 (c) "Digital audio works" means works that result from
3672 the fixation of a series of musical, spoken or other sounds,
3673 including ringtones. "Ringtones" means digitized sound files that
3674 are downloaded onto a device and that may be used to alert the
3675 customer with respect to a communication.

3676 (d) "Digital books" means works that are generally
3677 recognized in the ordinary and usual sense as "books."

3678 (e) "Electronically transferred" means obtained by the
3679 purchaser by means other than tangible storage media.

3680 (f) "End user" means any person other than a person who
3681 receives by contract a product transferred electronically for
3682 further commercial broadcast, rebroadcast, transmission,
3683 retransmission, licensing, relicensing, distribution,
3684 redistribution or exhibition of the product, in whole or in part,
3685 to another person or persons.

3686 (g) "Permanent use" means for purposes of this section
3687 for perpetual or for an indefinite or unspecified length of time.

3688 (h) "Digital code" means a code that permits a
3689 purchaser to obtain a specified digital product at a later date.

3690 **SECTION 19.** Section 27-65-201, Mississippi Code of 1972, is
3691 amended as follows:

3692 27-65-201. (1) For the purposes of this section, unless the
3693 context otherwise requires, the term "motor vehicle" means a motor

3694 vehicle required to be registered or licensed by the county tax
3695 collectors pursuant to Section 27-19-43.

3696 (2) Upon every person, firm or corporation purchasing other
3697 than at wholesale within this state any motor vehicle required to
3698 be registered or licensed with the tax collector of any county in
3699 this state from any person, firm or corporation which is not a
3700 licensed dealer engaged in selling motor vehicles, there shall be
3701 levied and collected a sales tax at the rate of * * * seven and
3702 one-half percent (7-1/2%) of the true value of the motor vehicle
3703 as calculated by using the most current official motor vehicle
3704 assessment schedule supplied by the Department of Revenue.

3705 (3) Upon every person, firm or corporation purchasing other
3706 than at wholesale outside the state any motor vehicle required to
3707 be registered or licensed with the tax collector of any county in
3708 this state from any person, firm or corporation which is not a
3709 licensed dealer engaged in selling motor vehicles, for use,
3710 storage or other consumption within this state there is levied a
3711 use tax at the rate of * * * seven and one-half percent (7-1/2%)
3712 of the true value of the motor vehicle as calculated by using the
3713 most current official motor vehicle assessment schedule supplied
3714 by the Department of Revenue.

3715 (4) Where any motor vehicle is taken in trade as a credit or
3716 part payment on the sale of a motor vehicle taxable under this
3717 section, the tax levied by this section shall be paid on the net
3718 difference, that is, the true value of the motor vehicle sold less
3719 the credit for the motor vehicle taken in trade.

3720 (5) The tax levied by this section shall be collected by the
3721 tax collector at the time of, and as a prerequisite to, the
3722 registration of or licensing of any such motor vehicle. The tax
3723 collector shall give to the person registering the vehicle a
3724 receipt in a form prescribed and furnished by the Department of
3725 Revenue for the amount of tax collected.

3726 (6) County tax collectors shall be liable for the tax they
3727 are required to collect, and taxes which are in fact collected,
3728 under this section and failure to properly collect or maintain
3729 proper records shall not relieve them of liability for payment to
3730 the Department of Revenue. Deficiencies in collection or payment
3731 shall be assessed against the tax collector, or his successor, in
3732 the same manner and subject to the same penalties and provisions
3733 for appeal as are deficiencies assessed against taxpayers under
3734 Chapter 65, Title 27, Mississippi Code of 1972.

3735 Each tax collector of the several counties shall, on or
3736 before the twentieth day of each month, file a report with and pay
3737 to the Department of Revenue all funds collected under the
3738 provisions of this section, less a commission of three percent
3739 (3%) which shall be retained by the tax collector as a commission
3740 for collecting such tax, and such commission shall be deposited in
3741 the county general fund. The report required to be filed shall
3742 cover all collections made during the calendar month next
3743 preceding the date on which the report is due and filed.

3744 Any error in the report and remittance to the Department of
3745 Revenue may be adjusted on a subsequent report. If the error was

3746 in the collection by the tax collector, it shall be adjusted
3747 through the tax collector with the taxpayer before credit is
3748 allowed by the Department of Revenue.

3749 All information relating to the collection of this tax by tax
3750 collectors and such records as the Department of Revenue may
3751 require shall be preserved in the tax collector's office for a
3752 period of three (3) years for audit by the Department of Revenue.

3753 (7) The tax levied by this section shall not apply to the
3754 following:

3755 (a) Transfers of legal ownership of motor vehicles
3756 currently registered or licensed in the transferor's name between
3757 husband and wife, parent and child, or grandparents and
3758 grandchildren, unless the transferor is a licensed dealer of motor
3759 vehicles and the transfer of the motor vehicle is made in the
3760 regular course of business.

3761 (b) Transfers of legal ownership of motor vehicles
3762 pursuant to a will or pursuant to any law providing for the
3763 distribution of the property of one dying intestate.

3764 (c) Transfers of legal ownership of motor vehicles ten
3765 (10) or more years after the date of the manufacture of such
3766 vehicle.

3767 (d) Transfers of legal ownership of motor vehicles
3768 between siblings, unless the transferor is a licensed dealer of
3769 motor vehicles and the transfer of the motor vehicle is made in
3770 the regular course of business.

3771 **SECTION 20.** Section 27-65-75, Mississippi Code of 1972, is
3772 amended as follows:

3773 27-65-75. On or before the fifteenth day of each month, the
3774 revenue collected under the provisions of this chapter during the
3775 preceding month shall be paid and distributed as follows:

3776 (1) (a) On or before August 15, 1992, and each succeeding
3777 month thereafter through July 15, 1993, eighteen percent (18%) of
3778 the total sales tax revenue collected during the preceding month
3779 under the provisions of this chapter, except that collected under
3780 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
3781 business activities within a municipal corporation shall be
3782 allocated for distribution to the municipality and paid to the
3783 municipal corporation. Except as otherwise provided in this
3784 paragraph (a), on or before August 15, 1993, and each succeeding
3785 month thereafter through August 15, 2021, eighteen and one-half
3786 percent (18-1/2%) of the total sales tax revenue collected during
3787 the preceding month under the provisions of this chapter, except
3788 that collected under the provisions of Sections 27-65-15,
3789 27-65-19(3), 27-65-21 and 27-65-24, on business activities within
3790 a municipal corporation shall be allocated for distribution to the
3791 municipality and paid to the municipal corporation. On or before
3792 September 15, 2021, and each succeeding month thereafter through
3793 August 15, 2024, (i) eighteen and one-half percent (18-1/2%) of
3794 the total sales tax revenue collected during the preceding month
3795 under the provisions of this chapter, except that collected under
3796 the provisions of Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3),

3797 27-65-21 and 27-65-24, on business activities within a municipal
3798 corporation and (ii) twenty-eight and eight-tenths percent
3799 (28-8/10%) of the total sales tax revenue collected during the
3800 preceding month under the provisions of Section 27-65-17(1) (n) on
3801 business activities within a municipal corporation shall be
3802 allocated for distribution to the municipality and paid to the
3803 municipal corporation. On or before September 15, 2024, and each
3804 succeeding month thereafter through August 15, 2026, (i) eighteen
3805 and one-half percent (18-1/2%) of the total sales tax revenue
3806 collected during the preceding month under the provisions of this
3807 chapter, except that collected under the provisions of Sections
3808 27-65-15, 27-65-17(1) (n), 27-65-19(3), 27-65-21 and 27-65-24, on
3809 business activities within a municipal corporation and (ii)
3810 thirty-two and four-tenths percent (32-4/10%) of the total sales
3811 tax revenue collected during the preceding month under the
3812 provisions of Section 27-65-17(1) (n) on business activities within
3813 a municipal corporation shall be allocated for distribution to the
3814 municipality and paid to the municipal corporation. On or before
3815 September 15, 2026, and each succeeding month thereafter, (i)
3816 eighteen and one-half percent (18-1/2%) of the total sales tax
3817 revenue collected during the preceding month under the provisions
3818 of this chapter, except that collected under the provisions of
3819 Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3), 27-65-21 and
3820 27-65-24, on business activities within a municipal corporation
3821 and (ii) thirty-seven percent (37%) of the total sales tax revenue
3822 collected during the preceding month under the provisions of

3823 Section 27-65-17(1) (n) on business activities within a municipal
3824 corporation shall be allocated for distribution to the
3825 municipality and paid to the municipal corporation. However, in
3826 the event the State Auditor issues a certificate of noncompliance
3827 pursuant to Section 21-35-31, the Department of Revenue shall
3828 withhold ten percent (10%) of the allocations and payments to the
3829 municipality that would otherwise be payable to the municipality
3830 under this paragraph (a) until such time that the department
3831 receives written notice of the cancellation of a certificate of
3832 noncompliance from the State Auditor.

3833 A municipal corporation, for the purpose of distributing the
3834 tax under this subsection, shall mean and include all incorporated
3835 cities, towns and villages.

3836 Monies allocated for distribution and credited to a municipal
3837 corporation under this paragraph may be pledged as security for a
3838 loan if the distribution received by the municipal corporation is
3839 otherwise authorized or required by law to be pledged as security
3840 for such a loan.

3841 In any county having a county seat that is not an
3842 incorporated municipality, the distribution provided under this
3843 subsection shall be made as though the county seat was an
3844 incorporated municipality; however, the distribution to the
3845 municipality shall be paid to the county treasury in which the
3846 municipality is located, and those funds shall be used for road,
3847 bridge and street construction or maintenance in the county.

3848 (b) On or before August 15, 2006, and each succeeding
3849 month thereafter through August 15, 2021, eighteen and one-half
3850 percent (18-1/2%) of the total sales tax revenue collected during
3851 the preceding month under the provisions of this chapter, except
3852 that collected under the provisions of Sections 27-65-15,
3853 27-65-19(3) and 27-65-21, on business activities on the campus of
3854 a state institution of higher learning or community or junior
3855 college whose campus is not located within the corporate limits of
3856 a municipality, shall be allocated for distribution to the state
3857 institution of higher learning or community or junior college and
3858 paid to the state institution of higher learning or community or
3859 junior college. On or before September 15, 2021, and each
3860 succeeding month thereafter through August 15, 2024, (i) eighteen
3861 and one-half percent (18-1/2%) of the total sales tax revenue
3862 collected during the preceding month under the provisions of this
3863 chapter, except that collected under the provisions of Sections
3864 27-65-15, 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business
3865 activities on the campus of a state institution of higher learning
3866 or community or junior college whose campus is not located within
3867 the corporate limits of a municipality and (ii) twenty-eight and
3868 eight-tenths percent (28-8/10%) of the total sales tax revenue
3869 collected during the preceding month under the provisions of
3870 Section 27-65-17(1) (n) on business activities on the campus of a
3871 state institution of higher learning or community or junior
3872 college whose campus is not located within the corporate limits of
3873 a municipality, shall be allocated for distribution to the state

3874 institution of higher learning or community or junior college and
3875 paid to the state institution of higher learning or community or
3876 junior college. On or before September 15, 2024, and each
3877 succeeding month thereafter through August 15, 2026, (i) eighteen
3878 and one-half percent (18-1/2%) of the total sales tax revenue
3879 collected during the preceding month under the provisions of this
3880 chapter, except that collected under the provisions of Sections
3881 27-65-15, 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business
3882 activities on the campus of a state institution of higher learning
3883 or community or junior college whose campus is not located within
3884 the corporate limits of a municipality and (ii) thirty-two and
3885 four-tenths percent (32-4/10%) of the total sales tax revenue
3886 collected during the preceding month under the provisions of
3887 Section 27-65-17(1) (n) on business activities on the campus of a
3888 state institution of higher learning or community or junior
3889 college whose campus is not located within the corporate limits of
3890 a municipality, shall be allocated for distribution to the state
3891 institution of higher learning or community or junior college and
3892 paid to the state institution of higher learning or community or
3893 junior college. On or before September 15, 2026, and each
3894 succeeding month thereafter, (i) eighteen and one-half percent
3895 (18-1/2%) of the total sales tax revenue collected during the
3896 preceding month under the provisions of this chapter, except that
3897 collected under the provisions of Sections 27-65-15,
3898 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business activities
3899 on the campus of a state institution of higher learning or

3900 community or junior college whose campus is not located within the
3901 corporate limits of a municipality and (ii) thirty-seven percent
3902 (37%) of the total sales tax revenue collected during the
3903 preceding month under the provisions of Section 27-65-17(1)(n) on
3904 business activities on the campus of a state institution of higher
3905 learning or community or junior college whose campus is not
3906 located within the corporate limits of a municipality, shall be
3907 allocated for distribution to the state institution of higher
3908 learning or community or junior college and paid to the state
3909 institution of higher learning or community or junior college.

3910 (c) On or before August 15, 2018, and each succeeding
3911 month thereafter until August 14, 2019, two percent (2%) of the
3912 total sales tax revenue collected during the preceding month under
3913 the provisions of this chapter, except that collected under the
3914 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
3915 27-65-24, on business activities within the corporate limits of
3916 the City of Jackson, Mississippi, shall be deposited into the
3917 Capitol Complex Improvement District Project Fund created in
3918 Section 29-5-215. On or before August 15, 2019, and each
3919 succeeding month thereafter until August 14, 2020, four percent
3920 (4%) of the total sales tax revenue collected during the preceding
3921 month under the provisions of this chapter, except that collected
3922 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
3923 and 27-65-24, on business activities within the corporate limits
3924 of the City of Jackson, Mississippi, shall be deposited into the
3925 Capitol Complex Improvement District Project Fund created in

3926 Section 29-5-215. On or before August 15, 2020, and each
3927 succeeding month thereafter through August 15, 2021, six percent
3928 (6%) of the total sales tax revenue collected during the preceding
3929 month under the provisions of this chapter, except that collected
3930 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
3931 and 27-65-24, on business activities within the corporate limits
3932 of the City of Jackson, Mississippi, shall be deposited into the
3933 Capitol Complex Improvement District Project Fund created in
3934 Section 29-5-215. On or before September 15, 2021, and each
3935 succeeding month thereafter through August 15, 2024, (i) six
3936 percent (6%) of the total sales tax revenue collected during the
3937 preceding month under the provisions of this chapter, except that
3938 collected under the provisions of Sections 27-65-15,
3939 27-65-17(1) (n), 27-65-19(3), 27-65-21 and 27-65-24, on business
3940 activities within the corporate limits of the City of Jackson,
3941 Mississippi, and (ii) nine and three-tenths percent (9-3/10%) of
3942 the total sales tax revenue collected during the preceding month
3943 under the provisions of Section 27-65-17(1) (n) on business
3944 activities within the corporate limits of the City of Jackson,
3945 Mississippi, shall be deposited into the Capitol Complex
3946 Improvement District Project Fund created in Section 29-5-215. On
3947 or before September 15, 2024, and each succeeding month thereafter
3948 through August 15, 2026, (i) six percent (6%) of the total sales
3949 tax revenue collected during the preceding month under the
3950 provisions of this chapter, except that collected under the
3951 provisions of Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3),

3952 27-65-21 and 27-65-24, on business activities within the corporate
3953 limits of the City of Jackson, Mississippi, and (ii) ten and
3954 one-half percent (10-1/2%) of the total sales tax revenue
3955 collected during the preceding month under the provisions of
3956 Section 27-65-17(1) (n) on business activities within the corporate
3957 limits of the City of Jackson, Mississippi, shall be deposited
3958 into the Capitol Complex Improvement District Project Fund created
3959 in Section 29-5-215. On or before September 15, 2026, and each
3960 succeeding month thereafter, (i) six percent (6%) of the total
3961 sales tax revenue collected during the preceding month under the
3962 provisions of this chapter, except that collected under the
3963 provisions of Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3),
3964 27-65-21 and 27-65-24, on business activities within the corporate
3965 limits of the City of Jackson, Mississippi, and (ii) twelve
3966 percent (12%) of the total sales tax revenue collected during the
3967 preceding month under the provisions of Section 27-65-17(1) (n) on
3968 business activities within the corporate limits of the City of
3969 Jackson, Mississippi, shall be deposited into the Capitol Complex
3970 Improvement District Project Fund created in Section 29-5-215.

3971 (d) (i) On or before the fifteenth day of the month
3972 that the diversion authorized by this section begins, and each
3973 succeeding month thereafter, eighteen and one-half percent
3974 (18-1/2%) of the total sales tax revenue collected during the
3975 preceding month under the provisions of this chapter, except that
3976 collected under the provisions of Sections 27-65-15, 27-65-19(3)
3977 and 27-65-21, on business activities within a redevelopment

3978 project area developed under a redevelopment plan adopted under
3979 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be
3980 allocated for distribution to the county in which the project area
3981 is located if:

3982 1. The county borders on the Mississippi
3983 Sound and the State of Alabama;

3984 2. The county has issued bonds under Section
3985 21-45-9 to finance all or a portion of a redevelopment project in
3986 the redevelopment project area;

3987 3. Any debt service for the indebtedness
3988 incurred is outstanding; and

3989 4. A development with a value of Ten Million
3990 Dollars (\$10,000,000.00) or more is, or will be, located in the
3991 redevelopment area.

3992 (ii) Before any sales tax revenue may be allocated
3993 for distribution to a county under this paragraph, the county
3994 shall certify to the Department of Revenue that the requirements
3995 of this paragraph have been met, the amount of bonded indebtedness
3996 that has been incurred by the county for the redevelopment project
3997 and the expected date the indebtedness incurred by the county will
3998 be satisfied.

3999 (iii) The diversion of sales tax revenue
4000 authorized by this paragraph shall begin the month following the
4001 month in which the Department of Revenue determines that the
4002 requirements of this paragraph have been met. The diversion shall
4003 end the month the indebtedness incurred by the county is

4004 satisfied. All revenue received by the county under this
4005 paragraph shall be deposited in the fund required to be created in
4006 the tax increment financing plan under Section 21-45-11 and be
4007 utilized solely to satisfy the indebtedness incurred by the
4008 county.

4009 (2) On or before September 15, 1987, and each succeeding
4010 month thereafter, from the revenue collected under this chapter
4011 during the preceding month, One Million One Hundred Twenty-five
4012 Thousand Dollars (\$1,125,000.00) shall be allocated for
4013 distribution to municipal corporations as defined under subsection
4014 (1) of this section in the proportion that the number of gallons
4015 of gasoline and diesel fuel sold by distributors to consumers and
4016 retailers in each such municipality during the preceding fiscal
4017 year bears to the total gallons of gasoline and diesel fuel sold
4018 by distributors to consumers and retailers in municipalities
4019 statewide during the preceding fiscal year. The Department of
4020 Revenue shall require all distributors of gasoline and diesel fuel
4021 to report to the department monthly the total number of gallons of
4022 gasoline and diesel fuel sold by them to consumers and retailers
4023 in each municipality during the preceding month. The Department
4024 of Revenue shall have the authority to promulgate such rules and
4025 regulations as is necessary to determine the number of gallons of
4026 gasoline and diesel fuel sold by distributors to consumers and
4027 retailers in each municipality. In determining the percentage
4028 allocation of funds under this subsection for the fiscal year
4029 beginning July 1, 1987, and ending June 30, 1988, the Department

4030 of Revenue may consider gallons of gasoline and diesel fuel sold
4031 for a period of less than one (1) fiscal year. For the purposes
4032 of this subsection, the term "fiscal year" means the fiscal year
4033 beginning July 1 of a year.

4034 (3) On or before September 15, 1987, and on or before the
4035 fifteenth day of each succeeding month, until the date specified
4036 in Section 65-39-35, the proceeds derived from contractors' taxes
4037 levied under Section 27-65-21 on contracts for the construction or
4038 reconstruction of highways designated under the highway program
4039 created under Section 65-3-97 shall, except as otherwise provided
4040 in Section 31-17-127, be deposited into the State Treasury to the
4041 credit of the State Highway Fund to be used to fund that highway
4042 program. The Mississippi Department of Transportation shall
4043 provide to the Department of Revenue such information as is
4044 necessary to determine the amount of proceeds to be distributed
4045 under this subsection.

4046 (4) On or before August 15, 1994, and on or before the
4047 fifteenth day of each succeeding month through July 15, 1999, from
4048 the proceeds of gasoline, diesel fuel or kerosene taxes as
4049 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
4050 (\$4,000,000.00) shall be deposited in the State Treasury to the
4051 credit of a special fund designated as the "State Aid Road Fund,"
4052 created by Section 65-9-17. On or before August 15, 1999, and on
4053 or before the fifteenth day of each succeeding month, from the
4054 total amount of the proceeds of gasoline, diesel fuel or kerosene
4055 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million

4056 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
4057 one-fourth percent (23-1/4%) of those funds, whichever is the
4058 greater amount, shall be deposited in the State Treasury to the
4059 credit of the "State Aid Road Fund," created by Section 65-9-17.
4060 Those funds shall be pledged to pay the principal of and interest
4061 on state aid road bonds heretofore issued under Sections 19-9-51
4062 through 19-9-77, in lieu of and in substitution for the funds
4063 previously allocated to counties under this section. Those funds
4064 may not be pledged for the payment of any state aid road bonds
4065 issued after April 1, 1981; however, this prohibition against the
4066 pledging of any such funds for the payment of bonds shall not
4067 apply to any bonds for which intent to issue those bonds has been
4068 published for the first time, as provided by law before March 29,
4069 1981. From the amount of taxes paid into the special fund under
4070 this subsection and subsection (9) of this section, there shall be
4071 first deducted and paid the amount necessary to pay the expenses
4072 of the Office of State Aid Road Construction, as authorized by the
4073 Legislature for all other general and special fund agencies. The
4074 remainder of the fund shall be allocated monthly to the several
4075 counties in accordance with the following formula:

4076 (a) One-third (1/3) shall be allocated to all counties
4077 in equal shares;

4078 (b) One-third (1/3) shall be allocated to counties
4079 based on the proportion that the total number of rural road miles
4080 in a county bears to the total number of rural road miles in all
4081 counties of the state; and

4082 (c) One-third (1/3) shall be allocated to counties
4083 based on the proportion that the rural population of the county
4084 bears to the total rural population in all counties of the state,
4085 according to the latest federal decennial census.

4086 For the purposes of this subsection, the term "gasoline,
4087 diesel fuel or kerosene taxes" means such taxes as defined in
4088 paragraph (f) of Section 27-5-101.

4089 The amount of funds allocated to any county under this
4090 subsection for any fiscal year after fiscal year 1994 shall not be
4091 less than the amount allocated to the county for fiscal year 1994.

4092 Any reference in the general laws of this state or the
4093 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
4094 construed to refer and apply to subsection (4) of Section
4095 27-65-75.

4096 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
4097 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
4098 the special fund known as the "State Public School Building Fund"
4099 created and existing under the provisions of Sections 37-47-1
4100 through 37-47-67. Those payments into that fund are to be made on
4101 the last day of each succeeding month hereafter.

4102 (6) An amount each month beginning August 15, 1983, through
4103 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
4104 1983, shall be paid into the special fund known as the
4105 Correctional Facilities Construction Fund created in Section 6,
4106 Chapter 542, Laws of 1983.

4107 (7) On or before August 15, 1992, and each succeeding month
4108 thereafter through July 15, 2000, two and two hundred sixty-six
4109 one-thousandths percent (2.266%) of the total sales tax revenue
4110 collected during the preceding month under the provisions of this
4111 chapter, except that collected under the provisions of Section
4112 27-65-17(2), shall be deposited by the department into the School
4113 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
4114 or before August 15, 2000, and each succeeding month thereafter,
4115 through August 15, 2021 two and two hundred sixty-six
4116 one-thousandths percent (2.266%) of the total sales tax revenue
4117 collected during the preceding month under the provisions of this
4118 chapter, except that collected under the provisions of Section
4119 27-65-17(1)(n) and (2), shall be deposited into the School Ad
4120 Valorem Tax Reduction Fund created under Section 37-61-35 until
4121 such time that the total amount deposited into the fund during a
4122 fiscal year equals Forty-two Million Dollars (\$42,000,000.00).
4123 Thereafter, the amounts diverted under this subsection (7) during
4124 the fiscal year in excess of Forty-two Million Dollars
4125 (\$42,000,000.00) shall be deposited into the Education Enhancement
4126 Fund created under Section 37-61-33 for appropriation by the
4127 Legislature as other education needs and shall not be subject to
4128 the percentage appropriation requirements set forth in Section
4129 37-61-33. On or before September 15, 2021, and each succeeding
4130 month thereafter through August 15, 2024, two and two hundred
4131 sixty-six one-thousandths percent (2.266%) of the total sales tax
4132 revenue collected during the preceding month under the provisions

4133 of this chapter, except that collected under the provisions of
4134 Section 27-65-17(1) (n) and (2), and three and fifty-two one
4135 hundredths percent (3.52%) of the total sales tax revenue
4136 collected during the preceding month under the provisions of
4137 Section 27-65-17(1) (n) shall be deposited into the School Ad
4138 Valorem Tax Reduction Fund created under Section 37-61-35 until
4139 such time that the total amount deposited into the fund during a
4140 fiscal year equals Forty-two Million Dollars (\$42,000,000.00).
4141 Thereafter, the amounts diverted under this subsection (7) during
4142 the fiscal year in excess of Forty-two Million Dollars
4143 (\$42,000,000.00) shall be deposited into the Education Enhancement
4144 Fund created under Section 37-61-33 for appropriation by the
4145 Legislature as other education needs and shall not be subject to
4146 the percentage appropriation requirements set forth in Section
4147 37-61-33. On or before September 15, 2024, and each succeeding
4148 month thereafter through August 15, 2026, two and two hundred
4149 sixty-six one-thousandths percent (2.266%) of the total sales tax
4150 revenue collected during the preceding month under the provisions
4151 of this chapter, except that collected under the provisions of
4152 Section 27-65-17(1) (n) and (2), and four percent (4%) of the total
4153 sales tax revenue collected during the preceding month under the
4154 provisions of Section 27-65-17(1) (n) shall be deposited into the
4155 School Ad Valorem Tax Reduction Fund created under Section
4156 37-61-35 until such time that the total amount deposited into the
4157 fund during a fiscal year equals Forty-two Million Dollars
4158 (\$42,000,000.00). Thereafter, the amounts diverted under this

4159 subsection (7) during the fiscal year in excess of Forty-two
4160 Million Dollars (\$42,000,000.00) shall be deposited into the
4161 Education Enhancement Fund created under Section 37-61-33 for
4162 appropriation by the Legislature as other education needs and
4163 shall not be subject to the percentage appropriation requirements
4164 set forth in Section 37-61-33. On or before September 15, 2026,
4165 and each succeeding month thereafter, two and two hundred
4166 sixty-six one-thousandths percent (2.266%) of the total sales tax
4167 revenue collected during the preceding month under the provisions
4168 of this chapter, except that collected under the provisions of
4169 Section 27-65-17(1) (n) and (2), and four and one-half percent
4170 (4.5%) of the total sales tax revenue collected during the
4171 preceding month under the provisions of Section 27-65-17(1) (n)
4172 shall be deposited into the School Ad Valorem Tax Reduction Fund
4173 created under Section 37-61-35 until such time that the total
4174 amount deposited into the fund during a fiscal year equals
4175 Forty-two Million Dollars (\$42,000,000.00). Thereafter, the
4176 amounts diverted under this subsection (7) during the fiscal year
4177 in excess of Forty-two Million Dollars (\$42,000,000.00) shall be
4178 deposited into the Education Enhancement Fund created under
4179 Section 37-61-33 for appropriation by the Legislature as other
4180 education needs and shall not be subject to the percentage
4181 appropriation requirements set forth in Section 37-61-33.

4182 (8) On or before August 15, 1992, and each succeeding month
4183 thereafter, through August 15, 2021 nine and seventy-three
4184 one-thousandths percent (9.073%) of the total sales tax revenue

4185 collected during the preceding month under the provisions of this
4186 chapter, except that collected under the provisions of Section
4187 27-65-17(1)(n) and (2), shall be deposited into the Education
4188 Enhancement Fund created under Section 37-61-33. On or before
4189 September 15, 2021, and each succeeding month thereafter through
4190 August 15, 2024, nine and seventy-three one-thousandths percent
4191 (9.073%) of the total sales tax revenue collected during the
4192 preceding month under the provisions of this chapter, except that
4193 collected under the provisions of Section 27-65-17(1)(n) and (2),
4194 and fourteen and eleven one-hundredths percent (14.11%) of the
4195 total sales tax revenue collected during the preceding month under
4196 the provisions of Section 27-65-17(1)(n) shall be deposited into
4197 the Education Enhancement Fund created under Section 37-61-33. On
4198 or before September 15, 2024, and each succeeding month thereafter
4199 through August 15, 2026, nine and seventy-three one-thousandths
4200 percent (9.073%) of the total sales tax revenue collected during
4201 the preceding month under the provisions of this chapter, except
4202 that collected under the provisions of Section 27-65-17(1)(n) and
4203 (2), and fifteen and nine tenths percent (15.9%) of the total
4204 sales tax revenue collected during the preceding month under the
4205 provisions of Section 27-65-17(1)(n) shall be deposited into the
4206 Education Enhancement Fund created under Section 37-61-33. On or
4207 before September 15, 2026, and each succeeding month thereafter,
4208 nine and seventy-three one-thousandths percent (9.073%) of the
4209 total sales tax revenue collected during the preceding month under
4210 the provisions of this chapter, except that collected under the

4211 provisions of Section 27-65-17(1)(n) and (2), and eighteen and
4212 one-tenths percent (18.1%) of the total sales tax revenue
4213 collected during the preceding month under the provisions of
4214 Section 27-65-17(1)(n) shall be deposited into the Education
4215 Enhancement Fund created under Section 37-61-33.

4216 (9) On or before August 15, 1994, and each succeeding month
4217 thereafter, from the revenue collected under this chapter during
4218 the preceding month, Two Hundred Fifty Thousand Dollars
4219 (\$250,000.00) shall be paid into the State Aid Road Fund.

4220 (10) On or before August 15, 1994, and each succeeding month
4221 thereafter through August 15, 1995, from the revenue collected
4222 under this chapter during the preceding month, Two Million Dollars
4223 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
4224 Valorem Tax Reduction Fund established in Section 27-51-105.

4225 (11) Notwithstanding any other provision of this section to
4226 the contrary, on or before February 15, 1995, and each succeeding
4227 month thereafter, the sales tax revenue collected during the
4228 preceding month under the provisions of Section 27-65-17(2) and
4229 the corresponding levy in Section 27-65-23 on the rental or lease
4230 of private carriers of passengers and light carriers of property
4231 as defined in Section 27-51-101 shall be deposited, without
4232 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
4233 established in Section 27-51-105.

4234 (12) Notwithstanding any other provision of this section to
4235 the contrary, on or before August 15, 1995, and each succeeding
4236 month thereafter, the sales tax revenue collected during the

4237 preceding month under the provisions of Section 27-65-17(1) on
4238 retail sales of private carriers of passengers and light carriers
4239 of property, as defined in Section 27-51-101 and the corresponding
4240 levy in Section 27-65-23 on the rental or lease of these vehicles,
4241 shall be deposited, after diversion, into the Motor Vehicle Ad
4242 Valorem Tax Reduction Fund established in Section 27-51-105.

4243 (13) On or before July 15, 1994, and on or before the
4244 fifteenth day of each succeeding month thereafter, that portion of
4245 the avails of the tax imposed in Section 27-65-22 that is derived
4246 from activities held on the Mississippi State Fairgrounds Complex
4247 shall be paid into a special fund that is created in the State
4248 Treasury and shall be expended upon legislative appropriation
4249 solely to defray the costs of repairs and renovation at the Trade
4250 Mart and Coliseum.

4251 (14) On or before August 15, 1998, and each succeeding month
4252 thereafter through July 15, 2005, that portion of the avails of
4253 the tax imposed in Section 27-65-23 that is derived from sales by
4254 cotton compresses or cotton warehouses and that would otherwise be
4255 paid into the General Fund shall be deposited in an amount not to
4256 exceed Two Million Dollars (\$2,000,000.00) into the special fund
4257 created under Section 69-37-39. On or before August 15, 2007, and
4258 each succeeding month thereafter through July 15, 2010, that
4259 portion of the avails of the tax imposed in Section 27-65-23 that
4260 is derived from sales by cotton compresses or cotton warehouses
4261 and that would otherwise be paid into the General Fund shall be
4262 deposited in an amount not to exceed Two Million Dollars

4263 (\$2,000,000.00) into the special fund created under Section
4264 69-37-39 until all debts or other obligations incurred by the
4265 Certified Cotton Growers Organization under the Mississippi Boll
4266 Weevil Management Act before January 1, 2007, are satisfied in
4267 full. On or before August 15, 2010, and each succeeding month
4268 thereafter through July 15, 2011, fifty percent (50%) of that
4269 portion of the avails of the tax imposed in Section 27-65-23 that
4270 is derived from sales by cotton compresses or cotton warehouses
4271 and that would otherwise be paid into the General Fund shall be
4272 deposited into the special fund created under Section 69-37-39
4273 until such time that the total amount deposited into the fund
4274 during a fiscal year equals One Million Dollars (\$1,000,000.00).
4275 On or before August 15, 2011, and each succeeding month
4276 thereafter, that portion of the avails of the tax imposed in
4277 Section 27-65-23 that is derived from sales by cotton compresses
4278 or cotton warehouses and that would otherwise be paid into the
4279 General Fund shall be deposited into the special fund created
4280 under Section 69-37-39 until such time that the total amount
4281 deposited into the fund during a fiscal year equals One Million
4282 Dollars (\$1,000,000.00).

4283 (15) Notwithstanding any other provision of this section to
4284 the contrary, on or before September 15, 2000, and each succeeding
4285 month thereafter, the sales tax revenue collected during the
4286 preceding month under the provisions of Section
4287 27-65-19(1) (d) (i)2, and 27-65-19(1) (d) (i)3 shall be deposited,

4288 without diversion, into the Telecommunications Ad Valorem Tax
4289 Reduction Fund established in Section 27-38-7.

4290 (16) (a) On or before August 15, 2000, and each succeeding
4291 month thereafter, the sales tax revenue collected during the
4292 preceding month under the provisions of this chapter on the gross
4293 proceeds of sales of a project as defined in Section 57-30-1 shall
4294 be deposited, after all diversions except the diversion provided
4295 for in subsection (1) of this section, into the Sales Tax
4296 Incentive Fund created in Section 57-30-3.

4297 (b) On or before August 15, 2007, and each succeeding
4298 month thereafter, eighty percent (80%) of the sales tax revenue
4299 collected during the preceding month under the provisions of this
4300 chapter from the operation of a tourism project under the
4301 provisions of Sections 57-26-1 through 57-26-5, shall be
4302 deposited, after the diversions required in subsections (7) and
4303 (8) of this section, into the Tourism Project Sales Tax Incentive
4304 Fund created in Section 57-26-3.

4305 (17) Notwithstanding any other provision of this section to
4306 the contrary, on or before April 15, 2002, and each succeeding
4307 month thereafter, the sales tax revenue collected during the
4308 preceding month under Section 27-65-23 on sales of parking
4309 services of parking garages and lots at airports shall be
4310 deposited, without diversion, into the special fund created under
4311 Section 27-5-101(d).

4312 (18) [Repealed]

4313 (19) (a) On or before August 15, 2005, and each succeeding
4314 month thereafter, the sales tax revenue collected during the
4315 preceding month under the provisions of this chapter on the gross
4316 proceeds of sales of a business enterprise located within a
4317 redevelopment project area under the provisions of Sections
4318 57-91-1 through 57-91-11, and the revenue collected on the gross
4319 proceeds of sales from sales made to a business enterprise located
4320 in a redevelopment project area under the provisions of Sections
4321 57-91-1 through 57-91-11 (provided that such sales made to a
4322 business enterprise are made on the premises of the business
4323 enterprise), shall, except as otherwise provided in this
4324 subsection (19), be deposited, after all diversions, into the
4325 Redevelopment Project Incentive Fund as created in Section
4326 57-91-9.

4327 (b) For a municipality participating in the Economic
4328 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
4329 the diversion provided for in subsection (1) of this section
4330 attributable to the gross proceeds of sales of a business
4331 enterprise located within a redevelopment project area under the
4332 provisions of Sections 57-91-1 through 57-91-11, and attributable
4333 to the gross proceeds of sales from sales made to a business
4334 enterprise located in a redevelopment project area under the
4335 provisions of Sections 57-91-1 through 57-91-11 (provided that
4336 such sales made to a business enterprise are made on the premises
4337 of the business enterprise), shall be deposited into the

4338 Redevelopment Project Incentive Fund as created in Section
4339 57-91-9, as follows:

4340 (i) For the first six (6) years in which payments
4341 are made to a developer from the Redevelopment Project Incentive
4342 Fund, one hundred percent (100%) of the diversion shall be
4343 deposited into the fund;

4344 (ii) For the seventh year in which such payments
4345 are made to a developer from the Redevelopment Project Incentive
4346 Fund, eighty percent (80%) of the diversion shall be deposited
4347 into the fund;

4348 (iii) For the eighth year in which such payments
4349 are made to a developer from the Redevelopment Project Incentive
4350 Fund, seventy percent (70%) of the diversion shall be deposited
4351 into the fund;

4352 (iv) For the ninth year in which such payments are
4353 made to a developer from the Redevelopment Project Incentive Fund,
4354 sixty percent (60%) of the diversion shall be deposited into the
4355 fund; and

4356 (v) For the tenth year in which such payments are
4357 made to a developer from the Redevelopment Project Incentive Fund,
4358 fifty percent (50%) of the funds shall be deposited into the fund.

4359 (20) On or before January 15, 2007, and each succeeding
4360 month thereafter, eighty percent (80%) of the sales tax revenue
4361 collected during the preceding month under the provisions of this
4362 chapter from the operation of a tourism project under the
4363 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,

4364 after the diversions required in subsections (7) and (8) of this
4365 section, into the Tourism Sales Tax Incentive Fund created in
4366 Section 57-28-3.

4367 (21) (a) On or before April 15, 2007, and each succeeding
4368 month thereafter through June 15, 2013, One Hundred Fifty Thousand
4369 Dollars (\$150,000.00) of the sales tax revenue collected during
4370 the preceding month under the provisions of this chapter shall be
4371 deposited into the MMEIA Tax Incentive Fund created in Section
4372 57-101-3.

4373 (b) On or before July 15, 2013, and each succeeding
4374 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
4375 of the sales tax revenue collected during the preceding month
4376 under the provisions of this chapter shall be deposited into the
4377 Mississippi Development Authority Job Training Grant Fund created
4378 in Section 57-1-451.

4379 (22) Notwithstanding any other provision of this section to
4380 the contrary, on or before August 15, 2009, and each succeeding
4381 month thereafter, the sales tax revenue collected during the
4382 preceding month under the provisions of Section 27-65-201 shall be
4383 deposited, without diversion, into the Motor Vehicle Ad Valorem
4384 Tax Reduction Fund established in Section 27-51-105.

4385 (23) (a) On or before August 15, 2019, and each month
4386 thereafter through July 15, 2020, one percent (1%) of the total
4387 sales tax revenue collected during the preceding month from
4388 restaurants and hotels shall be allocated for distribution to the
4389 Mississippi Development Authority Tourism Advertising Fund

4390 established under Section 57-1-64, to be used exclusively for the
4391 purpose stated therein. On or before August 15, 2020, and each
4392 month thereafter through July 15, 2021, two percent (2%) of the
4393 total sales tax revenue collected during the preceding month from
4394 restaurants and hotels shall be allocated for distribution to the
4395 Mississippi Development Authority Tourism Advertising Fund
4396 established under Section 57-1-64, to be used exclusively for the
4397 purpose stated therein. On or before August 15, 2021, and each
4398 month thereafter, three percent (3%) of the total sales tax
4399 revenue collected during the preceding month from restaurants and
4400 hotels shall be allocated for distribution to the Mississippi
4401 Development Authority Tourism Advertising Fund established under
4402 Section 57-1-64, to be used exclusively for the purpose stated
4403 therein. The revenue diverted pursuant to this subsection shall
4404 not be available for expenditure until February 1, 2020.

4405 (b) The Joint Legislative Committee on Performance
4406 Evaluation and Expenditure Review (PEER) must provide an annual
4407 report to the Legislature indicating the amount of funds deposited
4408 into the Mississippi Development Authority Tourism Advertising
4409 Fund established under Section 57-1-64, and a detailed record of
4410 how the funds are spent.

4411 (24) (a) Notwithstanding any other provision of this
4412 section to the contrary, on or before September 15, 2021, and each
4413 succeeding month thereafter through February 15, 2022, (a) the
4414 total sales tax revenue collected during the preceding month under
4415 the provisions of Sections 27-65-17(1) (a), 27-65-19, 27-65-22,

4416 27-65-23(1), 27-65-25 and 27-65-26, from the amount of the
4417 increases to tax rates under such sections as provided in Senate
4418 Bill No. 2971, 2021 Regular Session, shall be deposited, without
4419 diversion, into the Budget Stabilization Fund created in Section
4420 26 of this act, and (b) the total sales tax revenue collected
4421 during the preceding month under the provisions of Sections
4422 27-65-17(1)(d), (g), (h), (l) and (m), 27-65-20, 27-65-23(2) and
4423 (3) and 27-65-201, from the amount of the increases to tax rates
4424 under such sections as provided in Senate Bill No. 2971, 2021
4425 Regular Session, shall be deposited, without diversion, into the
4426 State Treasury to the credit of the General Fund. Notwithstanding
4427 any other provision of this section to the contrary, on or before
4428 March 15, 2022, and each succeeding month thereafter, the total
4429 sales tax revenue collected during the preceding month under the
4430 provisions of Sections 27-65-17, 27-65-19, 27-65-20, 27-65-22,
4431 27-65-23, 27-65-25, 27-65-26 and 27-65-201, from the amount of the
4432 increases to tax rates under such sections as provided in Senate
4433 Bill No. 2971, 2021 Regular Session, shall be deposited, without
4434 diversion, into the State Treasury to the credit of the General
4435 Fund.

4436 (b) The provisions of this subsection (24) shall supersede
4437 and control over any other provisions of this section providing
4438 for the distribution of revenue under this section.

4439 (* * *25) The remainder of the amounts collected under the
4440 provisions of this chapter shall be paid into the State Treasury
4441 to the credit of the General Fund.

4442 (* * * 26) (a) It shall be the duty of the municipal
4443 officials of any municipality that expands its limits, or of any
4444 community that incorporates as a municipality, to notify the
4445 commissioner of that action thirty (30) days before the effective
4446 date. Failure to so notify the commissioner shall cause the
4447 municipality to forfeit the revenue that it would have been
4448 entitled to receive during this period of time when the
4449 commissioner had no knowledge of the action.

4450 (b) (i) Except as otherwise provided in subparagraph
4451 (ii) of this paragraph, if any funds have been erroneously
4452 disbursed to any municipality or any overpayment of tax is
4453 recovered by the taxpayer, the commissioner may make correction
4454 and adjust the error or overpayment with the municipality by
4455 withholding the necessary funds from any later payment to be made
4456 to the municipality.

4457 (ii) Subject to the provisions of Sections
4458 27-65-51 and 27-65-53, if any funds have been erroneously
4459 disbursed to a municipality under subsection (1) of this section
4460 for a period of three (3) years or more, the maximum amount that
4461 may be recovered or withheld from the municipality is the total
4462 amount of funds erroneously disbursed for a period of three (3)
4463 years beginning with the date of the first erroneous disbursement.
4464 However, if during such period, a municipality provides written
4465 notice to the Department of Revenue indicating the erroneous
4466 disbursement of funds, then the maximum amount that may be
4467 recovered or withheld from the municipality is the total amount of

4468 funds erroneously disbursed for a period of one (1) year beginning
4469 with the date of the first erroneous disbursement.

4470 **SECTION 21.** Section 27-67-31, Mississippi Code of 1972, is
4471 amended as follows:

4472 27-67-31. All administrative provisions of the sales tax
4473 law, and amendments thereto, including those which fix damages,
4474 penalties and interest for failure to comply with the provisions
4475 of said sales tax law, and all other requirements and duties
4476 imposed upon taxpayer, shall apply to all persons liable for use
4477 taxes under the provisions of this article. The commissioner
4478 shall exercise all power and authority and perform all duties with
4479 respect to taxpayers under this article as are provided in said
4480 sales tax law, except where there is conflict, then the provisions
4481 of this article shall control.

4482 The commissioner may require transportation companies to
4483 permit the examination of waybills, freight bills, or other
4484 documents covering shipments of tangible personal property into
4485 this state.

4486 On or before the fifteenth day of each month, the amount
4487 received from taxes, damages and interest under the provisions of
4488 this article during the preceding month shall be paid and
4489 distributed as follows:

4490 (a) On or before July 15, 1994, through July 15, 2000,
4491 and each succeeding month thereafter, two and two hundred
4492 sixty-six one-thousandths percent (2.266%) of the total use tax
4493 revenue collected during the preceding month under the provisions

4494 of this article shall be deposited in the School Ad Valorem Tax
4495 Reduction Fund created pursuant to Section 37-61-35. On or before
4496 August 15, 2000, and each succeeding month thereafter, two and two
4497 hundred sixty-six one-thousandths percent (2.266%) of the total
4498 use tax revenue collected during the preceding month under the
4499 provisions of this chapter shall be deposited into the School Ad
4500 Valorem Tax Reduction Fund created under Section 37-61-35 until
4501 such time that the total amount deposited into the fund during a
4502 fiscal year equals Four Million Dollars (\$4,000,000.00).

4503 Thereafter, the amounts diverted under this paragraph (a) during
4504 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)
4505 shall be deposited into the Education Enhancement Fund created
4506 under Section 37-61-33 for appropriation by the Legislature as
4507 other education needs and shall not be subject to the percentage
4508 appropriation requirements set forth in Section 37-61-33.

4509 (b) On or before July 15, 1994, and each succeeding
4510 month thereafter, nine and seventy-three one-thousandths percent
4511 (9.073%) of the total use tax revenue collected during the
4512 preceding month under the provisions of this article shall be
4513 deposited into the Education Enhancement Fund created pursuant to
4514 Section 37-61-33.

4515 (c) On or before July 15, 1997, and on or before the
4516 fifteenth day of each succeeding month thereafter, the revenue
4517 collected under the provisions of this article imposed and levied
4518 as a result of Section 27-65-17(2) and the corresponding levy in
4519 Section 27-65-23 on the rental or lease of private carriers of

4520 passengers and light carriers of property as defined in Section
4521 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax
4522 Reduction Fund created pursuant to Section 27-51-105.

4523 (d) On or before July 15, 1997, and on or before the
4524 fifteenth day of each succeeding month thereafter and after the
4525 deposits required by paragraphs (a) and (b) of this section are
4526 made, the remaining revenue collected under the provisions of this
4527 article imposed and levied as a result of Section 27-65-17(1) and
4528 the corresponding levy in Section 27-65-23 on the rental or lease
4529 of private carriers of passengers and light carriers of property
4530 as defined in Section 27-51-101 shall be deposited into the Motor
4531 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section
4532 27-51-105.

4533 (e) On or before August 15, 2019, and each succeeding
4534 month thereafter through July 15, 2020, three and three-fourths
4535 percent (3-3/4%) of the total use tax revenue collected during the
4536 preceding month under the provisions of this article shall be
4537 deposited into the special fund created in Section 27-67-35(1).
4538 On or before August 15, 2020, and each succeeding month thereafter
4539 through July 15, 2021, seven and one-half percent (7-1/2%) of the
4540 total use tax revenue collected during the preceding month under
4541 the provisions of this article shall be deposited into the special
4542 fund created in Section 27-67-35(1). On or before August 15,
4543 2021, and each succeeding month thereafter through July 15, 2022,
4544 eleven and one-fourth percent (11-1/4%) of the total use tax
4545 revenue collected during the preceding month under the provisions

4546 of this article shall be deposited into the special fund created
4547 in Section 27-67-35(1). On or before August 15, 2022, and each
4548 succeeding month thereafter, fifteen percent (15%) of the total
4549 use tax revenue collected during the preceding month under the
4550 provisions of this article shall be deposited into the special
4551 fund created in Section 27-67-35(1).

4552 (f) On or before August 15, 2019, and each succeeding
4553 month thereafter through July 15, 2020, three and three-fourths
4554 percent (3-3/4%) of the total use tax revenue collected during the
4555 preceding month under the provisions of this article shall be
4556 deposited into the special fund created in Section 27-67-35(2).
4557 On or before August 15, 2020, and each succeeding month thereafter
4558 through July 15, 2021, seven and one-half percent (7-1/2%) of the
4559 total use tax revenue collected during the preceding month under
4560 the provisions of this article shall be deposited into the special
4561 fund created in Section 27-67-35(2). On or before August 15,
4562 2021, and each succeeding month thereafter through July 15, 2022,
4563 eleven and one-fourth percent (11-1/4%) of the total use tax
4564 revenue collected during the preceding month under the provisions
4565 of this article shall be deposited into the special fund created
4566 in Section 27-67-35(2). On or before August 15, 2022, and each
4567 succeeding month thereafter, fifteen percent (15%) of the total
4568 use tax revenue collected during the preceding month under the
4569 provisions of this article shall be deposited into the special
4570 fund created in Section 27-67-35(2).

4571 (g) On or before August 15, 2019, and each succeeding
4572 month thereafter through July 15, 2020, Four Hundred Sixteen
4573 Thousand Six Hundred Sixty-six Dollars and Sixty-seven Cents
4574 (\$416,666.67) or one and one-fourth percent (1-1/4%) of the total
4575 use tax revenue collected during the preceding month under the
4576 provisions of this article, whichever is the greater amount, shall
4577 be deposited into the Local System Bridge Replacement and
4578 Rehabilitation Fund created in Section 65-37-13. On or before
4579 August 15, 2020, and each succeeding month thereafter through July
4580 15, 2021, Eight Hundred Thirty-three Thousand Three Hundred
4581 Thirty-three Dollars and Thirty-four Cents (\$833,333.34) or two
4582 and one-half percent (2-1/2%) of the total use tax revenue
4583 collected during the preceding month under the provisions of this
4584 article, whichever is the greater amount, shall be deposited into
4585 the Local System Bridge Replacement and Rehabilitation Fund
4586 created in Section 65-37-13. On or before August 15, 2021, and
4587 each succeeding month thereafter through July 15, 2022, One
4588 Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) or
4589 three and three-fourths percent (3-3/4%) of the total use tax
4590 revenue collected during the preceding month under the provisions
4591 of this article, whichever is the greater amount, shall be
4592 deposited into the Local System Bridge Replacement and
4593 Rehabilitation Fund created in Section 65-37-13. On or before
4594 August 15, 2022, and each succeeding month thereafter, One Million
4595 Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars and
4596 Sixty-seven Cents (\$1,666,666.67) or five percent (5%) of the

4597 total use tax revenue collected during the preceding month under
4598 the provisions of this article, whichever is the greater amount,
4599 shall be deposited into the Local System Bridge Replacement and
4600 Rehabilitation Fund created in Section 65-37-13.

4601 (h) On or before August 15, 2020, and each succeeding
4602 month thereafter through July 15, 2022, One Million Dollars
4603 (\$1,000,000.00) of the total use tax revenue collected during the
4604 preceding month under the provisions of this article shall be
4605 deposited into the Local System Bridge Replacement and
4606 Rehabilitation Fund created in Section 65-37-13. Amounts
4607 deposited into the Local System Bridge Replacement and
4608 Rehabilitation Fund under this paragraph (h) shall be in addition
4609 to amounts deposited into the fund under paragraph (g) of this
4610 section.

4611 (i) Notwithstanding any other provision of this section
4612 to the contrary, on or before September 15, 2021, and each
4613 succeeding month thereafter through February 15, 2022, (i) the
4614 total use tax revenue collected during the preceding month under
4615 the provisions of this article as a result of the increases to tax
4616 rates under Sections 27-65-17(1) (a), 27-65-25 and 27-65-26, as
4617 provided in Senate Bill No. 2971, 2021 Regular Session, shall be
4618 deposited, without diversion, into the Budget Stabilization Fund
4619 created in Section 26 of this act, and (ii) the total use tax
4620 revenue collected during the preceding month under the provisions
4621 of this article as a result of the increases to tax rates under
4622 Sections 27-65-17(1) (d), (g), (h), (l) and (m) and 27-65-20, as

4623 provided in Senate Bill No. 2971, 2021 Regular Session, shall be
4624 deposited, without diversion, into the State Treasury to the
4625 credit of the General Fund. Notwithstanding any other provision
4626 of this section to the contrary, on or before March 15, 2022, and
4627 each succeeding month thereafter, the total use tax revenue
4628 collected during the preceding month under the provisions of this
4629 article as a result of the increases to tax rates under Sections
4630 27-65-17, 27-65-20, 27-65-25 and 27-65-26, as provided in Senate
4631 Bill No. 2971, 2021 Regular Session, shall be shall be deposited,
4632 without diversion, into the State Treasury to the credit of the
4633 General Fund.

4634 The provisions of this paragraph (i) shall supersede and
4635 control over any other provisions of this section providing for
4636 the distribution of revenue under this section.

4637 **SECTION 22.** Section 27-65-241, Mississippi Code of 1972, is
4638 amended as follows:

4639 27-65-241. (1) As used in this section, the following terms
4640 shall have the meanings ascribed to them in this section unless
4641 otherwise clearly indicated by the context in which they are used:

4642 (a) "Hotel" or "motel" means and includes a place of
4643 lodging that at any one time will accommodate transient guests on
4644 a daily or weekly basis and that is known to the trade as such.
4645 Such terms shall not include a place of lodging with ten (10) or
4646 less rental units.

4647 (b) "Municipality" means any municipality in the State
4648 of Mississippi with a population of one hundred fifty thousand

4649 (150,000) or more according to the most recent federal decennial
4650 census.

4651 (c) "Restaurant" means and includes all places where
4652 prepared food is sold and whose annual gross proceeds of sales or
4653 gross income for the preceding calendar year equals or exceeds One
4654 Hundred Thousand Dollars (\$100,000.00). The term "restaurant"
4655 shall not include any nonprofit organization that is exempt from
4656 federal income taxation under Section 501(c)(3) of the Internal
4657 Revenue Code. For the purpose of calculating gross proceeds of
4658 sales or gross income, the sales or income of all establishments
4659 owned, operated or controlled by the same person, persons or
4660 corporation shall be aggregated.

4661 (2) (a) Subject to the provisions of this section, the
4662 governing authorities of a municipality may impose upon all
4663 persons as a privilege for engaging or continuing in business or
4664 doing business within such municipality, a special sales tax at
4665 the rate of not more than one percent (1%) of the gross proceeds
4666 of sales or gross income of the business, as the case may be,
4667 derived from any of the activities taxed at the rate of * * * nine
4668 and one-half percent (9-1/2%) or more under the Mississippi Sales
4669 Tax Law, Section 27-65-1 et seq.

4670 (b) The tax levied under this section shall apply to
4671 every person making sales of tangible personal property or
4672 services within the municipality but shall not apply to:

4673 (i) Sales exempted by Sections 27-65-19,
4674 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and
4675 27-65-111 of the Mississippi Sales Tax Law;

4676 (ii) Gross proceeds of sales or gross income of
4677 restaurants derived from the sale of food and beverages;

4678 (iii) Gross proceeds of sales or gross income of
4679 hotels and motels derived from the sale of hotel rooms and motel
4680 rooms for lodging purposes;

4681 (iv) Retail sales of food for human consumption
4682 not purchased with food stamps issued by the United States
4683 Department of Agriculture, or other federal agency, but which
4684 would be exempt under Section 27-65-111(o) from the taxes imposed
4685 by this chapter if the food items were purchased with food stamps;

4686 (v) Gross income of businesses engaging or
4687 continuing in the business of TV cable systems, subscription TV
4688 services, and other similar activities, including, but not limited
4689 to, cable Internet services;

4690 (vi) Wholesale sales of food and drink for human
4691 consumption sold to full service vending machine operators; and

4692 (vii) Wholesale sales of light wine, light spirit
4693 product, beer and alcoholic beverages.

4694 (3) (a) Before any tax authorized under this section may be
4695 imposed, the governing authorities of the municipality shall adopt
4696 a resolution declaring its intention to levy the tax, setting
4697 forth the amount of the tax to be imposed, the purposes for which
4698 the revenue collected pursuant to the tax levy may be used and

4699 expended, the date upon which the tax shall become effective, the
4700 date upon which the tax shall be repealed, and calling for an
4701 election to be held on the question. The date of the election
4702 shall be set in the resolution. Notice of the election shall be
4703 published once each week for at least three (3) consecutive weeks
4704 in a newspaper published or having a general circulation in the
4705 municipality, with the first publication of the notice to be made
4706 not less than twenty-one (21) days before the date fixed in the
4707 resolution for the election and the last publication to be made
4708 not more than seven (7) days before the election. At the
4709 election, all qualified electors of the municipality may vote.
4710 The ballots used at the election shall have printed thereon a
4711 brief description of the sales tax, the amount of the sales tax
4712 levy, a description of the purposes for which the tax revenue may
4713 be used and expended and the words "FOR THE LOCAL SALES TAX" and
4714 "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing
4715 a cross (X) or check mark (✓) opposite his choice on the
4716 proposition. When the results of the election have been canvassed
4717 by the election commissioners of the municipality and certified by
4718 them to the governing authorities, it shall be the duty of such
4719 governing authorities to determine and adjudicate whether at least
4720 three-fifths (3/5) of the qualified electors who voted in the
4721 election voted in favor of the tax. If at least three-fifths
4722 (3/5) of the qualified electors who voted in the election voted in
4723 favor of the tax, the governing authorities shall adopt a
4724 resolution declaring the levy and collection of the tax provided

4725 in this section and shall set the first day of the second month
4726 following the date of such adoption as the effective date of the
4727 tax levy. A certified copy of this resolution, together with the
4728 result of the election, shall be furnished to the Department of
4729 Revenue not less than thirty (30) days before the effective date
4730 of the levy.

4731 (b) A municipality shall not hold more than two (2)
4732 elections under this subsection.

4733 (4) The revenue collected pursuant to the tax levy imposed
4734 under this section may be expended to pay the cost of road and
4735 street repair, reconstruction and resurfacing projects based on
4736 traffic patterns, need and usage, and to pay the costs of water,
4737 sewer and drainage projects in accordance with a master plan
4738 adopted by the department established pursuant to subsection (7).

4739 (5) (a) The special sales tax authorized by this section
4740 shall be collected by the Department of Revenue, shall be
4741 accounted for separately from the amount of sales tax collected
4742 for the state in the municipality and shall be paid to the
4743 municipality. The Department of Revenue may retain one percent
4744 (1%) of the proceeds of such tax for the purpose of defraying the
4745 costs incurred by the department in the collection of the tax.
4746 Payments to the municipality shall be made by the Department of
4747 Revenue on or before the fifteenth day of the month following the
4748 month in which the tax was collected.

4749 (b) The proceeds of the special sales tax shall be
4750 placed into a special municipal fund apart from the municipal

4751 general fund and any other funds of the municipality, and shall be
4752 expended by the municipality solely for the purposes authorized in
4753 subsection (4) of this section. The records reflecting the
4754 receipts and expenditures of the revenue from the special sales
4755 tax shall be audited annually by an independent certified public
4756 accountant. The accountant shall make a report of his findings to
4757 the governing authorities of the municipality and file a copy of
4758 his report with the Secretary of the Senate and the Clerk of the
4759 House of Representatives. The audit shall be made and completed
4760 as soon as practical after the close of the fiscal year of the
4761 municipality, and expenses of the audit shall be paid from the
4762 funds derived by the municipality pursuant to this section.

4763 (c) All provisions of the Mississippi Sales Tax Law
4764 applicable to filing of returns, discounts to the taxpayer,
4765 remittances to the Department of Revenue, enforced collection,
4766 rights of taxpayers, recovery of improper taxes, refunds of
4767 overpaid taxes or other provisions of law providing for imposition
4768 and collection of the state sales tax shall apply to the special
4769 sales tax authorized by this section, except where there is a
4770 conflict, in which case the provisions of this section shall
4771 control. Any damages, penalties or interest collected for the
4772 nonpayment of taxes imposed under this section, or for
4773 noncompliance with the provisions of this section, shall be paid
4774 to the municipality on the same basis and in the same manner as
4775 the tax proceeds. Any overpayment of tax for any reason that has
4776 been disbursed to a municipality or any payment of the tax to a

4777 municipality in error may be adjusted by the Department of Revenue
4778 on any subsequent payment to the municipality pursuant to the
4779 provisions of the Mississippi Sales Tax Law. The Department of
4780 Revenue may, from time to time, make such rules and regulations
4781 not inconsistent with this section as may be deemed necessary to
4782 carry out the provisions of this section, and such rules and
4783 regulations shall have the full force and effect of law.

4784 (6) If a municipality expands its corporate boundaries, the
4785 governing authorities of the municipality may not impose the
4786 special sales tax in the annexed area unless the tax is approved
4787 at an election conducted, as far as is practicable, in the manner
4788 provided in subsection (3) of this section, except that only
4789 qualified electors in the annexed area may vote in the election.

4790 (7) (a) Any municipality that levies the special sales tax
4791 authorized under this section shall establish a commission as
4792 provided for in this section. Expenditures of revenue from the
4793 special sales tax authorized by this section shall be in
4794 accordance with a master plan adopted by the commission pursuant
4795 to this subsection.

4796 (b) The commission shall be composed of ten (10) voting
4797 members who shall be known as commissioners appointed as follows:

4798 (i) Four (4) members representing the business
4799 community in the municipality appointed by the local chamber of
4800 commerce for initial terms of one (1), two (2), four (4) and five
4801 (5) years respectively. The members appointed pursuant to this

4802 paragraph shall be persons who represent businesses located within
4803 the city limits of the municipality.

4804 (ii) Three (3) members shall be appointed at large
4805 by the mayor of the municipality, with the advice and consent of
4806 the legislative body of the municipality, for initial terms of two
4807 (2), three (3) and four (4) years respectively. All appointments
4808 made by the mayor pursuant to this paragraph shall be residents of
4809 the municipality.

4810 (iii) One (1) member shall be appointed at large
4811 by the Governor for an initial term of four (4) years. All
4812 appointments made by the Governor pursuant to this paragraph shall
4813 be residents of the municipality.

4814 (iv) One (1) member shall be appointed at large by
4815 the Lieutenant Governor for an initial term of four (4) years.
4816 All appointments made by the Lieutenant Governor pursuant to this
4817 paragraph shall be residents of the municipality.

4818 (v) One (1) member shall be appointed at large by
4819 the Speaker of the House of Representatives for a term of four (4)
4820 years. All appointments made by the Speaker of the House of
4821 Representatives pursuant to this paragraph shall be residents of
4822 the municipality.

4823 (c) The terms of all appointments made subsequent to
4824 the initial appointment shall be made for five (5) years. Any
4825 vacancy which may occur shall be filled in the same manner as the
4826 original appointment and shall be made for the unexpired term.

4827 Each member of the commission shall serve until his successor is
4828 appointed and qualified.

4829 (d) The mayor of the municipality shall designate a
4830 chairman of the commission from among the membership of the
4831 commission. The vice chairman and secretary shall be elected by
4832 the commission from among the membership of the commission for a
4833 term of two (2) years. The vice chairman and secretary may be
4834 reelected, and the chairman may be reappointed.

4835 (e) The commissioners shall serve without compensation.

4836 (f) Any commissioner shall be disqualified and shall be
4837 removed from office for either of the following reasons:

4838 (i) Conviction of a felony in any state court or
4839 in federal court; or

4840 (ii) Failure to attend three (3) consecutive
4841 meetings without just cause.

4842 If a commissioner is removed for any of the above reasons,
4843 the vacancy shall be filled in the manner prescribed in this
4844 section and shall be made for the unexpired term.

4845 (g) A quorum shall consist of six (6) voting members of
4846 the commission. The commission shall adopt such rules and
4847 regulations as may govern the time and place for holding meetings,
4848 regular and special.

4849 (h) The commission shall, with input from the
4850 municipality, establish a master plan for road and street repair,
4851 reconstruction and resurfacing projects based on traffic patterns,
4852 need and usage, and for water, sewer and drainage projects.

4853 Expenditures of the revenue from the tax authorized to be imposed
4854 pursuant to this section shall be made at the discretion of the
4855 governing authorities of the municipality if the expenditures
4856 comply with the master plan. The commission shall monitor the
4857 compliance of the municipality with the master plan.

4858 (8) The governing authorities of any municipality that
4859 levies the special sales tax authorized under this section are
4860 authorized to incur debt, including bonds, notes or other
4861 evidences of indebtedness, for the purpose of paying the costs of
4862 road and street repair, reconstruction and resurfacing projects
4863 based on traffic patterns, need and usage, and to pay the costs of
4864 water, sewer and drainage projects in accordance with a master
4865 plan adopted by the commission established pursuant to subsection
4866 (7) of this section. Any bonds or notes issued to pay such costs
4867 may be secured by the proceeds of the special sales tax levied
4868 pursuant to this section or may be general obligations of the
4869 municipality and shall satisfy the requirements for the issuance
4870 of debt provided by Sections 21-33-313 through 21-33-323.

4871 (9) This section shall stand repealed from and after July 1,
4872 2035.

4873 **SECTION 23.** Section 27-69-3, Mississippi Code of 1972, is
4874 amended as follows:

4875 27-69-3. When used in this chapter:

4876 (a) "State" means the State of Mississippi as
4877 geographically defined, and any and all waters under the
4878 jurisdiction of the State of Mississippi.

4879 (b) "State Auditor" means the Auditor of Public
4880 Accounts of the State of Mississippi, or his legally appointed
4881 deputy, clerk or agent.

4882 (c) "Commissioner" means the Commissioner of Revenue of
4883 the Department of Revenue, and his authorized agents and
4884 employees.

4885 (d) "Person" means any individual, company,
4886 corporation, partnership, association, joint venture, estate,
4887 trust, or any other group, or combination acting as a unit, and
4888 the plural as well as the singular, unless the intention to give a
4889 more limited meaning is disclosed by the context.

4890 (e) "Consumer" means a person who comes into possession
4891 of tobacco for the purpose of consuming it, giving it away, or
4892 disposing of it in any way by sale, barter or exchange.

4893 (f) "Tobacco" means any cigarettes, cigars, cheroots,
4894 stogies, smoking tobacco (including granulated, plug cut, crimp
4895 cut, ready rubbed, and other kinds and forms of tobacco, or
4896 substitutes therefor, prepared in such manner as to be suitable
4897 for smoking in a pipe or cigarette) and including plug and twist
4898 chewing tobacco and snuff, when such "tobacco" is manufactured and
4899 prepared for sale or personal consumption, or any other product
4900 containing, made of, or derived from tobacco or nicotine that is
4901 intended for human consumption or is likely to be consumed,
4902 whether inhaled, absorbed, or ingested by any means; any
4903 substances that may be aerosolized or vaporized by any device,
4904 including any component, part, or accessory thereof, whether or

4905 not any of these contain tobacco or nicotine, including, but not
4906 limited to, filters, rolling papers, blunt or hemp wraps, and
4907 pipes. The term "tobacco" also means and includes alternative
4908 nicotine products and electronic cigarettes as defined in Section
4909 97-32-51. All words used herein shall be given the meaning as
4910 defined in the regulations of the Treasury Department of the
4911 United States of America.

4912 (g) "First sale" means and includes the first sale, or
4913 distribution of such tobacco in intrastate commerce, or the first
4914 use or consumption of such tobacco within this state.

4915 (h) "Drop shipment" means and includes any delivery of
4916 tobacco received by any person within this state, when payment for
4917 such tobacco is made to the shipper, or seller by or through a
4918 person other than a consignee.

4919 (i) "Distributor" includes every person, except
4920 retailers as defined herein, in the state who manufactures or
4921 produces tobacco or who ships, transports, or imports into this
4922 state, or in any manner acquires or possesses tobacco, and makes a
4923 first sale of the same in the state.

4924 (j) "Wholesaler" includes dealers, whose principal
4925 business is that of a wholesale dealer or jobber, who is known to
4926 the retail trade as such, and whose place of business is located
4927 in Mississippi or in a state which affords reciprocity to
4928 wholesalers domiciled in Mississippi, who shall sell any taxable
4929 tobacco to retail dealers only for the purpose of resale.

4930 (k) "Retailer" includes every person, other than a
4931 wholesale dealer, as defined above, whose principal business is
4932 that of selling merchandise at retail, who shall sell, or offer
4933 for sale tobacco to the consumer. The sale of tobacco in quantity
4934 lots by retailers to other retailers, transient vendors, or other
4935 persons, shall not be construed as wholesale and shall not qualify
4936 such retailer for a permit as a wholesaler.

4937 (l) "Dealer" includes every person, firm, corporation
4938 or association of persons, except retailers as defined herein, who
4939 manufacture tobacco for distribution, for sale, for use or for
4940 consumption in the State of Mississippi.

4941 The word "dealer" is further defined to mean any person,
4942 firm, corporation or association of persons, except retailers as
4943 defined herein, who imports tobacco from any state or foreign
4944 country for distribution, sale, use, or consumption in the State
4945 of Mississippi.

4946 (m) "Distributing agent" includes every person in the
4947 state who acts as an agent of any person outside the State of
4948 Mississippi, by receiving tobacco in interstate commerce, and
4949 storing such tobacco in this state subject to distribution, or
4950 delivery upon order from the person outside the state to
4951 distributors, wholesalers, retailers and dealers.

4952 (n) "Transient vendor" means and includes every person
4953 commonly and generally termed "peddlers" and every person acting
4954 for himself, or as an agent, employee, salesman, or in any
4955 capacity for another, whether as owner, bailee, or other custodian

4956 of tobacco, and going from person to person, dealer to dealer,
4957 house to house, or place to place, and selling or offering for
4958 sale at retail or wholesale tobacco, and every person who does not
4959 keep a regular place of business open at all times in regular
4960 hours, and every person who goes from person to person, dealer to
4961 dealer, house to house, or place to place, and sells or offers for
4962 sale tobacco which he carries with him, and who delivers the same
4963 at the time of, or immediately after the sale, or without
4964 returning to the place of business operations (a permanent place
4965 of business within the state) between the taking of the order and
4966 the delivery of the tobacco, or

4967 All persons who go from person to person, house to house,
4968 place to place, or dealer to dealer, soliciting orders by
4969 exhibiting samples, or taking orders, and thereafter making
4970 delivery of tobacco, or filling the order without carrying or
4971 sending the order to the permanent place of business, and
4972 thereafter making delivery of the tobacco pursuant to the terms of
4973 the order, or

4974 All persons who go from person to person, place to place,
4975 house to house, or dealer to dealer, carrying samples and selling
4976 tobacco from samples, and afterwards making delivery without
4977 taking and sending an order therefor to a permanent place of
4978 business for the filling of the order, and delivery of the
4979 tobacco, or the exchange of tobacco having become damaged or
4980 unsalable, or the purchase by tobacco of advertising space, or

4981 All persons who have in their possession, or under their
4982 control, any tobacco offered, or to be offered for sale or to be
4983 delivered, unless the sale or delivery thereof is to be made in
4984 pursuance of a bona fide order for the tobacco, to be sold or
4985 delivered, the order to be evidenced by an invoice or memorandum.

4986 (o) "Contraband tobacco" means all tobacco found in the
4987 possession of any person whose permit to engage in dealing in
4988 tobacco has been revoked by the commissioner; and any cigarettes
4989 found in the possession of any person to which the proper tax
4990 stamps have not been affixed; and any cigarettes improperly
4991 stamped when found in the possession of any person; and all other
4992 tobacco upon which the excise tax has not been paid.

4993 (p) "Sale" means an exchange for money or goods, giving
4994 away, or distributing any tobacco as defined in this chapter.

4995 (q) "Forty-eight (48) hours" and "seventy-two (72)
4996 hours" means two (2) calendar days and three (3) calendar days,
4997 respectively, excluding Sundays and legal holidays.

4998 (r) "Stamp" or "stamping," or the import of such word,
4999 when used in this chapter, means any manner of stamp or impression
5000 permitted by the commissioner that carries out the purposes of the
5001 chapter in clearly indicating upon the packages of cigarettes
5002 taxed the due payment of the tax and clearly identifying, by
5003 serial number or otherwise, the permittee who affixed the stamp to
5004 the particular package.

5005 (s) "Manufacturer's list price" means the full sales
5006 price at which tobacco is sold or offered for sale by a

5007 manufacturer to the wholesaler or distributor in this state
5008 without any deduction for freight, trade discount, cash discounts,
5009 special discounts or deals, cash rebates, or any other reduction
5010 from the regular selling price. In the event freight charges on
5011 shipments to wholesalers or distributors are not paid by the
5012 manufacturer, then such freight charges required to be paid by the
5013 wholesalers and distributors shall be added to the amount paid to
5014 the manufacturer in order to determine "manufacturer's list
5015 price." In the case of a wholesaler or distributor whose place of
5016 business is located outside this state, the "manufacturer's list
5017 price" for tobacco sold in this state by such wholesaler or
5018 distributor shall in all cases be considered to be the same as
5019 that of a wholesaler or distributor located within this state.

5020 **SECTION 24.** Section 27-69-13, Mississippi Code of 1972, is
5021 amended as follows:

5022 27-69-13. There is hereby imposed, levied and assessed, to
5023 be collected and paid as hereinafter provided in this chapter, an
5024 excise tax on each person or dealer in cigarettes, cigars,
5025 stogies, snuff, chewing tobacco, and smoking tobacco, or
5026 substitutes therefor, upon the sale, use, consumption, handling or
5027 distribution in the State of Mississippi, as follows:

5028 (a) On cigarettes, the rate of tax shall be * * * Five
5029 and nine-tenths Cents (5.9¢) on each cigarette sold with a maximum
5030 length of one hundred twenty (120) millimeters; any cigarette in
5031 excess of this length shall be taxed as if it were two (2) or more
5032 cigarettes. Provided, however, if the federal tax rate on

5033 cigarettes in effect on June 1, 1985, is reduced, then the rate as
5034 provided herein shall be increased by the amount of the federal
5035 tax reduction. Such tax increase shall take effect on the first
5036 day of the month following the effective date of such reduction in
5037 the federal tax rate.

5038 (b) On cigars, cheroots, stogies, snuff, chewing and
5039 smoking tobacco and all other tobacco products except cigarettes,
5040 the rate of tax shall be * * * twenty-five percent (25%) of the
5041 manufacturer's list price.

5042 No stamp evidencing the tax herein levied on cigarettes shall
5043 be of a denomination of less than One Cent (1¢), and whenever the
5044 tax computed at the rates herein prescribed on cigarettes shall be
5045 a specified amount, plus a fractional part of One Cent (1¢), the
5046 package shall be stamped for the next full cent; however, the
5047 additional face value of stamps purchased to comply with taxes
5048 imposed by this section after June 1, 1985, shall be subject to a
5049 four percent (4%) discount or compensation to dealers for their
5050 services rather than the eight percent (8%) discount or
5051 compensation allowed by Section 27-69-31.

5052 Every wholesaler shall purchase stamps as provided in this
5053 chapter, and affix the same to all packages of cigarettes handled
5054 by him as herein provided.

5055 The above tax is levied upon the sale, use, gift, possession
5056 or consumption of tobacco within the State of Mississippi, and the
5057 impact of the tax levied by this chapter is hereby declared to be
5058 on the vendee, user, consumer or possessor of tobacco in this

5059 state; and when said tax is paid by any other person, such payment
5060 shall be considered as an advance payment and shall thereafter be
5061 added to the price of the tobacco and recovered from the ultimate
5062 consumer or user.

5063 **SECTION 25.** Section 27-69-75, Mississippi Code of 1972, is
5064 amended as follows:

5065 27-69-75. All taxes levied by this chapter shall be payable
5066 to the commissioner in cash, or by personal check, cashier's
5067 check, bank exchange, post office money order or express money
5068 order, and shall be deposited by the commissioner in the State
5069 Treasury on the same day collected. No remittance other than cash
5070 shall be a final discharge of liability for the tax herein
5071 assessed and levied, unless and until it has been paid in cash to
5072 the commissioner.

5073 Except as otherwise provided in this section, all tobacco
5074 taxes collected, including tobacco license taxes, shall be
5075 deposited into the State Treasury to the credit of the General
5076 Fund. On or before September 15, 2021, and each succeeding month
5077 thereafter through February 15, 2022, tobacco taxes collected
5078 during the preceding month under the provisions of this chapter
5079 from the increases to tax rates under Section 27-69-13 and as a
5080 result of the amendment to Section 27-69-3, as provided in Senate
5081 Bill No. 2971, 2021 Regular Session, shall be deposited, without
5082 diversion, into the Budget Stabilization Fund created in Section
5083 26 of this act.

5084 Wholesalers who are entitled to purchase stamps at a
5085 discount, as provided by Section 27-69-31, may have consigned to
5086 them, without advance payment, such stamps, if and when such
5087 wholesaler shall give to the commissioner a good and sufficient
5088 bond executed by some surety company authorized to do business in
5089 this state, conditioned to secure the payment for the stamps so
5090 consigned. The commissioner shall require payment for such stamps
5091 not later than thirty (30) days from the date the stamps were
5092 consigned.

5093 **SECTION 26.** There is hereby created in the State Treasury a
5094 special fund to be designated as the "Budget Stabilization Fund,"
5095 which shall consist of funds made available by the Legislature in
5096 any manner and funds from any other source designated for deposit
5097 into such fund. Unexpended amounts remaining in the fund at the
5098 end of a fiscal year shall not lapse into the State General Fund,
5099 and any investment earnings or interest earned on amounts in the
5100 fund shall be deposited to the credit of the fund. Monies in the
5101 fund shall only be appropriated by the Legislature to further the
5102 purposes of Sections 1 through 69 of this act.

5103 **SECTION 27.** Section 27-70-5, Mississippi Code of 1972, is
5104 amended as follows:

5105 27-70-5. (1) (a) In addition to the tax imposed under
5106 Section 27-69-13, and except as provided by subsection (2) of this
5107 section, there is imposed a tobacco equity tax in the amount of
5108 * * * Three and Nine One-Hundredths Cents (3.09¢) per cigarette

5109 on all cigarettes subject to the tax imposed under Section
5110 27-69-13.

5111 (b) On July 1 of each year, the tax prescribed by
5112 subsection (1) of this section shall increase by the greater of:

5113 (i) Three percent (3%); or

5114 (ii) The percentage increase in the most recent
5115 annual revised Consumer Price Index for all Urban Consumers, as
5116 published by the Federal Bureau of Labor Statistics of the United
5117 States Department of Labor.

5118 (c) The revenue collected from the tax imposed by this
5119 section shall be deposited into the State General Fund.

5120 (d) The cigarettes manufactured by any manufacturer
5121 which is a party to the tobacco settlement agreement shall be
5122 exempt from the imposition of the tobacco equity tax provided for
5123 herein.

5124 (2) The tax imposed by this chapter does not apply to
5125 cigarettes that are sold, purchased or otherwise distributed in
5126 this state for sale outside of this state. A person may not
5127 transport or cause to be transported from this state such
5128 cigarettes for retail sale in another state without first affixing
5129 to the cigarettes the stamp required by the state in which the
5130 cigarettes are to be sold or by paying any other excise tax on the
5131 cigarettes imposed by the state in which the cigarettes are to be
5132 sold; however, a person shall not be required to affix a tax stamp
5133 of another state or pay the excise tax of another state prior to
5134 transporting the cigarettes out of this state if the other state

5135 prohibits that action or if the cigarettes are being sold to a
5136 wholesaler licensed by that state.

5137 (3) The tax imposed by this chapter is in addition to any
5138 other privilege, license, fee, assessment or tax required or
5139 imposed by state law, including, but not limited to, the taxes
5140 levied by Section 27-69-13.

5141 (4) The tax imposed by this chapter is imposed, levied and
5142 assessed on each distributor of cigarettes. The tax shall be due
5143 and payable on or before the fifteenth day of the month next
5144 succeeding the month in which the stamp is required to be affixed
5145 to the cigarettes under the Tobacco Tax Law. The distributor
5146 shall make a return showing the number of such cigarettes, the
5147 brand family, and the manufacturer. The return shall also include
5148 the quantity of cigarettes, by brand family, transported or caused
5149 to be transported outside of Mississippi in the preceding month as
5150 well as the name and address of the recipient of the cigarettes
5151 transported outside of Mississippi.

5152 (5) The distributor is eligible for a credit if cigarettes
5153 for which the distributor had previously paid the tax under this
5154 chapter were returned to the distributor.

5155 **SECTION 28.** Section 27-7-5, Mississippi Code of 1972, is
5156 amended as follows:

5157 **[Until January 1 of the next succeeding year after the date**
5158 **that the Commissioner of Revenue certifies that the reduction in**
5159 **revenue mandated by Section 27-7-21(p) (i) equals or exceeds the**

5160 **remaining revenue produced by the individual income tax, this**
5161 **section shall read as follows:]**

5162 27-7-5. (1) There is hereby assessed and levied, to be
5163 collected and paid as hereinafter provided, for the calendar year
5164 1983 and fiscal years ending during the calendar year 1983 and all
5165 taxable years thereafter, upon the entire net income of every
5166 resident individual, corporation, association, trust or estate, in
5167 excess of the credits provided, a tax at the following rates:

5168 (a) (i) Through calendar year 2017, on the first Five
5169 Thousand Dollars (\$5,000.00) of taxable income, or any part
5170 thereof, the rate shall be three percent (3%);

5171 (ii) For calendar year 2018, on the first One
5172 Thousand Dollars (\$1,000.00) of taxable income there shall be no
5173 tax levied, and on the next Four Thousand Dollars (\$4,000.00) of
5174 taxable income, or any part thereof, the rate shall be three
5175 percent (3%);

5176 (iii) For calendar year 2019, on the first Two
5177 Thousand Dollars (\$2,000.00) of taxable income there shall be no
5178 tax levied, and on the next Three Thousand Dollars (\$3,000.00) of
5179 taxable income, or any part thereof, the rate shall be three
5180 percent (3%);

5181 (iv) For calendar year 2020, on the first Three
5182 Thousand Dollars (\$3,000.00) of taxable income there shall be no
5183 tax levied, and on the next Two Thousand Dollars (\$2,000.00) of
5184 taxable income, or any part thereof, the rate shall be three
5185 percent (3%);

5186 (v) For calendar year 2021, on the first Four
5187 Thousand Dollars (\$4,000.00) of taxable income there shall be no
5188 tax levied, and on the next One Thousand Dollars (\$1,000.00) of
5189 taxable income, or any part thereof, the rate shall be three
5190 percent (3%);

5191 (vi) For calendar year 2022 and all taxable years
5192 thereafter, there shall be no tax levied on the first Five
5193 Thousand Dollars (\$5,000.00) of taxable income;

5194 (b) On taxable income in excess of Five Thousand
5195 Dollars (\$5,000.00) up to and including Ten Thousand Dollars
5196 (\$10,000.00), or any part thereof, the rate shall be four percent
5197 (4%); and

5198 (c) On all taxable income in excess of Ten Thousand
5199 Dollars (\$10,000.00), the rate shall be five percent (5%).

5200 (2) An S corporation, as defined in Section 27-8-3(1)(g),
5201 shall not be subject to the income tax imposed under this section.

5202 (3) A like tax is hereby imposed to be assessed, collected
5203 and paid annually, except as hereinafter provided, at the rate
5204 specified in this section and as hereinafter provided, upon and
5205 with respect to the entire net income, from all property owned or
5206 sold, and from every business, trade or occupation carried on in
5207 this state by individuals, corporations, partnerships, trusts or
5208 estates, not residents of the State of Mississippi.

5209 (4) In the case of taxpayers having a fiscal year beginning
5210 in a calendar year with a rate in effect that is different than
5211 the rate in effect for the next calendar year and ending in the

5212 next calendar year, the tax due for that taxable year shall be
5213 determined by:

5214 (a) Computing for the full fiscal year the amount of
5215 tax that would be due under the rates in effect for the calendar
5216 year in which the fiscal year begins; and

5217 (b) Computing for the full fiscal year the amount of
5218 tax that would be due under the rates in effect for the calendar
5219 year in which the fiscal year ends; and

5220 (c) Applying to the tax computed under paragraph (a)
5221 the ratio which the number of months falling within the earlier
5222 calendar year bears to the total number of months in the fiscal
5223 year; and

5224 (d) Applying to the tax computed under paragraph (b)
5225 the ratio which the number of months falling within the later
5226 calendar year bears to the total number of months within the
5227 fiscal year; and

5228 (e) Adding to the tax determined under paragraph (c)
5229 the tax determined under paragraph (d) the sum of which shall be
5230 the amount of tax due for the fiscal year.

5231 **[From and after January 1 of the next succeeding year after**
5232 **the date that the Commissioner of Revenue certifies that the**
5233 **reduction in revenue mandated by Section 27-7-21(p) (i) equals or**
5234 **exceeds the remaining revenue produced by the individual income**
5235 **tax, the individual income tax shall stand repealed and this**
5236 **section shall read as follows:]**

5237 27-7-5. (1) There is hereby assessed and levied, to be
5238 collected and paid as hereinafter provided, for the calendar year
5239 1983 and fiscal years ending during the calendar year 1983 and all
5240 taxable years thereafter, upon the entire net income of every
5241 resident * * * corporation * * * or association, * * * in excess
5242 of the credits provided, a tax at the following rates:

5243 (a) (i) Through calendar year 2017, on the first Five
5244 Thousand Dollars (\$5,000.00) of taxable income, or any part
5245 thereof, the rate shall be three percent (3%);

5246 (ii) For calendar year 2018, on the first One
5247 Thousand Dollars (\$1,000.00) of taxable income there shall be no
5248 tax levied, and on the next Four Thousand Dollars (\$4,000.00) of
5249 taxable income, or any part thereof, the rate shall be three
5250 percent (3%);

5251 (iii) For calendar year 2019, on the first Two
5252 Thousand Dollars (\$2,000.00) of taxable income there shall be no
5253 tax levied, and on the next Three Thousand Dollars (\$3,000.00) of
5254 taxable income, or any part thereof, the rate shall be three
5255 percent (3%);

5256 (iv) For calendar year 2020, on the first Three
5257 Thousand Dollars (\$3,000.00) of taxable income there shall be no
5258 tax levied, and on the next Two Thousand Dollars (\$2,000.00) of
5259 taxable income, or any part thereof, the rate shall be three
5260 percent (3%);

5261 (v) For calendar year 2021, on the first Four
5262 Thousand Dollars (\$4,000.00) of taxable income there shall be no

5263 tax levied, and on the next One Thousand Dollars (\$1,000.00) of
5264 taxable income, or any part thereof, the rate shall be three
5265 percent (3%);

5266 (vi) For calendar year 2022 and all taxable years
5267 thereafter, there shall be no tax levied on the first Five
5268 Thousand Dollars (\$5,000.00) of taxable income;

5269 (b) On taxable income in excess of Five Thousand
5270 Dollars (\$5,000.00) up to and including Ten Thousand Dollars
5271 (\$10,000.00), or any part thereof, the rate shall be four percent
5272 (4%); and

5273 (c) On all taxable income in excess of Ten Thousand
5274 Dollars (\$10,000.00), the rate shall be five percent (5%).

5275 (2) An S corporation, as defined in Section 27-8-3(1)(g),
5276 shall not be subject to the income tax imposed under this section.

5277 (3) A like tax is hereby imposed to be assessed, collected
5278 and paid annually, except as hereinafter provided, at the rate
5279 specified in this section and as hereinafter provided, upon and
5280 with respect to the entire net income, from all property owned or
5281 sold, and from every business, trade or occupation carried on in
5282 this state by * * * corporations, * * * not residents of the State
5283 of Mississippi.

5284 (4) In the case of taxpayers having a fiscal year beginning
5285 in a calendar year with a rate in effect that is different than
5286 the rate in effect for the next calendar year and ending in the
5287 next calendar year, the tax due for that taxable year shall be
5288 determined by:

5289 (a) Computing for the full fiscal year the amount of
5290 tax that would be due under the rates in effect for the calendar
5291 year in which the fiscal year begins; and

5292 (b) Computing for the full fiscal year the amount of
5293 tax that would be due under the rates in effect for the calendar
5294 year in which the fiscal year ends; and

5295 (c) Applying to the tax computed under paragraph (a)
5296 the ratio which the number of months falling within the earlier
5297 calendar year bears to the total number of months in the fiscal
5298 year; and

5299 (d) Applying to the tax computed under paragraph (b)
5300 the ratio which the number of months falling within the later
5301 calendar year bears to the total number of months within the
5302 fiscal year; and

5303 (e) Adding to the tax determined under paragraph (c)
5304 the tax determined under paragraph (d) the sum of which shall be
5305 the amount of tax due for the fiscal year.

5306 **SECTION 29.** Section 27-7-3, Mississippi Code of 1972, is
5307 brought forward as follows:

5308 27-7-3. When used in this article:

5309 (a) "Taxpayer" includes any individual, partnership,
5310 corporation, association, trust or estate, subject to a tax
5311 imposed hereunder, or whose income is, in whole or in part,
5312 subject to a tax imposed hereunder.

5313 (b) "Domestic," when applied to any corporation or
5314 association, including partnerships, means created or organized in
5315 the State of Mississippi.

5316 (c) "Foreign," when applied to any corporation or
5317 association, including partnerships, means created or organized
5318 outside the State of Mississippi.

5319 (d) "Fiduciary" means a guardian, trustee, executor,
5320 administrator, receiver, conservator, or any person, whether
5321 individual or corporate, acting in any fiduciary capacity, for any
5322 person, trust, or estate.

5323 (e) "Resident" means a natural person and includes, for
5324 the purpose of determining liability for the tax imposed by this
5325 article upon or with reference to the income of any taxable year,
5326 any person domiciled in the State of Mississippi and any other
5327 person who maintains a legal or actual residence within the state.

5328 (f) "Nonresident," when used in connection with this
5329 article, shall apply to any natural person whose domicile and
5330 place of abode is without the State of Mississippi.

5331 (g) "Foreign country" or "foreign government" means any
5332 jurisdiction other than the one embraced within the United States.
5333 The words "United States" includes the states, the District of
5334 Columbia, and the territorial possessions of the United States.

5335 (h) "State Tax Commission" or "Tax Commission" means
5336 the Department of Revenue. "Commission" or "department" also
5337 means the Department of Revenue except where such words are
5338 specifically given other meanings.

5339 (i) "Commissioner," "Chairman of the Mississippi State
5340 Tax Commission," "Chairman of the State Tax Commission," "chairman
5341 of the commission" or "chairman" means the Commissioner of Revenue
5342 of the Department of Revenue.

5343 (j) "Taxable year" means the calendar year, or fiscal
5344 year ending during such calendar year, upon the basis of which the
5345 net income is computed hereunder. "Fiscal year" means an
5346 accounting period of twelve (12) months, ending on the last day of
5347 any month other than December.

5348 (k) "Paid or accrued" means paid or accrued, or paid or
5349 incurred, and these terms, "paid or incurred" or "paid or
5350 accrued," shall be construed according to the method of accounting
5351 or the basis on which the net income is computed. The term
5352 "received for the purpose of computation of net income" means
5353 received or accrued, and the term "received or accrued" shall be
5354 construed according to the method of accounting or the basis on
5355 which the net income is computed.

5356 (l) "Dividend" means any distribution made by a
5357 corporation, association, trust or estate, to its shareholders or
5358 members, whether in cash, other property, or its own stock.

5359 **SECTION 30.** Section 27-7-27, Mississippi Code of 1972, is
5360 brought forward as follows:

5361 27-7-27. (1) The tax imposed under the income tax laws of
5362 the State of Mississippi shall apply to the income of estates of
5363 any kind or property held in trust except:

5364 (a) That a trust forming part of a pension plan, stock
5365 bonus plan, disability or death benefit plan or profit-sharing
5366 plan of an employer for the exclusive benefit of some or all of
5367 his or its employees, or their beneficiaries, to which
5368 contributions are made by such employer, or employees, or both,
5369 for the purpose of distributing to such employees, or their
5370 beneficiaries, the earnings and principal of the fund accumulated
5371 by the trust in accordance with such plan, shall not be taxable
5372 under the income tax laws of the State of Mississippi provided
5373 that the trust is irrevocable and no part of the trust corpus or
5374 income can be used for purposes other than for the exclusive
5375 benefit of employees, or their beneficiaries; but any amount
5376 actually distributed or made available to any distributee shall be
5377 taxable to him in the year in which so distributed or made
5378 available to the extent that it exceeds amounts paid in by him.

5379 (b) That all trusts of real or personal property, or
5380 real and personal property combined, created under a retirement
5381 plan for which provision has been made under the laws of the
5382 United States of America exempting such trust from federal income
5383 tax, shall be exempt from income taxation by the State of
5384 Mississippi.

5385 (2) Notwithstanding the provisions of subsection (1) of this
5386 section, a taxpayer shall include any Mississippi unrelated
5387 business taxable income in computing its taxable income under this
5388 chapter. As used in this subsection "Mississippi unrelated
5389 business taxable income" includes:

5390 (a) "Unrelated business taxable income" as defined
5391 under the provisions of the Internal Revenue Code, as amended, and
5392 not otherwise inconsistent with other provisions of this chapter,
5393 and

5394 (b) Any income attributable to an ownership interest in
5395 an S corporation.

5396 (3) A trust required to include the activity of a
5397 disregarded entity for federal income tax purposes shall do
5398 likewise for the purpose of computing income for this state.

5399 (4) Except as otherwise provided in this section, the gross
5400 and net income shall be determined in the same manner as is
5401 provided by law for any other taxpayer.

5402 **SECTION 31.** Section 27-7-22.5, Mississippi Code of 1972, is
5403 brought forward as follows:

5404 27-7-22.5. (1) For any manufacturer, distributor, wholesale
5405 or retail merchant who pays to a county, municipality, school
5406 district, levee district or any other taxing authority of the
5407 state or a political subdivision thereof, ad valorem taxes imposed
5408 on commodities, raw materials, works-in-process, products, goods,
5409 wares and merchandise held for resale, a credit against the income
5410 taxes imposed under this chapter shall be allowed for the portion
5411 of the ad valorem taxes so paid in the amounts prescribed in
5412 subsection (2).

5413 (2) The tax credit allowed by this section shall not exceed
5414 the amounts set forth in paragraphs (a) through (g) of this
5415 subsection; and may be claimed for each location where such

5416 commodities, raw material, works-in-process, products, goods,
5417 wares and merchandise are found and upon which the ad valorem
5418 taxes have been paid. Any tax credit claimed under this section
5419 but not used in any taxable year may be carried forward for five
5420 (5) consecutive years from the close of the tax year in which the
5421 credit was earned.

5422 (a) For the 1994 taxable year, the tax credit for each
5423 location of the taxpayer shall not exceed the lesser of Two
5424 Thousand Dollars (\$2,000.00) or the amount of income taxes due the
5425 State of Mississippi that are attributable to such location.

5426 (b) For the 1995 taxable year, the tax credit for each
5427 location of the taxpayer shall not exceed the lesser of Three
5428 Thousand Dollars (\$3,000.00) or the amount of income taxes due the
5429 State of Mississippi that are attributable to such location.

5430 (c) For the 1996 taxable year, the tax credit for each
5431 location of the taxpayer shall not exceed the lesser of Four
5432 Thousand Dollars (\$4,000.00) or the amount of income taxes due the
5433 State of Mississippi that are attributable to such location.

5434 (d) For the 1997 taxable year and each taxable year
5435 thereafter through taxable year 2013, the tax credit for each
5436 location of the taxpayer shall not exceed the lesser of Five
5437 Thousand Dollars (\$5,000.00) or the amount of income taxes due the
5438 State of Mississippi that are attributable to such location.

5439 (e) For the 2014 taxable year, the tax credit for each
5440 location of the taxpayer shall not exceed the lesser of Ten

5441 Thousand Dollars (\$10,000.00) or the amount of income taxes due
5442 the State of Mississippi that are attributable to such location.

5443 (f) For the 2015 taxable year, the tax credit for each
5444 location of the taxpayer shall not exceed the lesser of Fifteen
5445 Thousand Dollars (\$15,000.00) or the amount of income taxes due
5446 the State of Mississippi that are attributable to such location.

5447 (g) For the 2016 taxable year and each taxable year
5448 thereafter, the tax credit of the taxpayer shall be the lesser of
5449 the amount of the ad valorem taxes described in subsection (1)
5450 paid or the amount of income taxes due the State of Mississippi
5451 that are attributable to such location.

5452 (3) Any amount of ad valorem taxes paid by a taxpayer that
5453 is applied toward the tax credit allowed in this section may not
5454 be used as a deduction by the taxpayer for state income tax
5455 purposes. In the case of a taxpayer that is a partnership,
5456 limited liability company or S corporation, the credit may be
5457 applied only to the tax attributable to partnership, limited
5458 liability company or S corporation income derived from the
5459 taxpayer.

5460 **SECTION 32.** Section 27-7-22.15, Mississippi Code of 1972, is
5461 brought forward as follows:

5462 27-7-22.15. (1) As used in this section, the following
5463 words and phrases shall have the meanings ascribed to herein
5464 unless the context clearly indicates otherwise:

5465 (a) "Approved reforestation practices" means the
5466 following practices for establishing a crop of trees suitable for
5467 manufacturing into forest products:

5468 (i) "Pine and hardwood tree planting practices"
5469 including the cost of seedlings, planting by hand or machine, and
5470 site preparation.

5471 (ii) "Mixed-stand regeneration practices" to
5472 establish a mixed-crop of pine and hardwood trees by planting or
5473 direct seeding, or both, including the cost of seedlings,
5474 seed/acorns, planting, seeding and site preparation.

5475 (iii) "Direct seeding practices" to establish a
5476 crop of pine or oak trees by directly applying seed/acorns to the
5477 site including the cost of seed/acorns, seeding and site
5478 preparation.

5479 (iv) "Post-planting site preparation practices" to
5480 reduce or control undesirable competition within the first growing
5481 season of an established crop of trees.

5482 Approved reforestation practices shall not include the
5483 establishment of orchards, Christmas trees or ornamental trees.

5484 (b) "Eligible tree species" means pine and hardwood
5485 commercial tree species suitable for manufacturing into forest
5486 products.

5487 (c) "Cost-share assistance" means partial financial
5488 payment for approved reforestation practices from the state
5489 government as authorized under Sections 49-19-201 through
5490 49-19-227, or the federal government.

5491 (d) "Eligible owner" means a private individual, group
5492 or association, but the term shall not mean private corporations
5493 which manufacture products or provide public utility services of
5494 any type or any subsidiary of such corporations.

5495 (e) "Eligible lands" means nonindustrial private lands
5496 owned by a private individual, group or association, but shall not
5497 mean lands owned by private corporations which manufacture
5498 products or provide public utility services of any type or any
5499 subsidiary of such corporations.

5500 (f) "Reforestation prescription or plan" means a
5501 written description of the approved reforestation practices that
5502 the eligible owner plans to use and includes a legal description
5503 and map of the area to be reforested, a list of the tree seedling
5504 or seed species to be used in the reforestation and the site
5505 preparation practices that will be utilized.

5506 (2) Subject to the limitations provided in subsection (3) of
5507 this section, upon submission to the State Tax Commission of the
5508 written verification provided for in subsection (5) of this
5509 section and such other documentation as the State Tax Commission
5510 may require, any eligible owner who incurs costs for approved
5511 reforestation practices for eligible tree species on eligible
5512 lands shall be allowed a credit, in an amount equal to the lesser
5513 of fifty percent (50%) of the actual costs of the approved
5514 reforestation practices or fifty percent (50%) of the average cost
5515 of approved practices as established by the Mississippi Forestry
5516 Commission under Section 49-19-219, against the taxes imposed

5517 pursuant to this chapter for the tax year in which the costs are
5518 incurred.

5519 (3) The maximum amount of the credit provided for in
5520 subsection (2) of this section that may be utilized in any one (1)
5521 taxable year shall not exceed the lesser of Ten Thousand Dollars
5522 (\$10,000.00) or the amount of income tax imposed upon the eligible
5523 owner for the taxable year reduced by the sum of all other credits
5524 allowable to the eligible owner under this chapter, except credit
5525 for tax payments made by or on behalf of the eligible owner. Any
5526 unused portion of the credit may be carried forward for succeeding
5527 tax years. The maximum dollar amount of the credit provided for
5528 in subsection (2) of this section that an eligible owner may
5529 utilize during his lifetime shall be Seventy-five Thousand Dollars
5530 (\$75,000.00) in the aggregate.

5531 (4) If an eligible owner receives any state or federal cost
5532 share assistance funds to defray the cost of an approved
5533 reforestation practice, the cost of that practice on the same acre
5534 or acres within the same tax year is not eligible for the credit
5535 provided in this section unless the eligible owner's adjusted
5536 gross income is less than the federal earned income credit level.

5537 (5) To be eligible for the tax credit, an eligible owner
5538 must have a reforestation prescription or plan prepared for the
5539 eligible lands by a graduate forester of a college, school or
5540 university accredited by the Society of American Foresters or by a
5541 registered forester under the Foresters Registration Law of 1977.
5542 The forester must verify in writing that the reforestation

5543 practices were completed and that the reforestation prescription
5544 or plan was followed.

5545 **SECTION 33.** Section 27-7-22.21, Mississippi Code of 1972, is
5546 brought forward as follows:

5547 27-7-22.21. (1) As used in this section, the following
5548 words and phrases shall have the following meanings, unless the
5549 context clearly indicates otherwise:

5550 (a) "Eligible land" means nonindustrial private lands
5551 in the state that are adjacent to and along a stream which is
5552 fully nominated to the Mississippi Scenic Streams Stewardship
5553 Program, or nonindustrial private lands in the state which are
5554 considered to be priority sites for conservation under the
5555 Mississippi Natural Heritage Program.

5556 (b) "Eligible owner" means a private individual, group
5557 or association other than a private corporation, or any subsidiary
5558 thereof, which manufactures products or provides public utility
5559 services of any type.

5560 (c) "Interest in land" means any right in real
5561 property, including access thereto or improvements thereon, or
5562 water, including, but not limited to, a fee simple easement, a
5563 conservation easement, provided such interest complies with the
5564 requirements of the United States Internal Revenue Code Section
5565 170(h), partial interest, mineral right, remainder or future
5566 interest, or other interest or right in real property.

5567 (d) "Land" or "lands" means real property, with or
5568 without improvements thereon, rights-of-way, water and riparian

5569 rights, easements, privileges and all other rights or interests of
5570 any land or description in, relating to, or connected with real
5571 property.

5572 (e) "Allowable transaction costs" mean the costs of the
5573 appraisal of the lands or interests in lands, including
5574 conservation easements, that are being donated, of the baseline
5575 survey of the natural features, animals and plants present on the
5576 site, of engineering and surveying fees, of maintenance fees, of
5577 monitoring fees and of legal fees, including the costs of document
5578 preparation, title review and title insurance.

5579 (f) "Specified conservation purposes" mean the
5580 preservation of stream bank habitats and the stability of stream
5581 banks, or the protection of land necessary because of high
5582 biodiversity significance or high protection urgency due to the
5583 presence of exemplary natural communities or species of special
5584 concern, including threatened or endangered species.

5585 (2) For the taxable years beginning on or after January 1,
5586 2003, for any income taxpayer who is an eligible owner, a credit
5587 against the taxes imposed by this chapter shall be allowed in the
5588 amounts provided in this section upon the donation of land or an
5589 interest in land for specified conservation purposes.

5590 (3) The credit provided for in this section shall be fifty
5591 percent (50%) of the allowable transaction costs involved in the
5592 donation for the tax year in which the allowable transaction costs
5593 occur. The aggregate amount of the credit provided in this
5594 section for allowable transaction costs shall not exceed the

5595 lesser of Ten Thousand Dollars (\$10,000.00) or the amount of tax
5596 imposed upon the taxpayer for the taxable year reduced by the sum
5597 of all other credits allowable to such taxpayer under this
5598 chapter, except credit for tax payments made by or on behalf of
5599 the taxpayer. Any unused portion of the credit may be carried
5600 forward for ten (10) succeeding tax years. The maximum dollar
5601 amount of the credit provided for in this section that an eligible
5602 owner may utilize during his lifetime shall be Ten Thousand
5603 Dollars (\$10,000.00) in the aggregate.

5604 (4) To be eligible for the credit provided for in this
5605 section, an eligible owner must demonstrate that the donation
5606 qualifies as a conservation contribution under Section 170(h) of
5607 the United States Internal Revenue Code of 1986, by means of being
5608 a donation in perpetuity, for conservation purposes and made to a
5609 qualified holder or donee. A letter from the donee indicating
5610 acceptance and a completed copy of the appropriate United States
5611 Internal Revenue Service form shall constitute proof of
5612 acceptance. The eligible owner also must submit any other
5613 documentation that the State Tax Commission may require.

5614 **SECTION 34.** Section 27-7-22.22, Mississippi Code of 1972, is
5615 brought forward as follows:

5616 27-7-22.22. (1) A credit is allowed against the taxes
5617 imposed by this chapter to a taxpayer for allowing land owned by
5618 the taxpayer to be used as a natural area preserve, a wildlife
5619 refuge or habitat area, a wildlife management area, or for the
5620 purpose of providing public outdoor recreational opportunities, as

5621 authorized under Section 49-1-29, 49-5-71 or 49-5-155, subject to
5622 the following conditions and limitations:

5623 (a) The land may not be under lease to the Mississippi
5624 Commission on Wildlife, Fisheries and Parks, and the commission
5625 must approve the land as being suitable for the uses described in
5626 this section.

5627 (b) The amount of the tax credit allowed by this
5628 section shall be Five Dollars and Fifty Cents (\$5.50) per acre of
5629 land in each taxable year.

5630 (c) In no event shall the amount of the tax credits
5631 allowed by this section for a taxable year exceed the taxpayer's
5632 liability for those taxes. Any unused credit amount shall be
5633 allowed to be carried forward for five (5) years from the close of
5634 the taxable year in which the land was approved for such a use.
5635 No such credit shall be allowed the taxpayer against prior years'
5636 tax liability.

5637 (2) To claim a credit allowed by this section, the taxpayer
5638 shall provide any information required by the Mississippi
5639 Commission on Wildlife, Fisheries and Parks or the Mississippi
5640 Commissioner of Revenue. Every taxpayer claiming a credit under
5641 this section shall maintain and make available for inspection by
5642 the Mississippi Commission on Wildlife, Fisheries and Parks or the
5643 Mississippi Commissioner of Revenue any records that either entity
5644 considers necessary to determine and verify the amount of the
5645 credit to which the taxpayer is entitled. The burden of proving
5646 eligibility for a credit and the amount of the credit rests upon

5647 the taxpayer, and no credit may be allowed to a taxpayer that
5648 fails to maintain adequate records or to make them available for
5649 inspection.

5650 (3) Upon approval of the Commission on Wildlife, Fisheries
5651 and Parks under subsection (1)(a), a taxpayer seeking to claim any
5652 tax credit provided for under this section must submit an
5653 application to the Mississippi Commissioner of Revenue for
5654 approval of the tax credit. The Mississippi Commissioner of
5655 Revenue shall promulgate the rules and forms on which the
5656 application is to be submitted. The Mississippi Commissioner of
5657 Revenue shall review the application and may approve such
5658 application upon determining that it meets the requirements of
5659 this section within sixty (60) days after receiving the
5660 application.

5661 **SECTION 35.** Section 27-7-22.31, Mississippi Code of 1972, is
5662 brought forward as follows:

5663 27-7-22.31. (1) As used in this section:

5664 (a) "Certified historic structure" means a property
5665 located in Mississippi that has been:

5666 (i) Listed individually on the National Register
5667 of Historic Places; or

5668 (ii) Determined eligible for the National Register
5669 of Historic Places by the Secretary of the United States
5670 Department of the Interior and will be listed within thirty (30)
5671 months of claiming the credit authorized by this section; or

5672 (iii) Property designated a Mississippi Landmark
5673 by the Department of Archives and History pursuant to Section
5674 39-7-3 et seq.

5675 (b) "Eligible property" means property located in
5676 Mississippi and offered or used for residential or business
5677 purposes; however, the term "eligible property" shall not include
5678 a single-family dwelling unless:

5679 (i) A certificate evidencing the eligible credit
5680 has been issued to the taxpayer by the department prior to July 1,
5681 2016, that applies to such dwelling; or

5682 (ii) The dwelling is designated as a National
5683 Historic Landmark under the National Historic Landmarks Program.

5684 (c) "Structure in a certified historic district" means
5685 a structure (and its structural components) located in Mississippi
5686 which:

5687 (i) Is listed in the National Register of Historic
5688 Places; or

5689 (ii) Has been determined eligible for the National
5690 Register of Historic Places by the Secretary of the United States
5691 Department of the Interior and will be listed within thirty (30)
5692 months of claiming the credit authorized by this section; or

5693 (iii) Is located in a registered historic district
5694 listed on the National Register of Historic Places or located in a
5695 potential district that has been determined eligible for the
5696 National Register of Historic Places by the Secretary of the
5697 United States Department of the Interior and will be listed within

5698 thirty (30) months of claiming the credit authorized by this
5699 section, and is certified by the Secretary of the United States
5700 Department of the Interior as being of historic significance to
5701 the district; or

5702 (iv) Is certified by the Mississippi Department of
5703 Archives and History as contributing to the historic significance
5704 of:

5705 1. A certified historic district listed on
5706 the National Register of Historic Places; or

5707 2. A potential district that has been
5708 determined eligible for the National Register of Historic Places
5709 by the Secretary of the United States Department of the Interior
5710 and will be listed within thirty (30) months of claiming the
5711 credit authorized by this section; or

5712 3. A local district that has been certified
5713 by the United States Department of the Interior.

5714 (d) "Department" means the Department of Archives and
5715 History.

5716 (2) Any taxpayer incurring costs and expenses for the
5717 rehabilitation of eligible property, which is a certified historic
5718 structure or a structure in a certified historic district, shall
5719 be entitled to a credit against the taxes imposed pursuant to this
5720 chapter in an amount equal to twenty-five percent (25%) of the
5721 total costs and expenses of rehabilitation incurred after January
5722 1, 2006, which shall include, but not be limited to, qualified
5723 rehabilitation expenditures as defined under Section 47(c)(2)(A)

5724 of the Internal Revenue Code of 1986, as amended, and the related
5725 regulations thereunder:

5726 (a) If the costs and expenses associated with
5727 rehabilitation exceed:

5728 (i) Five Thousand Dollars (\$5,000.00) in the case
5729 of an owner-occupied dwelling; or

5730 (ii) Fifty percent (50%) of the total basis in the
5731 property in the case of all other properties; and

5732 (b) The rehabilitation is consistent with the standards
5733 of the Secretary of the United States Department of the Interior
5734 as determined by the department.

5735 (3) Any taxpayer eligible for the credit authorized by this
5736 section may claim the credit in phases if:

5737 (a) There is a written set of architectural plans and
5738 specifications for all phases of the rehabilitation (written plans
5739 outlining and describing all phases of the rehabilitation shall be
5740 accepted as written plans and specifications);

5741 (b) The written set of architectural plans and
5742 specifications are completed before the physical work on the
5743 rehabilitation begins; and

5744 (c) It can reasonably be expected that all phases of
5745 the rehabilitation will be completed.

5746 (4) (a) (i) If the amount of the tax credit established by
5747 this section exceeds the total state income tax liability for the
5748 year in which the rehabilitated property is placed in service, the

5749 amount that exceeds the total state income tax liability may be
5750 carried forward for the ten (10) succeeding tax years.

5751 (ii) The taxpayer may elect to claim a refund in
5752 the amount of seventy-five percent (75%) of the excess credit in
5753 lieu of the ten-year carryforward. The election must be made in
5754 the year in which the rehabilitated property is placed in service.
5755 Refunds will be paid in equal installments over a two-year period
5756 and shall be made from current collections.

5757 (iii) Refund requests shall be submitted to the
5758 Department of Revenue on forms prescribed by the department.
5759 Refunds shall be made from current tax collections.

5760 (b) Not-for-profit entities, including, but not limited
5761 to, nonprofit corporations organized under Section 79-11-101 et
5762 seq. shall be ineligible for the credit authorized by this
5763 section. Credits granted to a partnership, a limited liability
5764 company taxed as a partnership or multiple owners of property
5765 shall be passed through to the partners, members or owners on a
5766 pro rata basis or pursuant to an executed agreement among the
5767 partners, members or owners documenting an alternative
5768 distribution method. Partners, members or other owners of a
5769 pass-through entity are not eligible to elect a refund of excess
5770 credit in lieu of a carryforward of the credit. However, a
5771 partnership or limited liability company taxed as a partnership
5772 may elect to claim a refund of excess credit at the entity level
5773 on a form prescribed by the Department of Revenue. Additionally,
5774 excess tax credits that are attributable to rehabilitated property

5775 that was placed in service by a pass-through entity prior to
5776 January 1, 2011, and that have previously been allocated to and
5777 are held by another pass-through entity prior to January 1, 2011,
5778 may be refunded to such other pass-through entity.

5779 (5) (a) To claim the credit authorized pursuant to this
5780 section, the taxpayer shall apply to the department which shall
5781 determine the amount of eligible rehabilitation costs and expenses
5782 and whether the rehabilitation is consistent with the standards of
5783 the Secretary of the United States Department of the Interior.
5784 The department shall issue a certificate evidencing the eligible
5785 credit if the taxpayer is found to be eligible for the tax credit.
5786 The taxpayer shall attach the certificate to all income tax
5787 returns on which the credit is claimed. The department shall not
5788 issue certificates evidencing the eligible credit which, when
5789 combined with certificates of eligible credits issued prior to
5790 July 1, 2016, will result in credits being awarded in excess of
5791 Twelve Million Dollars (\$12,000,000.00) in any one (1) state
5792 fiscal year.

5793 (b) The aggregate amount of tax credits that may be
5794 awarded under this section shall not exceed One Hundred Eighty
5795 Million Dollars (\$180,000,000.00). A taxpayer who was issued a
5796 certificate evidencing the eligible credit by the department prior
5797 to July 1, 2020, but who was unable to be awarded the credit due
5798 to the limit on the aggregate amount of credits authorized under
5799 this section prior to July 1, 2020:

5800 (i) May be awarded the credit so long as the award
5801 does not cause the aggregate amount of tax credits awarded to
5802 exceed the amount authorized in this paragraph; and

5803 (ii) Shall be given priority for tax credits
5804 awarded after July 1, 2020.

5805 (6) (a) The credit received by a taxpayer pursuant to this
5806 section is subject to recapture if:

5807 (i) The property is one that has been determined
5808 eligible for the National Register of Historic Places but is not
5809 listed on the National Register of Historic Places within thirty
5810 (30) months of claiming the credit authorized by this section;

5811 (ii) The potential district in which the property
5812 is located is not listed on the National Register of Historic
5813 Places within thirty (30) months of claiming the credit authorized
5814 by this section; or

5815 (iii) The rehabilitation of the property for which
5816 the credit was granted is abandoned.

5817 (b) The taxpayer shall notify the department and the
5818 Department of Revenue if any of the situations that subject the
5819 credit to recapture occur.

5820 (7) (a) The board of trustees of the department shall
5821 establish fees to be charged for the services performed by the
5822 department under this section and shall publish the fee schedule.
5823 The fees contained in the schedule shall be in amounts reasonably
5824 calculated to recover the costs incurred by the department for the
5825 administration of this section. Any taxpayer desiring to

5826 participate in the tax credits authorized by this section shall
5827 pay the appropriate fee as contained in the fee schedule to the
5828 department, which shall be used by the department, without
5829 appropriation, to offset the administrative costs of the
5830 department associated with its duties under this section.

5831 (b) There is hereby created within the State Treasury a
5832 special fund into which shall be deposited all the fees collected
5833 by the department pursuant to this section. Money deposited into
5834 the fund shall not lapse at the end of any fiscal year and
5835 investment earnings on the proceeds in such special fund shall be
5836 deposited into such fund. Money from the fund shall be disbursed
5837 upon warrants issued by the State Fiscal Officer upon requisitions
5838 signed by the executive director of the department to assist the
5839 department in carrying out its duties under this section.

5840 (8) This section shall only apply to taxpayers:

5841 (a) Who have been issued a certificate evidencing the
5842 eligible credit before December 31, 2030; or

5843 (b) Who, before December 31, 2030, have received a
5844 determination in writing from the Mississippi Department of
5845 Archives and History, in accordance with the department's Historic
5846 Preservation Certificate Application, Part 2, that the
5847 rehabilitation is consistent with the historic character of the
5848 property and that the property meets the United States Secretary
5849 of the Interior's Standards for Rehabilitation, or will meet the
5850 standards if certain specified conditions are met, and, who are

5851 issued a certificate evidencing the eligible credit on or after
5852 December 31, 2030.

5853 **SECTION 36.** Section 27-7-22.32, Mississippi Code of 1972, is
5854 brought forward as follows:

5855 **[Through December 31, 2023, this section shall read as**
5856 **follows:]**

5857 27-7-22.32. (1) (a) There shall be allowed as a credit
5858 against the tax imposed by this chapter the amount of the
5859 qualified adoption expenses paid or incurred, not to exceed Two
5860 Thousand Five Hundred Dollars (\$2,500.00), for each dependent
5861 child legally adopted by a taxpayer under the laws of this state
5862 during calendar year 2006 or during any calendar year thereafter
5863 through calendar year 2017, and not to exceed Five Thousand
5864 Dollars (\$5,000.00) for each dependent child legally adopted by a
5865 taxpayer under the laws of this state during any calendar year
5866 thereafter. A taxpayer claiming a credit under this paragraph (a)
5867 may not claim a credit under paragraph (b) of this subsection for
5868 the adoption of the same child.

5869 (b) There shall be allowed as a credit against the tax
5870 imposed by this chapter the amount of Five Thousand Dollars
5871 (\$5,000.00) for each dependent child legally adopted by a taxpayer
5872 under the laws of this state through the Mississippi Department of
5873 Child Protection Services during calendar year 2018 or during any
5874 calendar year thereafter. A taxpayer claiming a credit under this
5875 paragraph (b) may not claim a credit under paragraph (a) of this
5876 subsection for the adoption of the same child.

5877 (2) The tax credit under this section may be claimed for the
5878 taxable year in which the adoption becomes final under the laws of
5879 this state. Any tax credit claimed under this section but not
5880 used in any taxable year may be carried forward for the five (5)
5881 succeeding tax years. A tax credit is allowed under this section
5882 for any child for which an exemption is claimed during the same
5883 taxable year under Section 27-7-21(e). For the purposes of this
5884 section, the term "qualified adoption expenses" means and has the
5885 same definition as that term has in 26 USCS 36C.

5886 **[From and after January 1, 2024, this section shall read as**
5887 **follows:]**

5888 27-7-22.32. There shall be allowed as a credit against the
5889 tax imposed by this chapter the amount of the qualified adoption
5890 expenses paid or incurred, not to exceed Two Thousand Five Hundred
5891 Dollars (\$2,500.00), for each dependent child legally adopted by a
5892 taxpayer under the laws of this state during calendar year 2006 or
5893 during any calendar year thereafter. The tax credit under this
5894 section may be claimed for the taxable year in which the adoption
5895 becomes final under the laws of this state. Any tax credit
5896 claimed under this section but not used in any taxable year may be
5897 carried forward for the three (3) succeeding tax years. A tax
5898 credit is allowed under this section for any child for which an
5899 exemption is claimed during the same taxable year under Section
5900 27-7-21(e). For the purposes of this section, the term "qualified
5901 adoption expenses" means and has the same definition as that term
5902 has in 26 USCS 36C.

5903 SECTION 37. Section 27-7-22.33, Mississippi Code of 1972, is
5904 brought forward as follows:

5905 27-7-22.33. (1) A taxpayer shall be allowed a credit
5906 against the income taxes imposed under this chapter in an amount
5907 equal to twenty-five percent (25%) of the premium costs paid
5908 during the taxable year for a qualified long-term care insurance
5909 policy as defined in Section 7702B of the Internal Revenue Code
5910 that offers coverage to either the individual, the individual's
5911 spouse, the individual's parent or parent-in-law, or the
5912 individual's dependent as defined in Section 152 of the Internal
5913 Revenue Code.

5914 (2) No taxpayer shall be entitled to the credit with respect
5915 to the same expended amounts for qualified long-term care
5916 insurance which are claimed by another taxpayer.

5917 (3) The credit allowed by this section shall not exceed Five
5918 Hundred Dollars (\$500.00) or the taxpayer's income tax liability,
5919 whichever is less, for each qualified long-term care insurance
5920 policy. Any unused tax credit shall not be allowed to be carried
5921 forward to apply to the taxpayer's succeeding year's tax
5922 liability.

5923 (4) No credit shall be allowed under this section with
5924 respect to any premium for qualified long-term care insurance
5925 either deducted or subtracted by the taxpayer in arriving at his
5926 net taxable income under this section or with respect to any
5927 premiums for qualified long-term care insurance which were
5928 excluded from his net taxable income.

5929 **SECTION 38.** Section 27-7-22.37, Mississippi Code of 1972, is
5930 brought forward as follows:

5931 27-7-22.37. (1) There shall be allowed as a credit against
5932 the tax imposed by Section 27-7-5 the amount of the qualified
5933 prekindergarten program support contributions paid to approved
5934 providers, lead partners or collaboratives, not to exceed One
5935 Million Dollars (\$1,000,000.00), by any individual, corporation or
5936 other entity having taxable income under the laws of this state
5937 during calendar year 2013 or during any calendar year thereafter.
5938 In order to qualify for a tax credit, such contributions may
5939 support the local match requirement of approved providers, lead
5940 partners or collaboratives as is necessary to match
5941 state-appropriated funds, and any such providers, lead partners or
5942 collaboratives shall be approved by the State Department of
5943 Education.

5944 (2) Any unused portion of the credit may be carried forward
5945 for three (3) tax years.

5946 (3) Any prekindergarten program support contribution shall
5947 be verified by submission to the Mississippi Department of Revenue
5948 of a copy of the receipt provided to the donor taxpayer by the
5949 prekindergarten program recipient or such other written
5950 verification as may be required by the Department of Revenue.

5951 (4) The maximum amount of donations accepted by the
5952 Department of Revenue in calendar year 2014 shall not exceed Eight
5953 Million Dollars (\$8,000,000.00), in calendar year 2015 shall not
5954 exceed Fifteen Million Dollars (\$15,000,000.00), and in calendar

5955 year 2016 and calendar years thereafter shall not exceed
5956 Thirty-two Million Dollars (\$32,000,000.00), or what is
5957 appropriated by the Legislature to fund Chapter 493, Laws of 2013
5958 each year.

5959 (5) The Mississippi Department of Revenue shall promulgate
5960 rules necessary to effectuate the purposes of Chapter 493, Laws of
5961 2013. Such rules shall include a means of informing the public of
5962 the existence of the prekindergarten support program and the
5963 application process for provider, lead partner and collaborative
5964 candidates.

5965 **SECTION 39.** Section 27-7-22.39, Mississippi Code of 1972, is
5966 brought forward as follows:

5967 27-7-22.39. (1) As used in this section:

5968 (a) "Low-income residents" means persons whose
5969 household income is less than one hundred fifty percent (150%) of
5970 the federal poverty level.

5971 (b) "Qualifying charitable organization" means a
5972 charitable organization that is exempt from federal income
5973 taxation under Section 501(c)(3) of the Internal Revenue Code or
5974 is a designated community action agency that receives community
5975 services block grant program monies pursuant to 42 USC 9901. The
5976 organization must spend at least fifty percent (50%) of its budget
5977 on services to residents of this state who receive temporary
5978 assistance for needy families benefits or low-income residents of
5979 this state and their households or to children who have a chronic
5980 illness or physical, intellectual, developmental or emotional

5981 disability who are residents of this state. A charitable
5982 organization that is exempt from federal income tax under Section
5983 501(c)(3) of the Internal Revenue Code and that meets all other
5984 requirements of this paragraph except that it does not spend at
5985 least fifty percent (50%) of its overall budget in Mississippi may
5986 be a qualifying charitable organization if it spends at least
5987 fifty percent (50%) of its Mississippi budget on services to
5988 qualified individuals in Mississippi and it certifies to the
5989 department that one hundred percent (100%) of the voluntary cash
5990 contributions from the taxpayer will be spent on services to
5991 qualified individuals in Mississippi. Taxpayers choosing to make
5992 donations through an umbrella charitable organization that
5993 collects donations on behalf of member charities shall designate
5994 that the donation be directed to a member charitable organization
5995 that would qualify under this section on a stand-alone basis.
5996 Qualifying charitable organization does not include any entity
5997 that provides, pays for or provides coverage of abortions or that
5998 financially supports any other entity that provides, pays for or
5999 provides coverage of abortions.

6000 (c) "Qualifying foster care charitable organization"
6001 means a qualifying charitable organization that each operating
6002 year provides services to at least one hundred (100) qualified
6003 individuals in this state and spends at least fifty percent (50%)
6004 of its budget on services to qualified individuals in this state.
6005 A charitable organization that is exempt from federal income tax
6006 under Section 501(c)(3) of the Internal Revenue Code and that

6007 meets all other requirements of this paragraph except that it does
6008 not spend at least fifty percent (50%) of its overall budget in
6009 Mississippi may be a qualifying foster care charitable
6010 organization if it spends at least fifty percent (50%) of its
6011 Mississippi budget on services to qualified individuals in
6012 Mississippi and it certifies to the department that one hundred
6013 percent (100%) of the voluntary cash contributions from the
6014 taxpayer will be spent on services to qualified individuals in
6015 Mississippi. For the purposes of this paragraph, "qualified
6016 individual" means a child in a foster care placement program
6017 established by the Department of Child Protection Services, a
6018 child placed under the Safe Families for Children model, or a
6019 child at significant risk of entering a foster care placement
6020 program established by the Department of Child Protection
6021 Services.

6022 (d) "Services" means:

6023 (i) Cash assistance, medical care, child care,
6024 food, clothing, shelter, and job-placement services or any other
6025 assistance that is reasonably necessary to meet immediate basic
6026 needs and that is provided and used in this state;

6027 (ii) Job-training or education services or funding
6028 for parents, foster parents or guardians; or

6029 (iii) Job-training or education services or
6030 funding provided as part of a foster care independent living
6031 program.

6032 (2) Except as provided in subsections (3) and (4) of this
6033 section, a credit is allowed against the taxes imposed by this
6034 chapter for voluntary cash contributions by the taxpayer during
6035 the taxable year to a qualifying charitable organization, other
6036 than a qualifying foster care charitable organization, not to
6037 exceed:

6038 (a) The lesser of Four Hundred Dollars (\$400.00) or the
6039 amount of the contribution in any taxable year for a single
6040 individual or a head of household.

6041 (b) The lesser of Eight Hundred Dollars (\$800.00) or
6042 the amount of the contribution in any taxable year for a married
6043 couple filing a joint return.

6044 (3) A separate credit is allowed against the taxes imposed
6045 by this chapter for voluntary cash contributions during the
6046 taxable year to a qualifying foster care charitable organization.
6047 A contribution to a qualifying foster care charitable organization
6048 does not qualify for, and shall not be included in, any credit
6049 amount under subsection (2) of this section. If the voluntary
6050 cash contribution by the taxpayer is to a qualifying foster care
6051 charitable organization, the credit shall not exceed:

6052 (a) The lesser of Five Hundred Dollars (\$500.00) or the
6053 amount of the contribution in any taxable year for a single
6054 individual or a head of household.

6055 (b) The lesser of One Thousand Dollars (\$1,000.00) or
6056 the amount of the contribution in any taxable year for a married
6057 couple filing a joint return.

6058 (4) Subsections (2) and (3) of this section provide separate
6059 credits against taxes imposed by this chapter depending on the
6060 recipients of the contributions. A taxpayer, including a married
6061 couple filing a joint return, in the same taxable year, may either
6062 or both:

6063 (a) Contribute to a qualifying charitable organization,
6064 other than a qualifying foster care charitable organization, and
6065 claim a credit under subsection (2) of this section.

6066 (b) Contribute to a qualifying foster care charitable
6067 organization and claim a credit under subsection (3) of this
6068 section.

6069 (5) A husband and wife who file separate returns for a
6070 taxable year in which they could have filed a joint return may
6071 each claim only one-half (1/2) of the tax credit that would have
6072 been allowed for a joint return.

6073 (6) If the allowable tax credit exceeds the taxes otherwise
6074 due under this chapter on the claimant's income, or if there are
6075 no taxes due under this chapter, the taxpayer may carry forward
6076 the amount of the claim not used to offset the taxes under this
6077 chapter for not more than five (5) consecutive taxable years'
6078 income tax liability.

6079 (7) The credit allowed by this section is in lieu of a
6080 deduction pursuant to Section 170 of the Internal Revenue Code and
6081 taken for state tax purposes.

6082 (8) Taxpayers taking a credit authorized by this section
6083 shall provide the name of the qualifying charitable organization

6084 and the amount of the contribution to the department on forms
6085 provided by the department.

6086 (9) A qualifying charitable organization shall provide the
6087 department with a written certification that it meets all criteria
6088 to be considered a qualifying charitable organization. The
6089 organization shall also notify the department of any changes that
6090 may affect the qualifications under this section.

6091 (10) The charitable organization's written certification
6092 must be signed by an officer of the organization under penalty of
6093 perjury. The written certification shall include the following:

6094 (a) Verification of the organization's status under
6095 Section 501(c)(3) of the Internal Revenue Code or verification
6096 that the organization is a designated community action agency that
6097 receives community services block grant program monies pursuant to
6098 42 USC 9901.

6099 (b) Financial data indicating the organization's budget
6100 for the organization's prior operating year and the amount of that
6101 budget spent on services to residents of this state who either:

6102 (i) Receive temporary assistance for needy
6103 families benefits;

6104 (ii) Are low-income residents of this state;

6105 (iii) Are children who have a chronic illness or
6106 physical, intellectual, developmental or emotional disability; or

6107 (iv) Are children in a foster care placement

6108 program established by the Department of Child Protection

6109 Services, children placed under the Safe Families for Children

6110 model or children at significant risk of entering a foster care
6111 placement program established by the Department of Child
6112 Protection Services.

6113 (c) A statement that the organization plans to continue
6114 spending at least fifty percent (50%) of its budget on services to
6115 residents of this state who receive temporary assistance for needy
6116 families benefits, who are low-income residents of this state, who
6117 are children who have a chronic illness or physical, intellectual,
6118 developmental or emotional disability or who are children in a
6119 foster care placement program established by the Department of
6120 Child Protection Services, children placed under the Safe Families
6121 for Children model or children at significant risk of entering a
6122 foster care placement program established by the Department of
6123 Child Protection Services. A charitable organization that is
6124 exempt from federal income tax under Section 501(c)(3) of the
6125 Internal Revenue Code and that meets all other requirements for a
6126 qualifying charitable organization or qualifying foster care
6127 charitable organization except that it does not spend at least
6128 fifty percent (50%) of its overall budget in Mississippi shall
6129 submit a statement that it spends at least fifty percent (50%) of
6130 its Mississippi budget on services to qualified individuals in
6131 Mississippi and that one hundred percent (100%) of the voluntary
6132 cash contributions it receives from Mississippi taxpayers will be
6133 spent on services to qualified individuals in Mississippi.

6134 (d) In the case of a foster care charitable
6135 organization, a statement that each operating year it provides

6136 services to at least one hundred (100) qualified individuals in
6137 this state.

6138 (e) A statement that the organization does not provide,
6139 pay for or provide coverage of abortions and does not financially
6140 support any other entity that provides, pays for or provides
6141 coverage of abortions.

6142 (f) Any other information that the department requires
6143 to administer this section.

6144 (11) The department shall review each written certification
6145 and determine whether the organization meets all the criteria to
6146 be considered a qualifying charitable organization and notify the
6147 organization of its determination. The department may also
6148 periodically request recertification from the organization. The
6149 department shall compile and make available to the public a list
6150 of the qualifying charitable organizations.

6151 (12) The aggregate amount of tax credits that may be awarded
6152 under this section in any calendar year shall not exceed Three
6153 Million Dollars (\$3,000,000.00). However, for calendar year 2021,
6154 and for each calendar year thereafter, the aggregate amount of tax
6155 credits that may be awarded under this section in any calendar
6156 year shall not exceed One Million Dollars (\$1,000,000.00). In
6157 addition, any tax credits not awarded under this section before
6158 June 1, 2020, may be allocated during calendar year 2020 under
6159 Section 27-7-22.41 for contributions by taxpayers to eligible
6160 charitable organizations described in Section

6161 27-7-22.41(1)(b)(ii) as provided under such section,
6162 notwithstanding any limitation on the percentage of tax credits
6163 that may be allocated for such contributions.

6164 (13) A taxpayer shall apply for credits with the department
6165 on forms prescribed by the department. In the application the
6166 taxpayer shall certify to the department the dollar amount of the
6167 contributions made or to be made during the calendar year. Within
6168 thirty (30) days after the receipt of an application, the
6169 department shall allocate credits based on the dollar amount of
6170 contributions as certified in the application. However, if the
6171 department cannot allocate the full amount of credits certified in
6172 the application due to the limit on the aggregate amount of
6173 credits that may be awarded under this section in a calendar year,
6174 the department shall so notify the applicant within thirty (30)
6175 days with the amount of credits, if any, that may be allocated to
6176 the applicant in the calendar year. Once the department has
6177 allocated credits to a taxpayer, if the contribution for which a
6178 credit is allocated has not been made as of the date of the
6179 allocation, then the contribution must be made not later than
6180 sixty (60) days from the date of the allocation. If the
6181 contribution is not made within such time period, the allocation
6182 shall be cancelled and returned to the department for
6183 reallocation. Upon final documentation of the contributions, if
6184 the actual dollar amount of the contributions is lower than the
6185 amount estimated, the department shall adjust the tax credit
6186 allowed under this section.

6187 (14) This section shall be repealed from and after January
6188 1, 2025.

6189 **SECTION 40.** Section 27-7-22.41, Mississippi Code of 1972, is
6190 brought forward as follows:

6191 27-7-22.41. (1) For the purposes of this section, the
6192 following words and phrases shall have the meanings ascribed in
6193 this section unless the context clearly indicates otherwise:

6194 (a) "Department" means the Department of Revenue.

6195 (b) "Eligible charitable organization" means an
6196 organization that is exempt from federal income taxation under
6197 Section 501(c) (3) of the Internal Revenue Code and is:

6198 (i) Licensed by or under contract or agreement
6199 with the Department of Child Protection Services and provides
6200 services for:

6201 1. The prevention and diversion of children
6202 from custody with the Department of Child Protection Services,

6203 2. The safety, care and well-being of
6204 children in custody with the Department of Child Protection
6205 Services, or

6206 3. The express purpose of creating permanency
6207 for children through adoption; or

6208 (ii) Certified by the department as a job
6209 training, workforce development or educational services charitable
6210 organization and provides services to:

6211 1. Children in a foster care placement
6212 program established by the Department of Child Protection

6213 Services, children placed under the Safe Families for Children
6214 model, or children at significant risk of entering a foster care
6215 placement program established by the Department of Child
6216 Protection Services,

6217 2. Children who have a chronic illness or
6218 physical, intellectual, developmental or emotional disability, or

6219 3. Children eligible for free or reduced
6220 price meals programs under Section 37-11-7, or selected for
6221 participation in the Promise Neighborhoods Program sponsored by
6222 the U.S. Department of Education.

6223 (2) (a) The tax credit authorized in this section shall be
6224 available only to a taxpayer who is a business enterprise engaged
6225 in commercial, industrial or professional activities and operating
6226 as a corporation, limited liability company, partnership or sole
6227 proprietorship. Except as otherwise provided in this section, a
6228 credit is allowed against the taxes imposed by Sections 27-7-5,
6229 27-15-103, 27-15-109 and 27-15-123, for voluntary cash
6230 contributions made by a taxpayer during the taxable year to an
6231 eligible charitable organization. The amount of credit that may
6232 be utilized by a taxpayer in a taxable year shall be limited to an
6233 amount not to exceed fifty percent (50%) of the total tax
6234 liability of the taxpayer for the taxes imposed by such sections
6235 of law. Any tax credit claimed under this section but not used in
6236 any taxable year may be carried forward for five (5) consecutive
6237 years from the close of the tax year in which the credits were
6238 earned.

6239 (b) A contribution to an eligible charitable
6240 organization for which a credit is claimed under this section does
6241 not qualify for and shall not be included in any credit that may
6242 be claimed under Section 27-7-22.39.

6243 (c) A contribution for which a credit is claimed under
6244 this section may not be used as a deduction by the taxpayer for
6245 state income tax purposes.

6246 (3) Taxpayers taking a credit authorized by this section
6247 shall provide the name of the eligible charitable organization and
6248 the amount of the contribution to the department on forms provided
6249 by the department.

6250 (4) An eligible charitable organization shall provide the
6251 department with a written certification that it meets all criteria
6252 to be considered an eligible charitable organization. The
6253 organization shall also notify the department of any changes that
6254 may affect eligibility under this section.

6255 (5) The eligible charitable organization's written
6256 certification must be signed by an officer of the organization
6257 under penalty of perjury. The written certification shall include
6258 the following:

6259 (a) Verification of the organization's status under
6260 Section 501(c) (3) of the Internal Revenue Code;

6261 (b) A statement that the organization does not provide,
6262 pay for or provide coverage of abortions and does not financially
6263 support any other entity that provides, pays for or provides
6264 coverage of abortions;

6265 (c) Any other information that the department requires
6266 to administer this section.

6267 (6) The department shall review each written certification
6268 and determine whether the organization meets all the criteria to
6269 be considered an eligible charitable organization and notify the
6270 organization of its determination. The department may also
6271 periodically request recertification from the organization. The
6272 department shall compile and make available to the public a list
6273 of eligible charitable organizations.

6274 (7) Tax credits authorized by this section that are earned
6275 by a partnership, limited liability company, S corporation or
6276 other similar pass-through entity, shall be allocated among all
6277 partners, members or shareholders, respectively, either in
6278 proportion to their ownership interest in such entity or as the
6279 partners, members or shareholders mutually agree as provided in an
6280 executed document.

6281 (8) (a) A taxpayer shall apply for credits with the
6282 department on forms prescribed by the department. In the
6283 application the taxpayer shall certify to the department the
6284 dollar amount of the contributions made or to be made during the
6285 calendar year. Within thirty (30) days after the receipt of an
6286 application, the department shall allocate credits based on the
6287 dollar amount of contributions as certified in the application.
6288 However, if the department cannot allocate the full amount of
6289 credits certified in the application due to the limit on the
6290 aggregate amount of credits that may be awarded under this section

6291 in a calendar year, the department shall so notify the applicant
6292 within thirty (30) days with the amount of credits, if any, that
6293 may be allocated to the applicant in the calendar year. Once the
6294 department has allocated credits to a taxpayer, if the
6295 contribution for which a credit is allocated has not been made as
6296 of the date of the allocation, then the contribution must be made
6297 not later than sixty (60) days from the date of the allocation.
6298 If the contribution is not made within such time period, the
6299 allocation shall be cancelled and returned to the department for
6300 reallocation. Upon final documentation of the contributions, if
6301 the actual dollar amount of the contributions is lower than the
6302 amount estimated, the department shall adjust the tax credit
6303 allowed under this section.

6304 (b) A taxpayer who applied for a tax credit under this
6305 section during calendar year 2020, but who was unable to be
6306 awarded the credit due to the limit on the aggregate amount of
6307 credits authorized for calendar year 2020, shall be given priority
6308 for tax credits authorized to be allocated to taxpayers under this
6309 section by Section 27-7-22.39.

6310 (9) The aggregate amount of tax credits that may be
6311 allocated by the department under this section during a calendar
6312 year shall not exceed Five Million Dollars (\$5,000,000.00), and
6313 not more than fifty percent (50%) of tax credits allocated during
6314 a calendar year may be allocated for contributions to eligible
6315 charitable organizations described in subsection (1)(b)(ii) of
6316 this section. However, for calendar year 2021, and for each

6317 calendar year thereafter, the aggregate amount of tax credits that
6318 may be allocated by the department under this section during a
6319 calendar year shall not exceed Ten Million Dollars
6320 (\$10,000,000.00). For calendar year 2021, and for each calendar
6321 year thereafter, fifty percent (50%) of the tax credits allocated
6322 during a calendar year shall be allocated for contributions to
6323 eligible charitable organizations described in subsection
6324 (1)(b)(i) of this section and fifty percent (50%) of the tax
6325 credits allocated during a calendar year shall be allocated for
6326 contributions to eligible charitable organizations described in
6327 subsection (1)(b)(ii) of this section. For calendar year 2021,
6328 and for each calendar year thereafter, for credits allocated
6329 during a calendar year for contributions to eligible charitable
6330 organizations described in subsection (1)(b)(i) of this section,
6331 no more than twenty-five percent (25%) of such credits may be
6332 allocated for contributions to a single eligible charitable
6333 organization. For calendar year 2021, and for each calendar year
6334 thereafter, for credits allocated during a calendar year for
6335 contributions to eligible charitable organizations described in
6336 subsection (1)(b)(ii) of this section, no more than five percent
6337 (5%) of such credits may be allocated for contributions to a
6338 single eligible charitable organization.

6339 **SECTION 41.** Section 27-7-207, Mississippi Code of 1972, is
6340 brought forward as follows:

6341 27-7-207. (1) Subject to the limitations provided for in
6342 this section, through calendar year 2023 a taxpayer shall be

6343 allowed a credit against the tax imposed by Chapter 7, Title 27,
6344 in an amount equal to twenty-five percent (25%) of a qualified
6345 contribution to an endowed fund at a qualified community
6346 foundation, subject to the following:

6347 (a) The minimum amount of a qualified contribution
6348 shall be One Thousand Dollars (\$1,000.00).

6349 (b) The maximum amount of a qualified contribution
6350 shall be Two Hundred Thousand Dollars (\$200,000.00).

6351 (c) The total qualified contributions from any
6352 qualified taxpayer eligible for the tax credit authorized under
6353 this section shall be Two Hundred Thousand Dollars (\$200,000.00)
6354 per year.

6355 (2) Except as otherwise provided in this subsection, the
6356 aggregate amount of tax credits authorized under this article
6357 shall not exceed Five Hundred Thousand Dollars (\$500,000.00) in
6358 any one (1) calendar year. The credits shall be awarded on a
6359 first-come, first-served basis. If the tax credits authorized for
6360 used in any calendar year are not utilized, the amount not
6361 utilized may be awarded or carried forward in up to five (5)
6362 subsequent calendar years from the year in which such credits are
6363 made available.

6364 (3) If the amount allowable as a credit exceeds the tax
6365 imposed by Chapter 7, Title 27, the amount of such excess may be
6366 carried forward for not more than five (5) subsequent taxable
6367 years.

6368 (4) From and after January 1, 2024, no additional credits
6369 shall be authorized under this section; however, any tax credits
6370 authorized prior to January 1, 2024, and not used, may be carried
6371 forward for not more than five (5) taxable years subsequent to
6372 calendar year 2023.

6373 **SECTION 42.** Section 27-7-312, Mississippi Code of 1972, is
6374 brought forward as follows:

6375 27-7-312. (1) Of the revenue collected under the provisions
6376 of this article from the new direct jobs of a qualified business
6377 or industry as defined in Section 57-62-5 of the Mississippi
6378 Advantage Jobs Act, an amount equal to the estimated amount of the
6379 quarterly incentive payment for which such qualified business or
6380 industry is eligible shall be deposited into the Mississippi
6381 Advantage Jobs Incentive Payment Fund created pursuant to Section
6382 57-62-1 et seq., on or before the twentieth day of the month
6383 following the close of each calendar quarter.

6384 (2) Of the revenue collected under the provisions of this
6385 article from the qualified jobs of a qualified business or
6386 industry as defined in Section 57-99-1, an amount equal to the
6387 estimated amount of the quarterly incentive payment for which such
6388 qualified business or industry is eligible shall be deposited into
6389 the MMEIA Withholding Rebate Fund created pursuant to Section
6390 57-99-5, on or before the twentieth day of the month following the
6391 close of each calendar quarter.

6392 (3) Of the revenue collected under the provisions of this
6393 article from the qualified jobs of a qualified business or

6394 industry as defined in Section 57-100-1, an amount equal to the
6395 estimated amount of the quarterly incentive payment for which such
6396 qualified business or industry is eligible shall be deposited into
6397 the Existing Industry Withholding Rebate Fund created pursuant to
6398 Section 57-100-5, on or before the twentieth day of the month
6399 following the close of each calendar quarter.

6400 (4) Of the revenue collected under the provisions of this
6401 article from the qualified jobs of a qualified business or
6402 industry as defined in Section 57-99-21, an amount equal to the
6403 estimated amount of the quarterly incentive payment for which such
6404 qualified business or industry is eligible shall be deposited into
6405 the MMEIA Rebate Fund created pursuant to Section 57-99-25, on or
6406 before the twentieth day of the month following the close of each
6407 calendar quarter.

6408 **SECTION 43.** Section 57-62-5, Mississippi Code of 1972, is
6409 brought forward as follows:

6410 **[For businesses or industries that received or applied for**
6411 **incentive payments prior to July 1, 2005, this section shall read**
6412 **as follows:]**

6413 57-62-5. As used in this chapter, the following words and
6414 phrases shall have the meanings ascribed in this section unless
6415 the context clearly indicates otherwise:

6416 (a) "Qualified business or industry" means any
6417 corporation, limited liability company, partnership, sole
6418 proprietorship, business trust or other legal entity and subunits
6419 or affiliates thereof, pursuant to rules and regulations of the

6420 MDA, which provides an average annual salary, excluding benefits
6421 which are not subject to Mississippi income taxes, of at least one
6422 hundred twenty-five percent (125%) of the most recently published
6423 state average annual wage or the most recently published average
6424 annual wage of the county in which the qualified business or
6425 industry is located as determined by the Mississippi Department of
6426 Employment Security, whichever is the lesser. An establishment
6427 shall not be considered to be a qualified business or industry
6428 unless it offers, or will offer within one hundred eighty (180)
6429 days of the date it receives the first incentive payment pursuant
6430 to the provisions of this chapter, a basic health benefits plan to
6431 the individuals it employs in new direct jobs in this state which
6432 is approved by the MDA. Qualified business or industry does not
6433 include retail business or gaming business;

6434 (b) "New direct job" means full-time employment in this
6435 state in a qualified business or industry that has qualified to
6436 receive an incentive payment pursuant to this chapter, which
6437 employment did not exist in this state before the date of approval
6438 by the MDA of the application of the qualified business or
6439 industry pursuant to the provisions of this chapter. "New direct
6440 job" shall include full-time employment in this state of employees
6441 who are employed by an entity other than the establishment that
6442 has qualified to receive an incentive payment and who are leased
6443 to the qualified business or industry, if such employment did not
6444 exist in this state before the date of approval by the MDA of the
6445 application of the establishment;

6446 (c) "Full-time job" means a job of at least thirty-five
6447 (35) hours per week;

6448 (d) "Estimated direct state benefits" means the tax
6449 revenues projected by the MDA to accrue to the state as a result
6450 of the qualified business or industry;

6451 (e) "Estimated direct state costs" means the costs
6452 projected by the MDA to accrue to the state as a result of the
6453 qualified business or industry;

6454 (f) "Estimated net direct state benefits" means the
6455 estimated direct state benefits less the estimated direct state
6456 costs;

6457 (g) "Net benefit rate" means the estimated net direct
6458 state benefits computed as a percentage of gross payroll, provided
6459 that:

6460 (i) Except as otherwise provided in this paragraph
6461 (g), the net benefit rate may be variable and shall not exceed
6462 four percent (4%) of the gross payroll; and shall be set in the
6463 sole discretion of the MDA;

6464 (ii) In no event shall incentive payments,
6465 cumulatively, exceed the estimated net direct state benefits;

6466 (h) "Gross payroll" means wages for new direct jobs of
6467 the qualified business or industry; and

6468 (i) "MDA" means the Mississippi Development Authority.

6469 **[For businesses or industries that received or applied for**
6470 **incentive payments from and after July 1, 2005, but prior to July**
6471 **1, 2010, this section shall read as follows:]**

6472 57-62-5. As used in this chapter, the following words and
6473 phrases shall have the meanings ascribed in this section unless
6474 the context clearly indicates otherwise:

6475 (a) "Qualified business or industry" means any
6476 corporation, limited liability company, partnership, sole
6477 proprietorship, business trust or other legal entity and subunits
6478 or affiliates thereof, pursuant to rules and regulations of the
6479 MDA, which:

6480 (i) Is a data/information processing enterprise
6481 meeting minimum criteria established by the MDA that provides an
6482 average annual salary, excluding benefits which are not subject to
6483 Mississippi income taxes, of at least one hundred percent (100%)
6484 of the most recently published state average annual wage or the
6485 most recently published average annual wage of the county in which
6486 the qualified business or industry is located as determined by the
6487 Mississippi Department of Employment Security, whichever is the
6488 lesser, and creates not less than two hundred (200) new direct
6489 jobs if the enterprise is located in a Tier One or Tier Two area
6490 (as such areas are designated in accordance with Section
6491 57-73-21), or which creates not less than one hundred (100) new
6492 jobs if the enterprise is located in a Tier Three area (as such
6493 areas are designated in accordance with Section 57-73-21);

6494 (ii) Is a manufacturing or distribution enterprise
6495 meeting minimum criteria established by the MDA that provides an
6496 average annual salary, excluding benefits which are not subject to
6497 Mississippi income taxes, of at least one hundred ten percent

6498 (110%) of the most recently published state average annual wage or
6499 the most recently published average annual wage of the county in
6500 which the qualified business or industry is located as determined
6501 by the Mississippi Department of Employment Security, whichever is
6502 the lesser, invests not less than Twenty Million Dollars
6503 (\$20,000,000.00) in land, buildings and equipment, and creates not
6504 less than fifty (50) new direct jobs if the enterprise is located
6505 in a Tier One or Tier Two area (as such areas are designated in
6506 accordance with Section 57-73-21), or which creates not less than
6507 twenty (20) new jobs if the enterprise is located in a Tier Three
6508 area (as such areas are designated in accordance with Section
6509 57-73-21);

6510 (iii) Is a corporation, limited liability company,
6511 partnership, sole proprietorship, business trust or other legal
6512 entity and subunits or affiliates thereof, pursuant to rules and
6513 regulations of the MDA, which provides an average annual salary,
6514 excluding benefits which are not subject to Mississippi income
6515 taxes, of at least one hundred twenty-five percent (125%) of the
6516 most recently published state average annual wage or the most
6517 recently published average annual wage of the county in which the
6518 qualified business or industry is located as determined by the
6519 Mississippi Department of Employment Security, whichever is the
6520 lesser, and creates not less than twenty-five (25) new direct jobs
6521 if the enterprise is located in a Tier One or Tier Two area (as
6522 such areas are designated in accordance with Section 57-73-21), or
6523 which creates not less than ten (10) new jobs if the enterprise is

6524 located in a Tier Three area (as such areas are designated in
6525 accordance with Section 57-73-21). An establishment shall not be
6526 considered to be a qualified business or industry unless it
6527 offers, or will offer within one hundred eighty (180) days of the
6528 date it receives the first incentive payment pursuant to the
6529 provisions of this chapter, a basic health benefits plan to the
6530 individuals it employs in new direct jobs in this state which is
6531 approved by the MDA. Qualified business or industry does not
6532 include retail business or gaming business; or

6533 (iv) Is a research and development or a technology
6534 intensive enterprise meeting minimum criteria established by the
6535 MDA that provides an average annual salary, excluding benefits
6536 which are not subject to Mississippi income taxes, of at least one
6537 hundred fifty percent (150%) of the most recently published state
6538 average annual wage or the most recently published average annual
6539 wage of the county in which the qualified business or industry is
6540 located as determined by the Mississippi Department of Employment
6541 Security, whichever is the lesser, and creates not less than ten
6542 (10) new direct jobs.

6543 An establishment shall not be considered to be a qualified
6544 business or industry unless it offers, or will offer within one
6545 hundred eighty (180) days of the date it receives the first
6546 incentive payment pursuant to the provisions of this chapter, a
6547 basic health benefits plan to the individuals it employs in new
6548 direct jobs in this state which is approved by the MDA. Qualified

6549 business or industry does not include retail business or gaming
6550 business.

6551 (b) "New direct job" means full-time employment in this
6552 state in a qualified business or industry that has qualified to
6553 receive an incentive payment pursuant to this chapter, which
6554 employment did not exist in this state before the date of approval
6555 by the MDA of the application of the qualified business or
6556 industry pursuant to the provisions of this chapter. "New direct
6557 job" shall include full-time employment in this state of employees
6558 who are employed by an entity other than the establishment that
6559 has qualified to receive an incentive payment and who are leased
6560 to the qualified business or industry, if such employment did not
6561 exist in this state before the date of approval by the MDA of the
6562 application of the establishment.

6563 (c) "Full-time job" or "full-time employment" means a
6564 job of at least thirty-five (35) hours per week.

6565 (d) "Estimated direct state benefits" means the tax
6566 revenues projected by the MDA to accrue to the state as a result
6567 of the qualified business or industry.

6568 (e) "Estimated direct state costs" means the costs
6569 projected by the MDA to accrue to the state as a result of the
6570 qualified business or industry.

6571 (f) "Estimated net direct state benefits" means the
6572 estimated direct state benefits less the estimated direct state
6573 costs.

6574 (g) "Net benefit rate" means the estimated net direct
6575 state benefits computed as a percentage of gross payroll, provided
6576 that:

6577 (i) Except as otherwise provided in this paragraph
6578 (g), the net benefit rate may be variable and shall not exceed
6579 four percent (4%) of the gross payroll; and shall be set in the
6580 sole discretion of the MDA;

6581 (ii) In no event shall incentive payments,
6582 cumulatively, exceed the estimated net direct state benefits.

6583 (h) "Gross payroll" means wages for new direct jobs of
6584 the qualified business or industry.

6585 (i) "MDA" means the Mississippi Development Authority.

6586 **[For businesses or industries that apply for incentive**
6587 **payments from and after July 1, 2010, this section shall read as**
6588 **follows:]**

6589 57-62-5. As used in this chapter, the following words and
6590 phrases shall have the meanings ascribed in this section unless
6591 the context clearly indicates otherwise:

6592 (a) "Qualified business or industry" means any
6593 corporation, limited liability company, partnership, sole
6594 proprietorship, business trust or other legal entity and subunits
6595 or affiliates thereof, pursuant to rules and regulations of the
6596 MDA, which:

6597 (i) Is a data/information processing enterprise
6598 meeting minimum criteria established by the MDA that provides an
6599 average annual salary, excluding benefits which are not subject to

6600 Mississippi income taxes, of at least one hundred percent (100%)
6601 of the most recently published state average annual wage or the
6602 most recently published average annual wage of the county in which
6603 the qualified business or industry is located as determined by the
6604 Mississippi Department of Employment Security, whichever is the
6605 lesser, and creates not less than two hundred (200) new direct
6606 jobs;

6607 (ii) Is a corporation, limited liability company,
6608 partnership, sole proprietorship, business trust or other legal
6609 entity and subunits or affiliates thereof, pursuant to rules and
6610 regulations of the MDA, which provides an average annual salary,
6611 excluding benefits which are not subject to Mississippi income
6612 taxes, of at least one hundred ten percent (110%) of the most
6613 recently published state average annual wage or the most recently
6614 published average annual wage of the county in which the qualified
6615 business or industry is located as determined by the Mississippi
6616 Department of Employment Security, whichever is the lesser, and
6617 creates not less than twenty-five (25) new direct jobs; or

6618 (iii) Is a corporation, limited liability company,
6619 partnership, sole proprietorship, business trust or other legal
6620 entity and subunits or affiliates thereof, pursuant to rules and
6621 regulations of the MDA, which is a manufacturer that:

6622 1. Provides an average annual salary,
6623 excluding benefits which are not subject to Mississippi income
6624 taxes, of at least one hundred ten percent (110%) of the most
6625 recently published state average annual wage or the most recently

6626 published average annual wage of the county in which the qualified
6627 business or industry is located as determined by the Mississippi
6628 Department of Employment Security, whichever is the lesser;

6629 2. Has a minimum of five thousand (5,000)
6630 existing employees as of the last day of the previous calendar
6631 year; and

6632 3. MDA determines will create not less than
6633 three thousand (3,000) new direct jobs within forty-eight (48)
6634 months of the date the MDA determines that the applicant is
6635 qualified to receive incentive payments.

6636 An establishment shall not be considered to be a qualified
6637 business or industry unless it offers, or will offer within one
6638 hundred eighty (180) days of the date it receives the first
6639 incentive payment pursuant to the provisions of this chapter, a
6640 basic health benefits plan to the individuals it employs in new
6641 direct jobs in this state which is approved by the MDA. Qualified
6642 business or industry does not include retail business or gaming
6643 business.

6644 (b) "New direct job" means full-time employment in this
6645 state in a qualified business or industry that has qualified to
6646 receive an incentive payment pursuant to this chapter, which
6647 employment did not exist in this state before the date of approval
6648 by the MDA of the application of the qualified business or
6649 industry pursuant to the provisions of this chapter. "New direct
6650 job" shall include full-time employment in this state of employees
6651 who are employed by an entity other than the establishment that

6652 has qualified to receive an incentive payment and who are leased
6653 to the qualified business or industry, if such employment did not
6654 exist in this state before the date of approval by the MDA of the
6655 application of the establishment.

6656 (c) "Full-time job" or "full-time employment" means a
6657 job of at least thirty-five (35) hours per week.

6658 (d) "Gross payroll" means wages for new direct jobs of
6659 the qualified business or industry.

6660 (e) "MDA" means the Mississippi Development Authority.

6661 **SECTION 44.** Section 57-62-9, Mississippi Code of 1972, is
6662 brought forward as follows:

6663 **[For businesses or industries that received or applied for**
6664 **incentive payments prior to July 1, 2005, this section shall read**
6665 **as follows:]**

6666 57-62-9. (1) Except as otherwise provided in this section,
6667 a qualified business or industry that meets the qualifications
6668 specified in this chapter may receive quarterly incentive payments
6669 for a period not to exceed ten (10) years from the Department of
6670 Revenue pursuant to the provisions of this chapter in an amount
6671 which shall be equal to the net benefit rate multiplied by the
6672 actual gross payroll of new direct jobs for a calendar quarter as
6673 verified by the Mississippi Department of Employment Security, but
6674 not to exceed the amount of money previously paid into the fund by
6675 the employer. A qualified business or industry that is a project
6676 as defined in Section 57-75-5(f)(iv)1 may elect the date upon
6677 which the ten-year period will begin. Such date may not be later

6678 than sixty (60) months after the date the business or industry
6679 applied for incentive payments.

6680 (2) (a) A qualified business or industry that is a project
6681 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to
6682 receive incentive payments for an additional period not to exceed
6683 five (5) years beyond the expiration date of the initial ten-year
6684 period if:

6685 (i) The qualified business or industry creates at
6686 least three thousand (3,000) new direct jobs within five (5) years
6687 after the date the business or industry commences commercial
6688 production;

6689 (ii) Within five (5) years after the date the
6690 business or industry commences commercial production, the average
6691 annual wage of the jobs is at least one hundred fifty percent
6692 (150%) of the most recently published state average annual wage or
6693 the most recently published average annual wage of the county in
6694 which the qualified business or industry is located as determined
6695 by the Mississippi Department of Employment Security, whichever is
6696 the lesser. The criteria for the average annual wage requirement
6697 shall be based upon the state average annual wage or the average
6698 annual wage of the county whichever is appropriate, at the time of
6699 creation of the minimum number of jobs, and the threshold
6700 established at that time will remain constant for the duration of
6701 the additional period; and

6702 (iii) The qualified business or industry meets and
6703 maintains the job and wage requirements of subparagraphs (i) and

6704 (ii) of this paragraph (a) for four (4) consecutive calendar
6705 quarters.

6706 (b) A qualified business or industry that is a project
6707 as defined in Section 57-75-5(f)(iv)1 and qualified to receive
6708 incentive payments for the additional period provided in paragraph
6709 (a) of this subsection (2) may apply to the MDA to receive
6710 incentive payments for an additional period not to exceed ten (10)
6711 years beyond the expiration date of the additional period provided
6712 in paragraph (a) of this subsection (2) if:

6713 (i) The qualified business or industry creates at
6714 least four thousand (4,000) new direct jobs after qualifying for
6715 the additional incentive period provided in paragraph (a) of this
6716 subsection (2) but before the expiration of the additional period.
6717 For purposes of determining whether the business or industry meets
6718 the minimum jobs requirement of this subparagraph (i), the number
6719 of jobs the business or industry created in order to meet the
6720 minimum jobs requirement of paragraph (a) of this subsection (2)
6721 shall be subtracted from the minimum jobs requirement of this
6722 subparagraph (i);

6723 (ii) The average annual wage of the jobs is at
6724 least one hundred fifty percent (150%) of the most recently
6725 published state average annual wage or the most recently published
6726 average annual wage of the county in which the qualified business
6727 or industry is located as determined by the Mississippi Department
6728 of Employment Security, whichever is the lesser. The criteria for
6729 the average annual wage requirement shall be based upon the state

6730 average annual wage or the average annual wage of the county
6731 whichever is appropriate, at the time of creation of the minimum
6732 number of jobs, and the threshold established at that time will
6733 remain constant for the duration of the additional period; and

6734 (iii) The qualified business or industry meets and
6735 maintains the job and wage requirements of subparagraphs (i) and
6736 (ii) of this paragraph (b) for four (4) consecutive calendar
6737 quarters.

6738 (3) In order to receive incentive payments, an establishment
6739 shall apply to the MDA. The application shall be on a form
6740 prescribed by the MDA and shall contain such information as may be
6741 required by the MDA to determine if the applicant is qualified.

6742 (4) In order to qualify to receive such payments, the
6743 establishment applying shall be required to:

6744 (a) Be engaged in a qualified business or industry;

6745 (b) Provide an average salary, excluding benefits which
6746 are not subject to Mississippi income taxes, of at least one
6747 hundred twenty-five percent (125%) of the most recently published
6748 state average annual wage or the most recently published average
6749 annual wage of the county in which the qualified business or
6750 industry is located as determined by the Mississippi Department of
6751 Employment Security, whichever is the lesser. The criteria for
6752 this requirement shall be based upon the state average annual wage
6753 or the average annual wage of the county whichever is appropriate,
6754 at the time of application, and the threshold established upon
6755 application will remain constant for the duration of the project;

6756 (c) The business or industry must create and maintain a
6757 minimum of ten (10) full-time jobs in counties that have an
6758 average unemployment rate over the previous twelve-month period
6759 which is at least one hundred fifty percent (150%) of the most
6760 recently published state unemployment rate, as determined by the
6761 Mississippi Department of Employment Security or in Tier Three
6762 counties as determined under Section 57-73-21. In all other
6763 counties, the business or industry must create and maintain a
6764 minimum of twenty-five (25) full-time jobs. The criteria for this
6765 requirement shall be based on the designation of the county at the
6766 time of the application. The threshold established upon the
6767 application will remain constant for the duration of the project.
6768 The business or industry must meet its job creation commitment
6769 within twenty-four (24) months of the application approval.
6770 However, if the qualified business or industry is applying for
6771 incentive payments for an additional period under subsection (2)
6772 of this section, the business or industry must comply with the
6773 applicable job and wage requirements of subsection (2) of this
6774 section.

6775 (5) The MDA shall determine if the applicant is qualified to
6776 receive incentive payments. If the applicant is determined to be
6777 qualified by the MDA, the MDA shall conduct a cost/benefit
6778 analysis to determine the estimated net direct state benefits and
6779 the net benefit rate applicable for a period not to exceed ten
6780 (10) years and to estimate the amount of gross payroll for the
6781 period. If the applicant is determined to be qualified to receive

6782 incentive payments for an additional period under subsection (2)
6783 of this section, the MDA shall conduct a cost/benefit analysis to
6784 determine the estimated net direct state benefits and the net
6785 benefit rate applicable for the appropriate additional period and
6786 to estimate the amount of gross payroll for the additional period.
6787 In conducting such cost/benefit analysis, the MDA shall consider
6788 quantitative factors, such as the anticipated level of new tax
6789 revenues to the state along with the cost to the state of the
6790 qualified business or industry, and such other criteria as deemed
6791 appropriate by the MDA, including the adequacy of retirement
6792 benefits that the business or industry provides to individuals it
6793 employs in new direct jobs in this state. In no event shall
6794 incentive payments, cumulatively, exceed the estimated net direct
6795 state benefits. Once the qualified business or industry is
6796 approved by the MDA, an agreement shall be deemed to exist between
6797 the qualified business or industry and the State of Mississippi,
6798 requiring the continued incentive payment to be made as long as
6799 the qualified business or industry retains its eligibility.

6800 (6) Upon approval of such an application, the MDA shall
6801 notify the Department of Revenue and shall provide it with a copy
6802 of the approved application and the estimated net direct state
6803 benefits. The Department of Revenue may require the qualified
6804 business or industry to submit such additional information as may
6805 be necessary to administer the provisions of this chapter. The
6806 qualified business or industry shall report to the Department of
6807 Revenue periodically to show its continued eligibility for

6808 incentive payments. The qualified business or industry may be
6809 audited by the Department of Revenue to verify such eligibility.
6810 In addition, the State Auditor may conduct performance and
6811 compliance audits under this chapter according to Section
6812 7-7-211(o) and may bill the oversight agency.

6813 (7) If the qualified business or industry is located in an
6814 area that has been declared by the Governor to be a disaster area
6815 and as a result of the disaster the business or industry is unable
6816 to create or maintain the full-time jobs required by this section:

6817 (a) The Commissioner of Revenue may extend the period
6818 of time that the business or industry may receive incentive
6819 payments for a period of time not to exceed two (2) years;

6820 (b) The Commissioner of Revenue may waive the
6821 requirement that a certain number of jobs be maintained for a
6822 period of time not to exceed twenty-four (24) months; and

6823 (c) The MDA may extend the period of time within which
6824 the jobs must be created for a period of time not to exceed
6825 twenty-four (24) months.

6826 **[For businesses or industries that received or applied for**
6827 **incentive payments from and after July 1, 2005, but prior to July**
6828 **1, 2010, this section shall read as follows:]**

6829 57-62-9. (1) (a) Except as otherwise provided in this
6830 section, a qualified business or industry that meets the
6831 qualifications specified in this chapter may receive quarterly
6832 incentive payments for a period not to exceed ten (10) years from
6833 the Department of Revenue pursuant to the provisions of this

6834 chapter in an amount which shall be equal to the net benefit rate
6835 multiplied by the actual gross payroll of new direct jobs for a
6836 calendar quarter as verified by the Mississippi Department of
6837 Employment Security, but not to exceed:

6838 (i) Ninety percent (90%) of the amount of money
6839 previously paid into the fund by the employer if the employer
6840 provides an average annual salary, excluding benefits which are
6841 not subject to Mississippi income taxes, of at least one hundred
6842 seventy-five percent (175%) of the most recently published state
6843 average annual wage or the most recently published average annual
6844 wage of the county in which the qualified business or industry is
6845 located as determined by the Mississippi Department of Employment
6846 Security, whichever is the lesser;

6847 (ii) Eighty percent (80%) of the amount of money
6848 previously paid into the fund by the employer if the employer
6849 provides an average annual salary, excluding benefits which are
6850 not subject to Mississippi income taxes, of at least one hundred
6851 twenty-five percent (125%) but less than one hundred seventy-five
6852 percent (175%) of the most recently published state average annual
6853 wage or the most recently published average annual wage of the
6854 county in which the qualified business or industry is located as
6855 determined by the Mississippi Department of Employment Security,
6856 whichever is the lesser; or

6857 (iii) Seventy percent (70%) of the amount of money
6858 previously paid into the fund by the employer if the employer
6859 provides an average annual salary, excluding benefits which are

6860 not subject to Mississippi income taxes, of less than one hundred
6861 twenty-five percent (125%) of the most recently published state
6862 average annual wage or the most recently published average annual
6863 wage of the county in which the qualified business or industry is
6864 located as determined by the Mississippi Department of Employment
6865 Security, whichever is the lesser.

6866 (b) A qualified business or industry that is a project
6867 as defined in Section 57-75-5(f)(iv)1 may elect the date upon
6868 which the ten-year period will begin. Such date may not be later
6869 than sixty (60) months after the date the business or industry
6870 applied for incentive payments.

6871 (2) (a) A qualified business or industry that is a project
6872 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to
6873 receive incentive payments for an additional period not to exceed
6874 five (5) years beyond the expiration date of the initial ten-year
6875 period if:

6876 (i) The qualified business or industry creates at
6877 least three thousand (3,000) new direct jobs within five (5) years
6878 after the date the business or industry commences commercial
6879 production;

6880 (ii) Within five (5) years after the date the
6881 business or industry commences commercial production, the average
6882 annual wage of the jobs is at least one hundred fifty percent
6883 (150%) of the most recently published state average annual wage or
6884 the most recently published average annual wage of the county in
6885 which the qualified business or industry is located as determined

6886 by the Mississippi Department of Employment Security, whichever is
6887 the lesser. The criteria for the average annual wage requirement
6888 shall be based upon the state average annual wage or the average
6889 annual wage of the county whichever is appropriate, at the time of
6890 creation of the minimum number of jobs, and the threshold
6891 established at that time will remain constant for the duration of
6892 the additional period; and

6893 (iii) The qualified business or industry meets and
6894 maintains the job and wage requirements of subparagraphs (i) and
6895 (ii) of this paragraph (a) for four (4) consecutive calendar
6896 quarters.

6897 (b) A qualified business or industry that is a project
6898 as defined in Section 57-75-5(f)(iv)1 and qualified to receive
6899 incentive payments for the additional period provided in paragraph
6900 (a) of this subsection (2) may apply to the MDA to receive
6901 incentive payments for an additional period not to exceed ten (10)
6902 years beyond the expiration date of the additional period provided
6903 in paragraph (a) of this subsection (2) if:

6904 (i) The qualified business or industry creates at
6905 least four thousand (4,000) new direct jobs after qualifying for
6906 the additional incentive period provided in paragraph (a) of this
6907 subsection (2) but before the expiration of the additional period.
6908 For purposes of determining whether the business or industry meets
6909 the minimum jobs requirement of this subparagraph (i), the number
6910 of jobs the business or industry created in order to meet the
6911 minimum jobs requirement of paragraph (a) of this subsection (2)

6912 shall be subtracted from the minimum jobs requirement of this
6913 subparagraph (i);

6914 (ii) The average annual wage of the jobs is at
6915 least one hundred fifty percent (150%) of the most recently
6916 published state average annual wage or the most recently published
6917 average annual wage of the county in which the qualified business
6918 or industry is located as determined by the Mississippi Department
6919 of Employment Security, whichever is the lesser. The criteria for
6920 the average annual wage requirement shall be based upon the state
6921 average annual wage or the average annual wage of the county
6922 whichever is appropriate, at the time of creation of the minimum
6923 number of jobs, and the threshold established at that time will
6924 remain constant for the duration of the additional period; and

6925 (iii) The qualified business or industry meets and
6926 maintains the job and wage requirements of subparagraphs (i) and
6927 (ii) of this paragraph (b) for four (4) consecutive calendar
6928 quarters.

6929 (3) In order to receive incentive payments, an establishment
6930 shall apply to the MDA. The application shall be on a form
6931 prescribed by the MDA and shall contain such information as may be
6932 required by the MDA to determine if the applicant is qualified.

6933 (4) (a) In order to qualify to receive such payments, the
6934 establishment applying shall be required to meet the definition of
6935 the term "qualified business or industry";

6936 (b) The criteria for the average annual salary
6937 requirement shall be based upon the state average annual wage or

6938 the average annual wage of the county whichever is appropriate, at
6939 the time of application, and the threshold established upon
6940 application will remain constant for the duration of the project;

6941 (c) The business or industry must meet its job creation
6942 commitment within twenty-four (24) months of the application
6943 approval. However, if the qualified business or industry is
6944 applying for incentive payments for an additional period under
6945 subsection (2) of this section, the business or industry must
6946 comply with the applicable job and wage requirements of subsection
6947 (2) of this section.

6948 (5) (a) The MDA shall determine if the applicant is
6949 qualified to receive incentive payments.

6950 (b) If the applicant is determined to be qualified to
6951 receive incentive payments for an additional period under
6952 subsection (2) of this section, the MDA shall conduct a
6953 cost/benefit analysis to determine the estimated net direct state
6954 benefits and the net benefit rate applicable for the appropriate
6955 additional period and to estimate the amount of gross payroll for
6956 the additional period. In conducting such cost/benefit analysis,
6957 the MDA shall consider quantitative factors, such as the
6958 anticipated level of new tax revenues to the state along with the
6959 cost to the state of the qualified business or industry, and such
6960 other criteria as deemed appropriate by the MDA, including the
6961 adequacy of retirement benefits that the business or industry
6962 provides to individuals it employs in new direct jobs in this
6963 state. In no event shall incentive payments, cumulatively, exceed

6964 the estimated net direct state benefits. Once the qualified
6965 business or industry is approved by the MDA, an agreement shall be
6966 deemed to exist between the qualified business or industry and the
6967 State of Mississippi, requiring the continued incentive payment to
6968 be made as long as the qualified business or industry retains its
6969 eligibility.

6970 (6) Upon approval of such an application, the MDA shall
6971 notify the Department of Revenue and shall provide it with a copy
6972 of the approved application and the estimated net direct state
6973 benefits. The Department of Revenue may require the qualified
6974 business or industry to submit such additional information as may
6975 be necessary to administer the provisions of this chapter. The
6976 qualified business or industry shall report to the Department of
6977 Revenue periodically to show its continued eligibility for
6978 incentive payments. The qualified business or industry may be
6979 audited by the Department of Revenue to verify such eligibility.
6980 In addition, the State Auditor may conduct performance and
6981 compliance audits under this chapter according to Section
6982 7-7-211(o) and may bill the oversight agency.

6983 (7) If the qualified business or industry is located in an
6984 area that has been declared by the Governor to be a disaster area
6985 and as a result of the disaster the business or industry is unable
6986 to create or maintain the full-time jobs required by this section:

6987 (a) The Commissioner of Revenue may extend the period
6988 of time that the business or industry may receive incentive
6989 payments for a period of time not to exceed two (2) years;

6990 (b) The Commissioner of Revenue may waive the
6991 requirement that a certain number of jobs be maintained for a
6992 period of time not to exceed twenty-four (24) months; and

6993 (c) The MDA may extend the period of time within which
6994 the jobs must be created for a period of time not to exceed
6995 twenty-four (24) months.

6996 **[For businesses or industries that apply for incentive**
6997 **payments from and after July 1, 2010, this section shall read as**
6998 **follows:]**

6999 57-62-9. (1) (a) Except as otherwise provided in this
7000 section, a qualified business or industry that meets the
7001 qualifications specified in this chapter may receive quarterly
7002 incentive payments for a period not to exceed ten (10) years from
7003 the Department of Revenue pursuant to the provisions of this
7004 chapter in an amount which shall be equal to ninety percent (90%)
7005 of the amount of actual income tax withheld for employees with new
7006 direct jobs, but in no event more than four percent (4%) of the
7007 total annual salary paid for new direct jobs during such period,
7008 excluding benefits which are not subject to Mississippi income
7009 taxes.

7010 (b) A qualified business or industry that is a project
7011 as defined in Section 57-75-5(f)(iv)1 may elect the date upon
7012 which the ten-year period will begin. Such date may not be later
7013 than sixty (60) months after the date the business or industry
7014 applied for incentive payments.

7015 (c) A qualified business or industry as defined in
7016 Section 57-62-5(a)(iii) may elect the date upon which the ten-year
7017 period will begin and may elect to begin receiving incentive
7018 payments as early as the second quarter after that date.
7019 Incentive payments will be calculated on all jobs above the
7020 existing number of jobs as of the date the MDA determines that the
7021 applicant is qualified to receive incentive payments. In the
7022 event that the qualified business or industry falls below the
7023 number of existing jobs at the time of determination that the
7024 applicant is qualified to receive the incentive payment, the
7025 incentive payment shall cease until the qualified business or
7026 industry once again exceeds that number. If after forty-eight
7027 (48) months, the qualified business or industry has failed to
7028 create at least three thousand (3,000) new direct jobs, incentive
7029 payments shall cease and the qualified business or industry shall
7030 not be qualified to receive further incentive payments.

7031 (2) (a) A qualified business or industry that is a project
7032 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to
7033 receive incentive payments for an additional period not to exceed
7034 five (5) years beyond the expiration date of the initial ten-year
7035 period if:

7036 (i) The qualified business or industry creates at
7037 least three thousand (3,000) new direct jobs within five (5) years
7038 after the date the business or industry commences commercial
7039 production;

7040 (ii) Within five (5) years after the date the
7041 business or industry commences commercial production, the average
7042 annual wage of the jobs is at least one hundred fifty percent
7043 (150%) of the most recently published state average annual wage or
7044 the most recently published average annual wage of the county in
7045 which the qualified business or industry is located as determined
7046 by the Mississippi Department of Employment Security, whichever is
7047 the lesser. The criteria for the average annual wage requirement
7048 shall be based upon the state average annual wage or the average
7049 annual wage of the county whichever is appropriate, at the time of
7050 creation of the minimum number of jobs, and the threshold
7051 established at that time will remain constant for the duration of
7052 the additional period; and

7053 (iii) The qualified business or industry meets and
7054 maintains the job and wage requirements of subparagraphs (i) and
7055 (ii) of this paragraph (a) for four (4) consecutive calendar
7056 quarters.

7057 (b) A qualified business or industry that is a project
7058 as defined in Section 57-75-5(f)(iv)1 and qualified to receive
7059 incentive payments for the additional period provided in paragraph
7060 (a) of this subsection (2) may apply to the MDA to receive
7061 incentive payments for an additional period not to exceed ten (10)
7062 years beyond the expiration date of the additional period provided
7063 in paragraph (a) of this subsection (2) if:

7064 (i) The qualified business or industry creates at
7065 least four thousand (4,000) new direct jobs after qualifying for

7066 the additional incentive period provided in paragraph (a) of this
7067 subsection (2) but before the expiration of the additional period.
7068 For purposes of determining whether the business or industry meets
7069 the minimum jobs requirement of this subparagraph (i), the number
7070 of jobs the business or industry created in order to meet the
7071 minimum jobs requirement of paragraph (a) of this subsection (2)
7072 shall be subtracted from the minimum jobs requirement of this
7073 subparagraph (i);

7074 (ii) The average annual wage of the jobs is at
7075 least one hundred fifty percent (150%) of the most recently
7076 published state average annual wage or the most recently published
7077 average annual wage of the county in which the qualified business
7078 or industry is located as determined by the Mississippi Department
7079 of Employment Security, whichever is the lesser. The criteria for
7080 the average annual wage requirement shall be based upon the state
7081 average annual wage or the average annual wage of the county
7082 whichever is appropriate, at the time of creation of the minimum
7083 number of jobs, and the threshold established at that time will
7084 remain constant for the duration of the additional period; and

7085 (iii) The qualified business or industry meets and
7086 maintains the job and wage requirements of subparagraphs (i) and
7087 (ii) of this paragraph (b) for four (4) consecutive calendar
7088 quarters.

7089 (3) In order to receive incentive payments, an establishment
7090 shall apply to the MDA. The application shall be on a form

7091 prescribed by the MDA and shall contain such information as may be
7092 required by the MDA to determine if the applicant is qualified.

7093 (4) (a) In order to qualify to receive such payments, the
7094 establishment applying shall be required to meet the definition of
7095 the term "qualified business or industry";

7096 (b) The criteria for the average annual salary
7097 requirement shall be based upon the state average annual wage or
7098 the average annual wage of the county whichever is appropriate, at
7099 the time of application, and the threshold established upon
7100 application will remain constant for the duration of the project;

7101 (c) Except as otherwise provided for a qualified
7102 business or industry as defined in Section 57-62-5(a)(iii), the
7103 business or industry must meet its job creation commitment within
7104 twenty-four (24) months of the application approval. However, if
7105 the qualified business or industry is applying for incentive
7106 payments for an additional period under subsection (2) of this
7107 section, the business or industry must comply with the applicable
7108 job and wage requirements of subsection (2) of this section.

7109 (5) (a) The MDA shall determine if the applicant is
7110 qualified to receive incentive payments.

7111 (b) If the applicant is determined to be qualified to
7112 receive incentive payments for an additional period under
7113 subsection (2) of this section, the MDA shall conduct an analysis
7114 to estimate the amount of gross payroll for the appropriate
7115 additional period. Incentive payments, cumulatively, shall not
7116 exceed ninety percent (90%) of the amount of actual income tax

7117 withheld for employees with new direct jobs, but in no event more
7118 than four percent (4%) of the total annual salary paid for new
7119 direct jobs during the additional period, excluding benefits which
7120 are not subject to Mississippi income taxes. Once the qualified
7121 business or industry is approved by the MDA, an agreement shall be
7122 deemed to exist between the qualified business or industry and the
7123 State of Mississippi, requiring the continued incentive payment to
7124 be made as long as the qualified business or industry retains its
7125 eligibility.

7126 (6) Upon approval of such an application, the MDA shall
7127 notify the Department of Revenue and shall provide it with a copy
7128 of the approved application and the minimum job and salary
7129 requirements. The Department of Revenue may require the qualified
7130 business or industry to submit such additional information as may
7131 be necessary to administer the provisions of this chapter. The
7132 qualified business or industry shall report to the Department of
7133 Revenue periodically to show its continued eligibility for
7134 incentive payments. The qualified business or industry may be
7135 audited by the Department of Revenue to verify such eligibility.
7136 In addition, the State Auditor may conduct performance and
7137 compliance audits under this chapter according to Section
7138 7-7-211(o) and may bill the oversight agency.

7139 (7) If the qualified business or industry is located in an
7140 area that has been declared by the Governor to be a disaster area
7141 and as a result of the disaster the business or industry is unable
7142 to create or maintain the full-time jobs required by this section:

7143 (a) The Commissioner of Revenue may extend the period
7144 of time that the business or industry may receive incentive
7145 payments for a period of time not to exceed two (2) years;

7146 (b) The Commissioner of Revenue may waive the
7147 requirement that a certain number of jobs be maintained for a
7148 period of time not to exceed twenty-four (24) months; and

7149 (c) The MDA may extend the period of time within which
7150 the jobs must be created for a period of time not to exceed
7151 twenty-four (24) months.

7152 **SECTION 45.** Section 57-62-11, Mississippi Code of 1972, is
7153 brought forward as follows:

7154 57-62-11. (1) There is created in the State Treasury a
7155 special fund to be known as the Mississippi Advantage Jobs
7156 Incentive Payment Fund, into which shall be deposited withholding
7157 tax revenue required to be deposited into such fund pursuant to
7158 Section 27-7-312. The money in the fund shall be used for the
7159 purpose of making the incentive payments authorized under this
7160 chapter.

7161 (2) The Mississippi Advantage Jobs Incentive Payment Fund
7162 shall be administered by the Department of Revenue, and monies in
7163 the fund, less three percent (3%) to be retained by the Department
7164 of Revenue to pay the reasonable and necessary expenses of the
7165 Department of Revenue in administering its duties under this
7166 chapter, shall be expended pursuant to the approved application.
7167 Amounts in the fund at the end of any fiscal year that are not

7168 necessary to make future incentive payments shall be paid into the
7169 General Fund.

7170 (3) The liability of the State of Mississippi to make the
7171 incentive payments authorized under this chapter shall be limited
7172 to the balance contained in the fund.

7173 **SECTION 46.** Section 57-62-13, Mississippi Code of 1972, is
7174 brought forward as follows:

7175 57-62-13. (1) As soon as practicable after the end of a
7176 calendar quarter for which a qualified business or industry has
7177 qualified to receive an incentive payment, the qualified business
7178 or industry shall file a claim for the payment with the Department
7179 of Revenue and shall specify the actual number of new direct jobs
7180 created and maintained by the business or industry for the
7181 calendar quarter and the gross payroll thereof. The Department of
7182 Revenue shall verify the actual number of new direct jobs created
7183 and maintained by the business or industry and compliance with the
7184 average annual wage requirements for such business or industry
7185 under this chapter. If the qualified business or industry files a
7186 claim for an incentive payment during an additional incentive
7187 period provided under Section 57-62-9(2), the Department of
7188 Revenue shall verify the actual number of new direct jobs created
7189 and maintained by the business or industry and compliance with the
7190 average annual wage requirements for such business or industry
7191 under this chapter. If the Department of Revenue is not able to
7192 provide such verification utilizing all available resources, the

7193 Department of Revenue may request such additional information from
7194 the business or industry as may be necessary.

7195 (2) (a) Except as otherwise provided in this chapter, the
7196 business or industry must meet the salary and job requirements of
7197 this chapter for four (4) consecutive calendar quarters prior to
7198 payment of the first incentive payment. Except as otherwise
7199 provided in Section 57-62-9, if the business or industry does not
7200 maintain the salary or job requirements of this chapter at any
7201 other time during the ten-year period after the date the first
7202 payment was made, the incentive payments shall not be made and
7203 shall not be resumed until such time as the actual verified number
7204 of new direct jobs created and maintained by the business or
7205 industry equals or exceeds the requirements of this chapter for
7206 one (1) calendar quarter.

7207 (b) If the business or industry is qualified to receive
7208 incentive payments for an additional period provided under Section
7209 57-62-9(2), the business or industry must meet the wage and job
7210 requirements of Section 57-62-9(2), for four (4) consecutive
7211 calendar quarters prior to payment of the first incentive payment.
7212 If the business or industry does not maintain the wage or job
7213 requirements of Section 57-62-9(2), at any other time during the
7214 appropriate additional period after the date the first payment was
7215 made, the incentive payments shall not be made and shall not be
7216 resumed until such time as the actual verified number of new
7217 direct jobs created and maintained by the business or industry

7218 equals or exceeds the amounts specified in Section 57-62-9(2), for
7219 one (1) calendar quarter.

7220 (3) An establishment that has qualified pursuant to this
7221 chapter may receive payments only in accordance with the provision
7222 under which it initially applied and was approved. If an
7223 establishment that is receiving incentive payments expands, it may
7224 apply for additional incentive payments based on the new gross
7225 payroll for new direct jobs anticipated from the expansion only,
7226 pursuant to this chapter.

7227 (4) As soon as practicable after verification of the
7228 qualified business or industry meeting the requirements of this
7229 chapter and all rules and regulations, the Department of Finance
7230 and Administration, upon requisition of the Department of Revenue,
7231 shall issue a warrant drawn on the Mississippi Advantage Jobs
7232 Incentive Payment Fund to the establishment in the amount of the
7233 incentive payment as determined pursuant to subsection (1) of this
7234 section for the calendar quarter.

7235 **SECTION 47.** Section 57-89-3, Mississippi Code of 1972, is
7236 brought forward as follows:

7237 57-89-3. As used in this chapter, the following terms shall
7238 have the meanings ascribed in this section unless the context
7239 clearly indicates otherwise:

7240 (a) "Base investment" means the actual investment made
7241 and expended in Mississippi by a motion picture production company
7242 in connection with the production of a state-certified production
7243 in the state. The term "base investment" includes amounts

7244 expended in Mississippi by a motion picture production company as
7245 per diem and housing allowances in connection with the production
7246 of a state-certified production in the state. The term "base
7247 investment" shall not include payroll. However, in the case of a
7248 motion picture production company, or its owner, principal,
7249 member, production partner, independent contractor director or
7250 producer, or subsidiary company that (i) is designated and
7251 pre-qualified by the Mississippi Development Authority as
7252 Mississippi-based or a Mississippi resident; (ii) has filed income
7253 taxes in the State of Mississippi during each of the previous
7254 three (3) years; and (iii) has engaged in activities related to
7255 the production of at least two (2) motion pictures in Mississippi
7256 during the past ten (10) years, base investment may include
7257 payroll and fringes paid for any employee who is not a resident
7258 and whose wages are subject to the Mississippi Income Tax
7259 Withholding Law of 1968, if so requested by the motion picture
7260 production company. A motion picture production company must
7261 submit such a request to the Mississippi Development Authority at
7262 the time the company submits an application for approval as a
7263 state-certified production. In addition, if base investment
7264 includes payroll and fringes, and the payroll and fringes paid for
7265 an employee exceeds Five Million Dollars (\$5,000,000.00), then
7266 only the first Five Million Dollars (\$5,000,000.00) of such
7267 payroll and fringes may be included in base investment.

7268 (b) "Employee" means an individual directly involved in
7269 the physical production and/or post-production of a motion picture
7270 produced in the state and who is employed by a:

7271 (i) Motion picture production company that is
7272 directly involved in the physical production and/or
7273 post-production of a motion picture in the state;

7274 (ii) Personal service corporation retained by a
7275 motion picture production company to provide persons used directly
7276 in the physical production and/or post-production of a motion
7277 picture in the state; or

7278 (iii) Payroll service or loan-out company that is
7279 retained by a motion picture production company to provide
7280 employees who work directly in the physical production and/or
7281 post-production of a motion picture in the state.

7282 (c) "Fringes" means costs paid by a motion picture
7283 production company on or after September 1, 2013, for employee
7284 benefits that are not subject to state income tax. Fringes may
7285 include, but are not limited to, payments by an employer for
7286 unemployment insurance, Federal Insurance Contribution Act (FICA),
7287 workers' compensation insurance, pension and welfare benefits and
7288 health insurance premiums.

7289 (d) "Motion picture" means a nationally distributed
7290 feature-length film, video, DVD, television program or series,
7291 commercial, or computer or video game made in Mississippi, in
7292 whole or in part, for theatrical or DVD release or television
7293 viewing or as a television pilot or viewing through streaming

7294 video or internet delivery, or for playing on a video game
7295 console, personal computer or handheld device. The term "motion
7296 picture" shall not include the production of television coverage
7297 of news and athletic events, or a film, video, DVD, television
7298 program, series, or commercial that contains any material or
7299 performance defined in Section 97-29-103.

7300 (e) "Motion picture production company" means a company
7301 engaged in the business of producing nationally distributed motion
7302 pictures, videos, DVDs, television programs or series,
7303 commercials, or computer or video games intended for a theatrical
7304 release, for television viewing or for playing on a video game
7305 console, personal computer or handheld device. The term "motion
7306 picture production company" includes a company engaged in the
7307 business of making such productions through the use of animation,
7308 interactive media, preproduction and post-production 3D
7309 applications, video game cinematics, virtual production, visual
7310 effects, and motion capture within the fields of feature film,
7311 television, commercials and games. The term "motion picture
7312 production company" shall not mean or include any company owned,
7313 affiliated, or controlled, in whole or in part, by any company or
7314 person which is in default on a loan made by the state or a loan
7315 guaranteed by the state, or any company or person who has ever
7316 declared bankruptcy under which an obligation of the company or
7317 person to pay or repay public funds or monies was discharged as a
7318 part of such bankruptcy.

7319 (f) "Payroll" means salary, wages or other compensation
7320 including related benefits paid to employees upon which
7321 Mississippi income tax is due and has been withheld.

7322 (g) "Resident" or "resident of Mississippi" means a
7323 natural person, and for the purpose of determining eligibility for
7324 the rebate provided by Section 57-89-7, any person domiciled in
7325 the State of Mississippi and any other person who maintains a
7326 permanent place of abode within the state and spends in the
7327 aggregate more than six (6) months of each year within the state.

7328 (h) "State" means the State of Mississippi.

7329 (i) "State-certified production" means a motion picture
7330 approved by the Mississippi Development Authority produced by a
7331 motion picture production company in the state. An application
7332 for approval as a state-certified production must be submitted to
7333 the Mississippi Development Authority before production of the
7334 project begins.

7335 **SECTION 48.** Section 57-89-7, Mississippi Code of 1972, is
7336 brought forward as follows:

7337 57-89-7. (1) (a) A motion picture production company that
7338 expends at least Fifty Thousand Dollars (\$50,000.00) in base
7339 investment, payroll and/or fringes, in the state shall be entitled
7340 to a rebate of a portion of the base investment made by the motion
7341 picture production company. Subject to the provisions of this
7342 section, the amount of the rebate shall be equal to twenty-five
7343 percent (25%) of the base investment made by the motion picture
7344 production company.

7345 (b) In addition to the rebates authorized under
7346 paragraphs (a), (c) and (d) of this subsection, a motion picture
7347 production company may receive a rebate equal to twenty-five
7348 percent (25%) of payroll and fringes paid for any employee who is
7349 not a resident and whose wages are subject to the Mississippi
7350 Income Tax Withholding Law of 1968. However, if the payroll and
7351 fringes paid for an employee exceeds Five Million Dollars
7352 (\$5,000,000.00), then the rebate is authorized only for the first
7353 Five Million Dollars (\$5,000,000.00) of such payroll and fringes.

7354 (c) In addition to the rebates authorized under
7355 paragraphs (a), (b) and (d) of this subsection, a motion picture
7356 production company may receive a rebate equal to thirty percent
7357 (30%) of payroll and fringes paid for any employee who is a
7358 resident and whose wages are subject to the Mississippi Income Tax
7359 Withholding Law of 1968. However, if the payroll and fringes paid
7360 for an employee exceeds Five Million Dollars (\$5,000,000.00), then
7361 the rebate is authorized only for the first Five Million Dollars
7362 (\$5,000,000.00) of such payroll and fringes.

7363 (d) In addition to the rebates authorized in paragraphs
7364 (a), (b) and (c) of this subsection, a motion picture production
7365 company may receive an additional rebate equal to five percent
7366 (5%) of the payroll and fringes paid for any employee who is an
7367 honorably discharged veteran of the United States Armed Forces and
7368 whose wages are subject to the Mississippi Income Tax Withholding
7369 Law of 1968.

7370 (e) If a motion picture has physical production
7371 activities and/or post-production activities both inside and
7372 outside the state, then the motion picture production company
7373 shall be required to provide an itemized accounting for each
7374 employee regarding such activities inside and outside the state
7375 for the purposes of proration of eligible payroll based on the
7376 percentage of activities performed in the state.

7377 (f) The total amount of rebates authorized for a motion
7378 picture project shall not exceed Ten Million Dollars
7379 (\$10,000,000.00) in the aggregate.

7380 (g) The total amount of rebates authorized in any
7381 fiscal year shall not exceed Twenty Million Dollars
7382 (\$20,000,000.00) in the aggregate.

7383 (2) A motion picture production company desiring a rebate
7384 under this section must submit a rebate request to the Department
7385 of Revenue upon completion of the project. The request must
7386 include a detailed accounting of the base investment made by the
7387 motion picture production company and any other information
7388 required by the Department of Revenue. Rebates made by the
7389 Department of Revenue under this section shall be made from
7390 current income tax collections. The Department of Revenue shall
7391 not approve any application for a rebate under subsection (1) (b)
7392 of this section after July 1, 2017.

7393 (3) The Department of Revenue shall have all powers
7394 necessary to implement and administer the provisions of this
7395 section, and the Department of Revenue shall promulgate rules and

7396 regulations, in accordance with the Mississippi Administrative
7397 Procedures Law, necessary for the implementation of this section.

7398 (4) The State Auditor may conduct performance and compliance
7399 audits under this chapter according to Section 7-7-211(o) and may
7400 bill the oversight agency.

7401 **SECTION 49.** Section 57-99-1, Mississippi Code of 1972, is
7402 brought forward as follows:

7403 57-99-1. As used in Sections 57-99-1 through 57-99-9, the
7404 following words and phrases shall have the meanings ascribed in
7405 this section unless the context clearly indicates otherwise:

7406 (a) "Qualified business or industry" means any company
7407 and affiliates thereof, pursuant to rules and regulations of the
7408 MDA, which is:

7409 (i) A project that has been certified by the MMEIA
7410 as a project defined in Section 57-75-5(f)(xxi) and creates at
7411 least one thousand five hundred (1,500) jobs within sixty (60)
7412 months of the beginning of the project;

7413 (ii) A project that has been certified by the
7414 MMEIA as a project defined in Section 57-75-5(f)(xxii) and creates
7415 at least five hundred (500) jobs within seventy-two (72) months of
7416 the beginning of the project;

7417 (iii) A project:

7418 1. That has been certified by the MMEIA as a
7419 project defined in Section 57-75-5(f)(xxviii);

7420 2. Creates at least twenty-five (25) jobs
7421 within sixty (60) months of the beginning of the project; and

7422 3. In which the average annual wages and
7423 taxable benefits of the jobs created by such project are at least
7424 one hundred ten percent (110%) of the most recently published
7425 average annual wage of the state or the most recently published
7426 average annual wage of the county in which the project is located,
7427 as determined by the Mississippi Department of Employment
7428 Security, whichever is the lesser; or

7429 (iv) A project:

7430 1. That has been certified by the MMEIA as a
7431 project defined in Section 57-75-5(f) (xxix);

7432 2. That creates at least twenty-five (25)
7433 jobs within sixty (60) months following the date required by the
7434 MMEIA and prescribed by written agreement between the MMEIA and
7435 the enterprise establishing the project described in item 1 of
7436 this subparagraph (iv); and

7437 3. In which the average annual wages of the
7438 jobs created by such project are at least one hundred ten percent
7439 (110%) of the most recently published average annual wage of the
7440 state, as determined by the Mississippi Department of Employment
7441 Security.

7442 (b) "Qualified job" means full-time employment in this
7443 state within the project site of a qualified business or industry
7444 that has qualified to receive an incentive payment pursuant to
7445 Sections 57-99-1 through 57-99-9, which employment did not exist
7446 in this state before the date of approval by the MDA of the
7447 application of the qualified business or industry pursuant to the

7448 provisions of Sections 57-99-1 through 57-99-9. "Qualified job"
7449 also shall include full-time employment in this state of employees
7450 who are employed by an entity other than the establishment that
7451 has qualified to receive an incentive payment such as employees
7452 who are leased to and managed by the qualified business or
7453 industry, if such employment did not exist in this state before
7454 the date of approval by the MDA of the application of the
7455 establishment; provided, however, that in order for a qualified
7456 business or industry to receive incentive payments for such
7457 employees, the actual employer of the employees must agree to such
7458 payments being made to the qualified business or industry.

7459 (c) "Full-time employment" means a job of at least
7460 thirty-five (35) hours per week.

7461 (d) "Rebate amount" means the amount of Mississippi
7462 income taxes withheld from employees in qualified jobs that is
7463 available for rebate to the qualified business or industry,
7464 provided that:

7465 (i) Except as otherwise provided in this paragraph
7466 (d), the rebate amount shall be three and one-half percent
7467 (3-1/2%) of the wages and taxable benefits for qualified jobs; and

7468 (ii) In no event shall incentive payments exceed
7469 the actual Mississippi income taxes withheld from employees in
7470 qualified jobs that are available for rebate to the qualified
7471 business or industry.

7472 (e) "MDA" means the Mississippi Development Authority.

7473 (f) "MMEIA" means the Mississippi Major Economic Impact
7474 Authority.

7475 **SECTION 50.** Section 57-99-3, Mississippi Code of 1972, is
7476 brought forward as follows:

7477 57-99-3. (1) Except as otherwise provided in this section,
7478 a qualified business or industry that meets the qualifications
7479 specified in Sections 57-99-1 through 57-99-9 may receive
7480 quarterly incentive payments for a period not to exceed
7481 twenty-five (25) years from the Department of Revenue pursuant to
7482 the provisions of Sections 57-99-1 through 57-99-9 in an amount
7483 which shall be equal to the lesser of three and one-half percent
7484 (3-1/2%) of the wages and taxable benefits for qualified jobs or
7485 the actual amount of Mississippi income tax withheld by the
7486 employer for the qualified jobs. A qualified business or industry
7487 may elect the date upon which the incentive rebate period will
7488 begin. Such date may not be later than sixty (60) months after
7489 the date the business or industry applied for incentive payments;
7490 however, in the case of a qualified business or industry described
7491 in Section 57-99-1(a)(ii), such date may not be later than
7492 seventy-two (72) months after the date the business or industry
7493 applied for incentive payments, or for a qualified business or
7494 industry described in Section 57-99-1(a)(iv), such date may not be
7495 later than the date that is sixty (60) months after the earlier
7496 of:

7497 (a) The date the qualified business or industry applied
7498 for incentive payments; or

7499 (b) The start of commercial production as defined in a
7500 definitive agreement between such qualified business or industry
7501 and the MDA.

7502 (2) In order to receive incentive payments, an establishment
7503 shall apply to the MDA. The application shall be on a form
7504 prescribed by the MDA and shall contain such information as may be
7505 required by the MDA to determine if the applicant is qualified.

7506 (3) In order to qualify to receive such payments, the
7507 establishment applying shall be required to:

7508 (a) Be engaged in a qualified business or industry; and

7509 (b) The business or industry must create and maintain
7510 the minimum number of qualified jobs as set forth in Section
7511 57-99-1. Establishments that are approved as a qualified business
7512 or industry under Sections 57-99-1 through 57-99-9 may not receive
7513 incentive payments under Section 57-62-1 et seq.

7514 (4) Upon approval of such an application, the MDA shall
7515 notify the Department of Revenue and shall provide it with a copy
7516 of the approved application. The Department of Revenue may
7517 require the qualified business or industry to submit such
7518 additional information as may be necessary to administer the
7519 provisions of Sections 57-99-1 through 57-99-9. The qualified
7520 business or industry shall report to the Department of Revenue
7521 periodically to show its continued eligibility for incentive
7522 payments. The qualified business or industry may be audited by
7523 the Department of Revenue to verify such eligibility.

7524 **SECTION 51.** Section 57-99-5, Mississippi Code of 1972, is
7525 brought forward as follows:

7526 57-99-5. (1) There is created in the State Treasury a
7527 special fund to be known as the "MMEIA Withholding Rebate Fund,"
7528 into which shall be deposited withholding tax revenue required to
7529 be deposited into such fund pursuant to Section 27-7-312. The
7530 money in the fund shall be used for the purpose of making the
7531 incentive payments authorized under Sections 57-99-1 through
7532 57-99-9.

7533 (2) The liability of the State of Mississippi to make the
7534 incentive payments authorized under Sections 57-99-1 through
7535 57-99-9 shall be limited to the balance contained in the fund.

7536 **SECTION 52.** Section 57-99-7, Mississippi Code of 1972, is
7537 brought forward as follows:

7538 57-99-7. (1) As soon as practicable after the end of a
7539 calendar quarter for which a qualified business or industry has
7540 qualified to receive an incentive payment, the qualified business
7541 or industry shall file a claim for the payment with the State Tax
7542 Commission and shall specify the actual number of qualified jobs
7543 created and maintained by the business or industry for the
7544 calendar quarter and the wages and taxable benefits thereof. The
7545 State Tax Commission shall verify the actual number of qualified
7546 jobs created and maintained by the business or industry. If the
7547 State Tax Commission is not able to provide such verification
7548 utilizing all available resources, the State Tax Commission may

7549 request such additional information from the business or industry
7550 as may be necessary.

7551 (2) (a) The business or industry must meet the job
7552 requirements of Sections 57-99-1 through 57-99-9 for four (4)
7553 consecutive calendar quarters prior to payment of the first
7554 incentive payment. If the business or industry does not maintain
7555 the job requirements of Sections 57-99-1 through 57-99-9 at any
7556 other time during the twenty-five-year period after the date the
7557 first payment was made, the incentive payments shall not be made
7558 and shall not be resumed until such time as the actual verified
7559 number of qualified jobs created and maintained by the business or
7560 industry equals or exceeds the requirements of Sections 57-99-1
7561 through 57-99-9 for one (1) calendar quarter.

7562 (3) An establishment that has qualified pursuant to Sections
7563 57-99-1 through 57-99-9 may receive payments only in accordance
7564 with the provision under which it initially applied and was
7565 approved. If an establishment that is receiving incentive
7566 payments expands, it may apply for additional incentive payments
7567 based on the wages and taxable benefits for qualified jobs
7568 anticipated from the expansion only, pursuant to Sections 57-99-1
7569 through 57-99-9.

7570 (4) As soon as practicable after verification of the
7571 qualified business or industry meeting the requirements of
7572 Sections 57-99-1 through 57-99-9 and all rules and regulations,
7573 the Department of Finance and Administration, upon requisition of
7574 the State Tax Commission, shall issue a warrant drawn on the MMEIA

7575 Withholding Rebate Fund to the establishment in the amount of the
7576 rebate as determined pursuant to subsection (1) of this section
7577 for the calendar quarter.

7578 **SECTION 53.** Section 57-99-21, Mississippi Code of 1972, is
7579 brought forward as follows:

7580 57-99-21. As used in Sections 57-99-21 through 57-99-29, the
7581 following words and phrases shall have the meanings ascribed in
7582 this section unless the context clearly indicates otherwise:

7583 (a) "Qualified business or industry" means any
7584 enterprise which is a project that has been certified by the
7585 Mississippi Major Economic Impact Authority (MMEIA) as a project
7586 defined in Section 57-75-5(f)(xxiv).

7587 (b) "Qualified job" means full-time employment at the
7588 location of the manufacturing plant in this state of a qualified
7589 business or industry that has qualified to receive an incentive
7590 payment pursuant to Sections 57-99-21 through 57-99-29, which
7591 employment existed in this state at the location of the
7592 manufacturing plant on July 1, 2009.

7593 (c) "Full-time employment" means a job of at least
7594 thirty-five (35) hours per week.

7595 (d) "Rebate amount" means the amount of Mississippi
7596 income taxes withheld from employees in qualified jobs that is
7597 available for rebate to the qualified business or industry,
7598 provided that:

7599 (i) Except as otherwise provided in this paragraph
7600 (d), the rebate amount shall be one percent (1%) of the wages and
7601 taxable benefits for qualified jobs;

7602 (ii) In no event shall incentive payments exceed
7603 the actual Mississippi income taxes withheld from employees in
7604 qualified jobs that are available for rebate to the qualified
7605 business or industry; and

7606 (iii) In no event shall the aggregate amount of
7607 incentive payments authorized under Sections 57-99-21 through
7608 57-99-29 exceed Six Million Dollars (\$6,000,000.00).

7609 (e) "MDA" means the Mississippi Development Authority.

7610 **SECTION 54.** Section 57-99-23, Mississippi Code of 1972, is
7611 brought forward as follows:

7612 57-99-23. (1) Except as otherwise provided in this section,
7613 a qualified business or industry that meets the qualifications
7614 specified in Sections 57-99-21 through 57-99-29 may receive
7615 quarterly incentive payments for a period not to exceed ten (10)
7616 years from the State Tax Commission pursuant to the provisions of
7617 Sections 57-99-21 through 57-99-29 in an amount which shall be
7618 equal to the lesser of one percent (1%) of the wages and taxable
7619 benefits for qualified jobs or the actual amount of Mississippi
7620 income tax withheld by the employer for the qualified jobs.

7621 (2) In order to receive incentive payments, an establishment
7622 shall apply to the MDA by not later than July 1, 2010. The
7623 application shall be on a form prescribed by the MDA and shall

7624 contain such information as may be required by the MDA to
7625 determine if the applicant is qualified.

7626 (3) In order to qualify to receive such payments, the
7627 establishment applying shall be required to:

7628 (a) Be engaged in a qualified business or industry; and

7629 (b) The business or industry must maintain a minimum of
7630 one thousand two hundred (1,200) qualified jobs.

7631 (4) Upon approval of such an application, the MDA shall
7632 notify the State Tax Commission and shall provide it with a copy
7633 of the approved application. The State Tax Commission may require
7634 the qualified business or industry to submit such additional
7635 information as may be necessary to administer the provisions of
7636 Sections 57-99-21 through 57-99-29. The qualified business or
7637 industry shall report to the State Tax Commission periodically to
7638 show its continued eligibility for incentive payments. The
7639 qualified business or industry may be audited by the State Tax
7640 Commission to verify such eligibility.

7641 **SECTION 55.** Section 57-99-25, Mississippi Code of 1972, is
7642 brought forward as follows:

7643 57-99-25. (1) There is created in the State Treasury a
7644 special fund to be known as the "MMEIA Rebate Fund" into which
7645 shall be deposited withholding tax revenue required to be
7646 deposited into such fund pursuant to Section 27-7-312. The money
7647 in the fund shall be used for the purpose of making the incentive
7648 payments authorized under Sections 57-99-21 through 57-99-29.

7649 (2) The liability of the State of Mississippi to make the
7650 incentive payments authorized under Sections 57-99-21 through
7651 57-99-29 shall be limited to the balance contained in the fund.

7652 **SECTION 56.** Section 57-99-27, Mississippi Code of 1972, is
7653 brought forward as follows:

7654 57-99-27. (1) As soon as practicable after the end of a
7655 calendar quarter for which a qualified business or industry has
7656 qualified to receive an incentive payment, the qualified business
7657 or industry shall file a claim for the payment with the State Tax
7658 Commission and shall specify the actual number of qualified jobs
7659 created and maintained by the business or industry for the
7660 calendar quarter and the wages and taxable benefits thereof. The
7661 State Tax Commission shall verify the actual number of qualified
7662 jobs maintained by the business or industry. If the State Tax
7663 Commission is not able to provide such verification utilizing all
7664 available resources, the State Tax Commission may request such
7665 additional information from the business or industry as may be
7666 necessary.

7667 (2) If the business or industry does not maintain the job
7668 requirements of Sections 57-99-21 through 57-99-29 at any other
7669 time during the ten-year period after the date the first payment
7670 was made, the incentive payments shall not be made and shall not
7671 be resumed until such time as the actual verified number of
7672 qualified jobs created and maintained by the business or industry
7673 equals or exceeds the requirements of Sections 57-99-21 through
7674 57-99-29 for one (1) calendar quarter.

7675 (3) An establishment that has qualified pursuant to Sections
7676 57-99-21 through 57-99-29 may receive payments only in accordance
7677 with the provision under which it initially applied and was
7678 approved.

7679 (4) As soon as practicable after verification of the
7680 qualified business or industry meeting the requirements of
7681 Sections 57-99-21 through 57-99-29 and all rules and regulations,
7682 the Department of Finance and Administration, upon requisition of
7683 the State Tax Commission, shall issue a warrant drawn on the MMEIA
7684 Withholding Rebate Fund to the establishment in the amount of the
7685 rebate as determined pursuant to subsection (1) of this section
7686 for the calendar quarter.

7687 **SECTION 57.** Section 37-148-3, Mississippi Code of 1972, is
7688 brought forward as follows:

7689 37-148-3. As used in this act, the following words and
7690 phrases have the meanings ascribed in this section unless the
7691 context clearly indicates otherwise:

7692 (a) "College" means the state institutions of higher
7693 learning in Mississippi which are accredited by the Southern
7694 Association of Colleges and Schools.

7695 (b) "Investor" means a natural person, partnership,
7696 limited liability company, association, corporation, business
7697 trust or other business entity, not formed for the specific
7698 purpose of acquiring the rebate offered, which is subject to
7699 Mississippi income tax or franchise tax.

7700 (c) "Qualified research" means the systematic
7701 investigative process that is undertaken for the purpose of
7702 discovering information. The term "qualified research" does not
7703 include research conducted outside the State of Mississippi or
7704 research to the extent funded by any grant, contract or otherwise
7705 by another person or governmental entity.

7706 (d) "Research agreement" means a written contract,
7707 grant or cooperative agreement entered into between a person and a
7708 college or research corporation for the performance of qualified
7709 research; however, all qualified research costs generating a
7710 rebate must be spent by the college or research corporation on
7711 qualified research undertaken according to a research agreement.

7712 (e) "Research corporation" means any research
7713 corporation formed under Section 37-147-15 if the corporation is
7714 wholly owned by a college and all income and profits of the
7715 corporation inure to the benefit of the college.

7716 (f) "Qualified research costs" means costs paid or
7717 incurred by an investor to a college or research corporation for
7718 qualified research undertaken according to a research agreement.

7719 (g) "State" means the State of Mississippi or a
7720 governmental entity of the State of Mississippi.

7721 (h) "IHL" means the Board of Trustees of State
7722 Institutions of Higher Learning in Mississippi.

7723 (i) "SMART Business" means Strengthening Mississippi
7724 Academic Research Through Business.

7725 SECTION 58. Section 37-148-5, Mississippi Code of 1972, is
7726 brought forward as follows:

7727 37-148-5. (1) (a) Subject to the provisions of this
7728 chapter, an investor incurring qualified research costs subject to
7729 a research agreement is eligible for a rebate equal to twenty-five
7730 percent (25%) of the investor's qualified research costs.

7731 (b) An investor incurring research costs may not claim
7732 a rebate pursuant to this chapter greater than One Million Dollars
7733 (\$1,000,000.00) in any fiscal year.

7734 (c) The total amount of rebates issued under this
7735 chapter by the state in any fiscal year may not exceed Five
7736 Million Dollars (\$5,000,000.00).

7737 (2) Investors desiring to apply for the rebate authorized by
7738 this chapter shall submit an application to IHL which must
7739 contain, at a minimum, the following:

7740 (a) A description of the qualified research to be
7741 conducted by the college or research corporation;

7742 (b) A proposed budget;

7743 (c) An estimated date for completion of the qualified
7744 research; and

7745 (d) Such additional information as may be requested by
7746 IHL.

7747 (3) IHL shall review each application to determine if the
7748 investor has satisfied all of the requirements of this section.

7749 (4) Within sixty (60) days of receiving an application, IHL
7750 shall issue or refuse to issue a SMART Business certificate. The

7751 SMART Business certificate must include the amount of the rebate
7752 the investor is eligible to claim, subject to subsection (1) of
7753 this section. IHL must notify the Department of Revenue when a
7754 SMART Business certificate is issued.

7755 (5) To claim a rebate, the investor must submit a rebate
7756 allocation claim to the Department of Revenue. The rebate
7757 allocation claim must include, at a minimum, the SMART Business
7758 certificate issued by IHL and proof of payment to the college or
7759 research corporation for qualified research conducted according to
7760 the research agreement.

7761 (6) The Department of Revenue may request an audit from the
7762 investor submitting a rebate allocation claim, at the investor's
7763 expense, to verify the investor has satisfied the requirements of
7764 this chapter.

7765 (7) The Department of Revenue shall issue rebates available
7766 under this section from current income tax collections.

7767 (8) Rebates must be allocated to investors by the Department
7768 of Revenue in the order that SMART Business certificates are
7769 issued by IHL.

7770 **SECTION 59.** Section 57-105-1, Mississippi Code of 1972, is
7771 brought forward as follows:

7772 57-105-1. (1) As used in this section:

7773 (a) "Adjusted purchase price" means the investment in
7774 the qualified community development entity for the qualified
7775 equity investment, substantially all of the proceeds of which are

7776 used to make qualified low-income community investments in
7777 Mississippi.

7778 For the purposes of calculating the amount of qualified
7779 low-income community investments held by a qualified community
7780 development entity, an investment will be considered held by a
7781 qualified community development entity even if the investment has
7782 been sold or repaid; provided that the qualified community
7783 development entity reinvests an amount equal to the capital
7784 returned to or recovered by the qualified community development
7785 entity from the original investment, exclusive of any profits
7786 realized, in another qualified low-income community investment in
7787 Mississippi, including any federal Indian reservation located
7788 within the geographical boundary of Mississippi within twelve (12)
7789 months of the receipt of such capital. A qualified community
7790 development entity will not be required to reinvest capital
7791 returned from the qualified low-income community investments after
7792 the sixth anniversary of the issuance of the qualified equity
7793 investment, the proceeds of which were used to make the qualified
7794 low-income community investment, and the qualified low-income
7795 community investment will be considered held by the qualified
7796 community development entity through the seventh anniversary of
7797 the qualified equity investment's issuance.

7798 (b) "Applicable percentage" means:

7799 (i) For any equity investment issued prior to July
7800 1, 2008, four percent (4%) for each of the second through seventh
7801 credit allowance dates for purposes of the taxes imposed by

7802 Section 27-7-5 and one and one-third percent (1-1/3%) for each of
7803 the second through seventh credit allowance dates for purposes of
7804 the taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123.

7805 (ii) For any equity investment issued from and
7806 after July 1, 2008, eight percent (8%) for each of the first
7807 through third credit allowance dates for purposes of the taxes
7808 imposed by Section 27-7-5 or the taxes imposed by Sections
7809 27-15-103, 27-15-109 and 27-15-123.

7810 (c) "Credit allowance date" means, with respect to any
7811 qualified equity investment:

7812 (i) The later of:

7813 1. The date upon which the qualified equity
7814 investment is initially made; or

7815 2. The date upon which the Mississippi
7816 Development Authority issues a certificate under subsection (4) of
7817 this section; and

7818 (ii) 1. For equity investments issued prior to
7819 July 1, 2008, each of the subsequent six (6) anniversary dates of
7820 the date upon which the investment is initially made; or

7821 2. For equity investments issued from and
7822 after July 1, 2008, each of the subsequent two (2) anniversary
7823 dates of the date determined as provided for in subparagraph (i)
7824 of this paragraph.

7825 (d) "Qualified community development entity" shall have
7826 the meaning ascribed to such term in Section 45D of the Internal
7827 Revenue Code of 1986, as amended, if the entity has entered into

7828 an Allocation Agreement with the Community Development Financial
7829 Institutions Fund of the United States Department of the Treasury
7830 with respect to credits authorized by Section 45D of the Internal
7831 Revenue Code of 1986, as amended.

7832 (e) "Qualified active low-income community business"
7833 shall have the meaning ascribed to such term in Section 45D of the
7834 Internal Revenue Code of 1986, as amended.

7835 (f) "Qualified equity investment" shall have the
7836 meaning ascribed to such term in Section 45D of the Internal
7837 Revenue Code of 1986, as amended. The investment does not have to
7838 be designated as a qualified equity investment by the Community
7839 Development Financial Institutions Fund of the United States
7840 Treasury to be considered a qualified equity investment under this
7841 section but otherwise must meet the definition under the Internal
7842 Revenue Code. In addition to meeting the definition in Section
7843 45D of the Internal Revenue Code such investment must also:

7844 (i) Have been acquired after January 1, 2007, at
7845 its original issuance solely in exchange for cash; and

7846 (ii) Have been allocated by the Mississippi
7847 Development Authority.

7848 For the purposes of this section, such investment shall be
7849 deemed a qualified equity investment on the later of the date such
7850 qualified equity investment is made or the date on which the
7851 Mississippi Development Authority issues a certificate under
7852 subsection (4) of this section allocating credits based on such
7853 investment.

7854 (g) "Qualified low-income community investment" shall
7855 have the meaning ascribed to such term in Section 45D of the
7856 Internal Revenue Code of 1986, as amended; provided, however, that
7857 the maximum amount of qualified low-income community investments
7858 issued for a single qualified active low-income community
7859 business, on an aggregate basis with all of its affiliates, that
7860 may be included for purposes of allocating any credits under this
7861 section shall not exceed Ten Million Dollars (\$10,000,000.00), in
7862 the aggregate, whether issued by one (1) or several qualified
7863 community development entities.

7864 (2) A taxpayer that holds a qualified equity investment on
7865 the credit allowance date shall be entitled to a credit applicable
7866 against the taxes imposed by Sections 27-7-5, 27-15-103, 27-15-109
7867 and 27-15-123 during the taxable year that includes the credit
7868 allowance date. The amount of the credit shall be equal to the
7869 applicable percentage of the adjusted purchase price paid to the
7870 qualified community development entity for the qualified equity
7871 investment. The amount of the credit that may be utilized in any
7872 one (1) tax year shall be limited to an amount not greater than
7873 the total tax liability of the taxpayer for the taxes imposed by
7874 the above-referenced sections. The credit shall not be refundable
7875 or transferable. Any unused portion of the credit may be carried
7876 forward for seven (7) taxable years beyond the credit allowance
7877 date on which the credit was earned. The maximum aggregate amount
7878 of qualified equity investments that may be allocated by the
7879 Mississippi Development Authority may not exceed an amount that

7880 would result in taxpayers claiming in any one (1) state fiscal
7881 year credits in excess of Fifteen Million Dollars
7882 (\$15,000,000.00), exclusive of credits that might be carried
7883 forward from previous taxable years; however, a maximum of
7884 one-third (1/3) of this amount may be allocated as credits for
7885 taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123. Any
7886 taxpayer claiming a credit under this section against the taxes
7887 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123
7888 shall not be required to pay any additional tax under Section
7889 27-15-123 as a result of claiming such credit. The Mississippi
7890 Development Authority shall allocate credits within this limit as
7891 provided for in subsection (4) of this section.

7892 (3) Tax credits authorized by this section that are earned
7893 by a partnership, limited liability company, S corporation or
7894 other similar pass-through entity, shall be allocated among all
7895 partners, members or shareholders, respectively, either in
7896 proportion to their ownership interest in such entity or as the
7897 partners, members or shareholders mutually agree as provided in an
7898 executed document. Such allocation shall be made each taxable
7899 year of such pass-through entity which contains a credit allowance
7900 date.

7901 (4) The qualified community development entity shall apply
7902 for credits with the Mississippi Development Authority on forms
7903 prescribed by the Mississippi Development Authority. The
7904 qualified community development entity must pay an application fee
7905 of One Thousand Dollars (\$1,000.00) to the Mississippi Development

7906 Authority at the time the application is submitted. In the
7907 application the qualified community development entity shall
7908 certify to the Mississippi Development Authority the dollar amount
7909 of the qualified equity investments made or to be made in this
7910 state, including in any federal Indian reservation located within
7911 the state's geographical boundary, during the first twelve-month
7912 period following the initial credit allowance date. The
7913 Mississippi Development Authority shall allocate credits based on
7914 the dollar amount of qualified equity investments as certified in
7915 the application. Once the Mississippi Development Authority has
7916 allocated credits to a qualified community development entity, if
7917 the corresponding qualified equity investment has not been issued
7918 as of the date of such allocation, then the corresponding
7919 qualified equity investment must be issued not later than one
7920 hundred twenty (120) days from the date of such allocation. If
7921 the qualified equity investment is not issued within such time
7922 period, the allocation shall be cancelled and returned to the
7923 Mississippi Development Authority for reallocation. Upon final
7924 documentation of the qualified low-income community investments,
7925 if the actual dollar amount of the investments is lower than the
7926 amount estimated, the Mississippi Development Authority shall
7927 adjust the tax credit allowed under this section. The Department
7928 of Revenue may recapture all of the credit allowed under this
7929 section if:

7930 (a) Any amount of federal tax credits available with
7931 respect to a qualified equity investment that is eligible for a

7932 tax credit under this section is recaptured under Section 45D of
7933 the Internal Revenue Code of 1986, as amended; or

7934 (b) The qualified community development entity redeems
7935 or makes any principal repayment with respect to a qualified
7936 equity investment prior to the seventh anniversary of the issuance
7937 of the qualified equity investment; or

7938 (c) The qualified community development entity fails to
7939 maintain at least eighty-five percent (85%) of the proceeds of the
7940 qualified equity investment in qualified low-income community
7941 investments in Mississippi at any time prior to the seventh
7942 anniversary of the issuance of the qualified equity investment.

7943 Any credits that are subject to recapture under this
7944 subsection shall be recaptured from the taxpayer that actually
7945 claimed the credit.

7946 The Mississippi Development Authority shall not allocate any
7947 credits under this section after July 1, 2021.

7948 (5) Each qualified community development entity that
7949 receives qualified equity investments to make qualified low-income
7950 community investments in Mississippi must annually report to the
7951 Mississippi Development Authority the North American Industry
7952 Classification System Code, the county, the dollars invested, the
7953 number of jobs assisted and the number of jobs assisted with wages
7954 over one hundred percent (100%) of the federal poverty level for a
7955 family of four (4) of each qualified low-income community
7956 investment.

7957 (6) The Mississippi Development Authority shall file an
7958 annual report on all qualified low-income community investments
7959 with the Governor, the Clerk of the House of Representatives, the
7960 Secretary of the Senate and the Secretary of State describing the
7961 North American Industry Classification System Code, the county,
7962 the dollars invested, the number of jobs assisted and the number
7963 of jobs assisted with wages over one hundred percent (100%) of the
7964 federal poverty level for a family of four (4) of each qualified
7965 low-income community investment. The annual report will be posted
7966 on the Mississippi Development Authority's internet website.

7967 (7) (a) The purpose of this subsection is to authorize the
7968 creation and establishment of public benefit corporations for
7969 financing arrangements regarding public property and facilities.

7970 (b) As used in this subsection:

7971 (i) "New Markets Tax Credit transaction" means any
7972 financing transaction which utilizes either this section or
7973 Section 45D of the Internal Revenue Code of 1986, as amended.

7974 (ii) "Public benefit corporation" means a
7975 nonprofit corporation formed or designated by a public entity to
7976 carry out the purposes of this subsection.

7977 (iii) "Public entity or public entities" includes
7978 utility districts, regional solid waste authorities, regional
7979 utility authorities, community hospitals, regional airport
7980 authorities, municipal airport authorities, community and junior
7981 colleges, educational building corporations established by or on
7982 behalf of the state institutions of higher learning, school

7983 districts, planning and development districts, county economic
7984 development districts, urban renewal agencies, any other regional
7985 or local economic development authority, agency or governmental
7986 entity, and any other regional or local industrial development
7987 authority, agency or governmental entity.

7988 (iv) "Public property or facilities" means any
7989 property or facilities owned or leased by a public entity or
7990 public benefit corporation.

7991 (c) Notwithstanding any other provision of law to the
7992 contrary, public entities are authorized pursuant to this
7993 subsection to create one or more public benefit corporations or
7994 designate an existing corporation as a public benefit corporation
7995 for the purpose of entering into financing agreements and engaging
7996 in New Markets Tax Credit transactions, which shall include,
7997 without limitation, arrangements to plan, acquire, renovate,
7998 construct, lease, sublease, manage, operate and/or improve new or
7999 existing public property or facilities located within the
8000 boundaries or service area of the public entity. Any financing
8001 arrangement authorized under this subsection shall further any
8002 purpose of the public entity and may include a term of up to fifty
8003 (50) years.

8004 (d) Notwithstanding any other provision of law to the
8005 contrary and in order to facilitate the acquisition, renovation,
8006 construction, leasing, subleasing, management, operating and/or
8007 improvement of new or existing public property or facilities to
8008 further any purpose of a public entity, public entities are

8009 authorized to enter into financing arrangements in order to
8010 transfer public property or facilities to and/or from public
8011 benefit corporations, including, without limitation, sales,
8012 sale-leasebacks, leases and lease-leasebacks, provided such
8013 transfer is related to any New Markets Tax Credit transaction
8014 furthering any purpose of the public entity. Any such transfer
8015 under this paragraph (d) and the public property or facilities
8016 transferred in connection therewith shall be exempted from any
8017 limitation or requirements with respect to leasing, acquiring,
8018 and/or constructing public property or facilities.

8019 (e) With respect to a New Markets Tax Credit
8020 transaction, public entities and public benefit corporations are
8021 authorized to enter into financing arrangements with any
8022 governmental, nonprofit or for-profit entity in order to leverage
8023 funds not otherwise available to public entities for the
8024 acquisition, construction and/or renovation of properties
8025 transferred to such public benefit corporations. The use of any
8026 funds loaned by or contributed by a public benefit corporation or
8027 borrowed by or otherwise made available to a public benefit
8028 corporation in such financing arrangement shall be dedicated
8029 solely to (i) the development of new properties or facilities
8030 and/or the renovation of existing properties or facilities or
8031 operation of properties or facilities, and/or (ii) the payment of
8032 costs and expenditures related to any such financing arrangements,
8033 including, but not limited to, funding any reserves required in
8034 connection therewith, the repayment of any indebtedness incurred

8035 in connection therewith, and the payment of fees and expenses
8036 incurred in connection with the closing, administration,
8037 accounting and/or compliance with respect to the New Markets Tax
8038 Credit transaction.

8039 (f) A public benefit corporation created pursuant to
8040 this subsection shall not be a political subdivision of the state
8041 but shall be a nonprofit corporation organized and governed under
8042 the provisions of the laws of this state and shall be a special
8043 purpose corporation established to facilitate New Markets Tax
8044 Credit transactions consistent with the requirements of this
8045 section.

8046 (g) Neither this subsection nor anything herein
8047 contained is or shall be construed as a restriction or limitation
8048 upon any powers which the public entity or public benefit
8049 corporation might otherwise have under any laws of this state, and
8050 this subsection is cumulative to any such powers. This subsection
8051 does and shall be construed to provide a complete additional and
8052 alternative method for the doing of the things authorized thereby
8053 and shall be regarded as supplemental and additional to powers
8054 conferred by other laws.

8055 (8) The Mississippi Development Authority shall promulgate
8056 rules and regulations to implement the provisions of this section.

8057 **SECTION 60.** Section 27-25-503, Mississippi Code of 1972, is
8058 brought forward as follows:

8059 27-25-503. (1) (a) Except as otherwise provided in this
8060 section, there is levied, to be collected as provided in this

8061 article, annual privilege taxes upon every person engaging or
8062 continuing within this state in the business of producing, or
8063 severing oil from the soil or water for sale, transport, storage,
8064 profit or for commercial use. The amount of the tax shall be
8065 measured by the value of the oil produced, and shall be levied and
8066 assessed at the rate of six percent (6%) of the value of the oil
8067 at the point of production.

8068 (b) The tax shall be levied and assessed at the rate of
8069 three percent (3%) of the value of the oil at the point of
8070 production on oil produced by an enhanced oil recovery method in
8071 which carbon dioxide is used; provided, that such carbon dioxide
8072 is transported by pipeline to the oil well site and on oil
8073 produced by any other enhanced oil recovery method approved and
8074 permitted by the State Oil and Gas Board on or after April 1,
8075 1994, pursuant to Section 53-3-101 et seq.

8076 (c) (i) The tax shall be levied and assessed at the
8077 rate of one and three-tenths percent (1.3%) of the value of the
8078 oil at the point of production on oil produced from a horizontally
8079 drilled well or from any horizontally drilled recompletion well
8080 from which production commences from and after July 1, 2013, for a
8081 period of thirty (30) months beginning on the date of first sale
8082 of production or until payout of the well cost is achieved,
8083 whichever first occurs. Thereafter, the tax shall be levied and
8084 assessed as provided for in paragraph (a) of this subsection.

8085 (ii) Payout of a horizontally drilled well or
8086 horizontally drilled recompletion well shall be deemed to have

8087 occurred the first day of the next month after gross revenues,
8088 less royalties and severance taxes, equal to the cost to drill and
8089 complete the well.

8090 (iii) Each operator must apply by letter to the
8091 State Oil and Gas Board for the reduced rate provided in this
8092 paragraph (c), and shall provide the board with the status of
8093 payout on a semiannual basis of any horizontally drilled well or
8094 horizontally drilled recompletion well by signed affidavit
8095 executed by a company representative.

8096 (iv) This paragraph (c) shall be repealed from and
8097 after July 1, 2023; however, any horizontally drilled well or
8098 horizontally drilled recompletion well from which production
8099 commences before July 1, 2023, shall be taxed as provided for in
8100 this paragraph (c) notwithstanding that the repeal of this
8101 paragraph (c) has become effective.

8102 (2) The tax is levied upon the entire production in this
8103 state regardless of the place of sale or to whom sold, or by whom
8104 used, or the fact that the delivery may be made to points outside
8105 the state, and the tax shall accrue at the time the oil is severed
8106 from the soil, or water, and in its natural, unrefined or
8107 unmanufactured state.

8108 (3) (a) Oil produced from a discovery well for which
8109 drilling or re-entry commenced on or after April 1, 1994, but
8110 before July 1, 1999, shall be exempt from the taxes levied under
8111 this section for a period of five (5) years beginning on the date
8112 of first sale of production from such well, provided that the

8113 average monthly sales price of such oil does not exceed
8114 Twenty-five Dollars (\$25.00) per barrel. The exemption for oil
8115 produced from a discovery well as described in this paragraph (a)
8116 shall be repealed from and after July 1, 2003, provided that any
8117 such production for which a permit was granted by the board before
8118 July 1, 2003, shall be exempt for an entire period of five (5)
8119 years, notwithstanding that the repeal of this provision has
8120 become effective. Oil produced from development wells or
8121 replacement wells drilled in connection with discovery wells for
8122 which drilling commenced on or after January 1, 1994, but before
8123 July 1, 1999, shall be assessed at the rate of three percent (3%)
8124 of the value of the oil at the point of production for a period of
8125 three (3) years. The reduced rate of assessment of oil produced
8126 from development wells or replacement wells as described in this
8127 paragraph (a) shall be repealed from and after January 1, 2003,
8128 provided that any such production for which drilling commenced
8129 before January 1, 2003, shall be assessed at the reduced rate for
8130 an entire period of three (3) years, notwithstanding that the
8131 repeal of this provision has become effective.

8132 (b) Oil produced from a discovery well for which
8133 drilling or re-entry commenced on or after July 1, 1999, shall be
8134 assessed at the rate of three percent (3%) of the value of the oil
8135 at the point of production for a period of five (5) years
8136 beginning on the date of first sale of production from such well,
8137 provided that the average monthly sales price of such oil does not
8138 exceed Twenty Dollars (\$20.00) per barrel. The reduced rate of

8139 assessment of oil produced from a discovery well as described in
8140 this paragraph (b) shall be repealed from and after July 1, 2003,
8141 provided that any such production for which a permit was granted
8142 by the board before July 1, 2003, shall be assessed at the reduced
8143 rate for an entire period of five (5) years, notwithstanding that
8144 the repeal of this provision has become effective. Oil produced
8145 from development wells or replacement wells drilled in connection
8146 with discovery wells for which drilling commenced on or after July
8147 1, 1999, shall be assessed at the rate of three percent (3%) of
8148 the value of the oil at the point of production for a period of
8149 three (3) years. The reduced rate of assessment of oil produced
8150 from development wells or replacement wells as described in this
8151 paragraph (b) shall be repealed from and after January 1, 2003,
8152 provided that any such production for which drilling commenced
8153 before July 1, 2003, shall be assessed at the reduced rate for an
8154 entire period of three (3) years, notwithstanding that the repeal
8155 of this provision has become effective.

8156 (4) (a) Oil produced from a development well for which
8157 drilling commenced on or after April 1, 1994, but before July 1,
8158 1999, and for which three-dimensional seismic was utilized in
8159 connection with the drilling of such well shall be assessed at the
8160 rate of three percent (3%) of the value of the oil at the point of
8161 production for a period of five (5) years, provided that the
8162 average monthly sales price of such oil does not exceed
8163 Twenty-five Dollars (\$25.00) per barrel. The reduced rate of
8164 assessment of oil produced from a development well as described in

8165 this paragraph (a) and for which three-dimensional seismic was
8166 utilized shall be repealed from and after July 1, 2003, provided
8167 that any such production for which a permit was granted by the
8168 board before July 1, 2003, shall be assessed at the reduced rate
8169 for an entire period of five (5) years, notwithstanding that the
8170 repeal of this provision has become effective.

8171 (b) Oil produced from a development well for which
8172 drilling commenced on or after July 1, 1999, and for which
8173 three-dimensional seismic was utilized in connection with the
8174 drilling of such well shall be assessed at the rate of three
8175 percent (3%) of the value of the oil at the point of production
8176 for a period of five (5) years, provided that the average monthly
8177 sales price of such oil does not exceed Twenty Dollars (\$20.00)
8178 per barrel. The reduced rate of assessment of oil produced from a
8179 development well as described in this paragraph (b) and for which
8180 three-dimensional seismic was utilized shall be repealed from and
8181 after July 1, 2003, provided that any such production for which a
8182 permit was granted by the board before July 1, 2003, shall be
8183 assessed at the reduced rate for an entire period of five (5)
8184 years, notwithstanding that the repeal of this provision has
8185 become effective.

8186 (5) (a) Oil produced before July 1, 1999, from a two-year
8187 inactive well as defined in Section 27-25-501 shall be exempt from
8188 the taxes levied under this section for a period of three (3)
8189 years beginning on the date of first sale of production from such
8190 well, provided that the average monthly sales price of such oil

8191 does not exceed Twenty-five Dollars (\$25.00) per barrel. The
8192 exemption for oil produced from an inactive well shall be repealed
8193 from and after July 1, 2003, provided that any such production
8194 which began before July 1, 2003, shall be exempt for an entire
8195 period of three (3) years, notwithstanding that the repeal of this
8196 provision has become effective.

8197 (b) Oil produced on or after July 1, 1999, from a
8198 two-year inactive well as defined in Section 27-25-501 shall be
8199 exempt from the taxes levied under this section for a period of
8200 three (3) years beginning on the date of first sale of production
8201 from such well, provided that the average monthly sales price of
8202 such oil does not exceed Twenty Dollars (\$20.00) per barrel. The
8203 exemption for oil produced from an inactive well shall be repealed
8204 from and after July 1, 2003, provided that any such production
8205 which began before July 1, 2003, shall be exempt for an entire
8206 period of three (3) years, notwithstanding that the repeal of this
8207 provision has become effective.

8208 (6) [Repealed]

8209 (7) The State Oil and Gas Board shall have the exclusive
8210 authority to determine the qualification of wells defined in
8211 paragraphs (n) through (t) of Section 27-25-501.

8212 **SECTION 61.** Section 27-25-505, Mississippi Code of 1972, is
8213 brought forward as follows:

8214 **[With regard to any county which is exempt from the**
8215 **provisions of Section 19-2-3, this section shall read as follows:]**

8216 27-25-505. (1) All taxes levied in this article and
8217 collected by the Department of Revenue shall be paid into the
8218 State Treasury on the same day collected.

8219 (2) Except as otherwise provided in this section, the
8220 commissioner shall apportion all the tax collections made pursuant
8221 to this article to the state and to the county in which the oil
8222 was produced, in accordance with the following schedule and so
8223 certify such apportionment to the State Treasurer at the end of
8224 each month:

8225 On the first Six Hundred Thousand Dollars (\$600,000.00) or
8226 any part thereof, sixty-six and two-thirds percent (66-2/3%) to
8227 the state and thirty-three and one-third percent (33-1/3%) to the
8228 county.

8229 Above and exceeding Six Hundred Thousand Dollars
8230 (\$600,000.00), or any part thereof, ninety percent (90%) to the
8231 state and ten percent (10%) to the county through June 30, 1989;
8232 eighty-five percent (85%) to the state and fifteen percent (15%)
8233 to the county from July 1, 1989, through June 30, 1990; eighty
8234 percent (80%) to the state and twenty percent (20%) to the county
8235 from July 1, 1990, through June 30, 2015; seventy-nine percent
8236 (79%) to the state and twenty-one percent (21%) to the county from
8237 July 1, 2015, through June 30, 2016; seventy-eight percent (78%)
8238 to the state and twenty-two percent (22%) to the county from July
8239 1, 2016, through June 30, 2017; seventy-seven percent (77%) to the
8240 state and twenty-three percent (23%) to the county from July 1,
8241 2017, through June 30, 2018; seventy-six percent (76%) to the

8242 state and twenty-four percent (24%) to the county from July 1,
8243 2018, through June 30, 2019; and seventy-four percent (74%) to the
8244 state and twenty-six percent (26%) to the county for each fiscal
8245 year thereafter.

8246 (3) The state's share of all oil severance taxes collected
8247 pursuant to this article shall be deposited as provided for in
8248 Section 27-25-506.

8249 (4) The commissioner shall apportion all the tax collections
8250 made pursuant to Section 27-25-503(1)(c) to the county in which
8251 the oil was produced.

8252 (5) The State Treasurer shall remit the county's share of
8253 taxes collected pursuant to this article on or before the
8254 twentieth day of the month next succeeding the month in which the
8255 collections were made, for division among the municipalities and
8256 taxing districts of the county. He shall accompany his remittance
8257 with a report to the county receiving the funds prepared by the
8258 commissioner showing from whom the tax was collected. Upon
8259 receipt of the funds, the board of supervisors of the county shall
8260 allocate the funds to the municipalities and to the various
8261 maintenance and bond and interest funds of the county, school
8262 districts, supervisors districts and road districts, as provided
8263 in this subsection.

8264 (6) Except as provided in subsection (8) of this section,
8265 when there are any oil producing properties within the corporate
8266 limits of any municipality, then the municipality shall
8267 participate in the division of the tax returned to the county in

8268 which the municipality is located, in the proportion which the tax
8269 on production of oil from any properties located within the
8270 municipal corporate limits bears to the tax on the total
8271 production of oil in the county. In no event, however, shall the
8272 amount allocated to municipalities exceed one-third (1/3) of the
8273 tax produced in the municipality and returned to the county. Any
8274 amount received by any municipality as a result of the allocation
8275 provided for in this subsection shall be used only for such
8276 purposes as are authorized by law.

8277 (7) Except as provided in subsection (8) of this section,
8278 the balance remaining of any amount of tax returned to the county
8279 after the allocation to municipalities shall be divided among the
8280 various maintenance and bond interest funds of the county, school
8281 districts, supervisors districts and road districts, in the
8282 discretion of the board of supervisors, and the board shall make
8283 the division in consideration of the needs of the various taxing
8284 districts. The funds so allocated shall be used only for purposes
8285 as are authorized by law.

8286 (8) Any amount above and exceeding Six Hundred Thousand
8287 Dollars (\$600,000.00) that is remitted to the county that is more
8288 than twenty percent (20%) of the taxes above and exceeding Six
8289 Hundred Thousand Dollars (\$600,000.00) collected on oil produced
8290 in the county, shall be utilized by the county for infrastructure
8291 repairs.

8292 **[With regard to any county which is required to operate on a**
8293 **countywide system of road administration as described in Section**
8294 **19-2-3, this section shall read as follows:]**

8295 27-25-505. (1) All taxes levied in this article and
8296 collected by the Department of Revenue shall be paid into the
8297 State Treasury on the same day collected.

8298 (2) Except as otherwise provided in this section, the
8299 commissioner shall apportion all the tax collections made pursuant
8300 to this article to the state and to the county in which the oil
8301 was produced, in accordance with the following schedule and so
8302 certify such apportionment to the State Treasurer at the end of
8303 each month:

8304 On the first Six Hundred Thousand Dollars (\$600,000.00) or
8305 any part thereof, sixty-six and two-thirds percent (66-2/3%) to
8306 the state and thirty-three and one-third percent (33-1/3%) to the
8307 county.

8308 Above and exceeding Six Hundred Thousand Dollars
8309 (\$600,000.00), or any part thereof, ninety percent (90%) to the
8310 state and ten percent (10%) to the county through June 30, 1989;
8311 eighty-five percent (85%) to the state and fifteen percent (15%)
8312 to the county from July 1, 1989, through June 30, 1990; eighty
8313 percent (80%) to the state and twenty percent (20%) to the county
8314 from July 1, 1990, through June 30, 2015; seventy-nine percent
8315 (79%) to the state and twenty-one percent (21%) to the county from
8316 July 1, 2015, through June 30, 2016; seventy-eight percent (78%)
8317 to the state and twenty-two percent (22%) to the county from July

8318 1, 2016, through June 30, 2017; seventy-seven percent (77%) to the
8319 state and twenty-three percent (23%) to the county from July 1,
8320 2017, through June 30, 2018; seventy-six percent (76%) to the
8321 state and twenty-four percent (24%) to the county from July 1,
8322 2018, through June 30, 2019; and seventy-four percent (74%) to the
8323 state and twenty-six percent (26%) to the county for each fiscal
8324 year thereafter.

8325 (3) The state's share of all oil severance taxes collected
8326 pursuant to this article shall be deposited as provided for in
8327 Section 27-25-506.

8328 (4) The commissioner shall apportion all the tax collections
8329 made pursuant to the tax levied in Section 27-25-503(1)(c) to the
8330 county in which the oil was produced.

8331 (5) The State Treasurer shall remit the county's share of
8332 the taxes collected pursuant to this article on or before the
8333 twentieth day of the month next succeeding the month in which the
8334 collections were made, for division among the municipalities and
8335 taxing districts of the county. He shall accompany his remittance
8336 with a report to the county receiving the funds prepared by the
8337 commissioner showing from whom the tax was collected. Upon
8338 receipt of the funds, the board of supervisors of the county shall
8339 allocate the funds to the municipalities and to the various
8340 maintenance and bond and interest funds of the county and school
8341 districts, as provided in this subsection.

8342 (6) Except as provided in subsection (8) of this section,
8343 when there are any oil producing properties within the corporate

8344 limits of any municipality, then the municipality shall
8345 participate in the division of the tax returned to the county in
8346 which the municipality is located, in the proportion which the tax
8347 on production of oil from any properties located within the
8348 municipal corporate limits bears to the tax on the total
8349 production of oil in the county. In no event, however, shall the
8350 amount allocated to municipalities exceed one-third (1/3) of the
8351 tax produced in the municipality and returned to the county. Any
8352 amount received by any municipality as a result of the allocation
8353 provided in this subsection shall be used only for such purposes
8354 as are authorized by law.

8355 (7) Except as provided in subsection (8) of this section,
8356 the balance remaining of any amount of tax returned to the county
8357 after the allocation to municipalities shall be divided among the
8358 various maintenance and bond interest funds of the county and
8359 school districts, in the discretion of the board of supervisors,
8360 and the board shall make the division in consideration of the
8361 needs of the various taxing districts. The funds so allocated
8362 shall be used only for purposes as are authorized by law.

8363 (8) Any amount above and exceeding Six Hundred Thousand
8364 Dollars (\$600,000.00) that is remitted to the county that is more
8365 than twenty percent (20%) of the taxes above and exceeding Six
8366 Hundred Thousand Dollars (\$600,000.00) collected on oil produced
8367 in the county, shall be utilized by the county for infrastructure
8368 repairs.

8369 SECTION 62. Section 27-25-703, Mississippi Code of 1972, is
8370 brought forward as follows:

8371 27-25-703. (1) (a) Except as otherwise provided in this
8372 section, there is hereby levied, to be collected as provided in
8373 this article, annual privilege taxes upon every person engaging or
8374 continuing within this state in the business of producing, or
8375 severing gas from below the soil or water for sale, transport,
8376 storage, profit or for commercial use. The amount of the tax
8377 shall be measured by the value of the gas produced and shall be
8378 levied and assessed at a rate of six percent (6%) of the value of
8379 the gas at the point of production, except as otherwise provided
8380 in subsection (4) of this section.

8381 (b) (i) The tax shall be levied and assessed at the
8382 rate of one and three-tenths percent (1.3%) of the value of the
8383 gas at the point of production on gas produced from a horizontally
8384 drilled well or from any horizontally drilled recompletion well
8385 from which production commences from and after July 1, 2013, for a
8386 period of thirty (30) months beginning on the date of first sale
8387 of production or until payout of the well cost is achieved,
8388 whichever first occurs. Thereafter, the tax shall be levied and
8389 assessed as provided for in paragraph (a) of this subsection.

8390 (ii) Payout of a horizontally drilled well or
8391 horizontally drilled recompletion well shall be deemed to have
8392 occurred the first day of the next month after gross revenues,
8393 less royalties and severance taxes, equal to the cost to drill and
8394 complete the well.

8395 (iii) Each operator must apply by letter to the
8396 State Oil and Gas Board for the reduced rate provided in this
8397 paragraph (b), and shall provide the board with the status of
8398 payout on a semiannual basis of any horizontally drilled well or
8399 horizontally drilled recompletion well by signed affidavit
8400 executed by a company representative.

8401 (iv) This paragraph (b) shall be repealed from and
8402 after July 1, 2023; however, any horizontally drilled well or
8403 horizontally drilled recompletion well from which production
8404 commences before July 1, 2023, shall be taxed as provided for in
8405 this paragraph (b) notwithstanding that the repeal of this
8406 paragraph (b) has become effective.

8407 (2) The tax is levied upon the entire production in this
8408 state, regardless of the place of sale or to whom sold or by whom
8409 used, or the fact that the delivery may be made to points outside
8410 the state, but not levied upon that gas, lawfully injected into
8411 the earth for cycling, repressuring, lifting or enhancing the
8412 recovery of oil, nor upon gas lawfully vented or flared in
8413 connection with the production of oil, nor upon gas condensed into
8414 liquids on which the oil severance tax of six percent (6%) is
8415 paid; however, if any gas so injected into the earth is sold for
8416 such purposes, then the gas so sold shall not be excluded in
8417 computing the tax. The tax shall accrue at the time the gas is
8418 produced or severed from the soil or water, and in its natural,
8419 unrefined or unmanufactured state.

8420 (3) Natural gas and condensate produced from any wells for
8421 which drilling is commenced after March 15, 1987, and before July
8422 1, 1990, shall be exempt from the tax levied under this section
8423 for a period of two (2) years beginning on the date of first sale
8424 of production from such wells.

8425 (4) (a) Any well which begins commercial production of
8426 occluded natural gas from coal seams on or after March 20, 1990,
8427 and before July 1, 1993, shall be taxed at the rate of three and
8428 one-half percent (3-1/2%) of the gross value of the occluded
8429 natural gas from coal seams at the point of production for a
8430 period of five (5) years after such well begins production.

8431 (b) Any well which begins commercial production of
8432 occluded natural gas from coal seams on or after July 1, 2004, and
8433 before July 1, 2007, shall be taxed at the rate of three percent
8434 (3%) of the gross value of the occluded natural gas from coal
8435 seams at the point of production for a period of five (5) years
8436 beginning on the date of the first sale of production from such
8437 well.

8438 (5) (a) Natural gas produced from discovery wells for which
8439 drilling or re-entry commenced on or after April 1, 1994, but
8440 before July 1, 1999, shall be exempt from the tax levied under
8441 this section for a period of five (5) years beginning on the
8442 earlier of one (1) year from completion of the well or the date of
8443 first sale from such well, provided that the average monthly sales
8444 price of such gas does not exceed Three Dollars and Fifty Cents
8445 (\$3.50) per one thousand (1,000) cubic feet. The exemption for

8446 natural gas produced from discovery wells as described in this
8447 paragraph (a) shall be repealed from and after July 1, 2003,
8448 provided that any such production for which a permit was granted
8449 by the board before July 1, 2003, shall be exempt for an entire
8450 period of five (5) years, notwithstanding that the repeal of this
8451 provision has become effective. Natural gas produced from
8452 development wells or replacement wells drilled in connection with
8453 discovery wells for which drilling commenced on or after January
8454 1, 1994, shall be assessed at a rate of three percent (3%) of the
8455 value thereof at the point of production for a period of three (3)
8456 years. The reduced rate of assessment of natural gas produced
8457 from development wells or replacement wells as described in this
8458 paragraph (a) shall be repealed from and after January 1, 2003,
8459 provided that any such production for which drilling commenced
8460 before January 1, 2003, shall be assessed at the reduced rate for
8461 an entire period of three (3) years, notwithstanding that the
8462 repeal of this provision has become effective.

8463 (b) Natural gas produced from discovery wells for which
8464 drilling or re-entry commenced on or after July 1, 1999, shall be
8465 assessed at a rate of three percent (3%) of the value thereof at
8466 the point of production for a period of five (5) years beginning
8467 on the earlier of one (1) year from completion of the well or the
8468 date of first sale from such well, provided that the average
8469 monthly sales price of such gas does not exceed Two Dollars and
8470 Fifty Cents (\$2.50) per one thousand (1,000) cubic feet. The
8471 reduced rate of assessment of natural gas produced from discovery

8472 wells as described in this paragraph (b) shall be repealed from
8473 and after July 1, 2003, provided that any such production for
8474 which a permit was granted by the board before July 1, 2003, shall
8475 be assessed at the reduced rate for an entire period of five (5)
8476 years, notwithstanding that the repeal of this provision has
8477 become effective. Natural gas produced from development wells or
8478 replacement wells drilled in connection with discovery wells for
8479 which drilling commenced on or after July 1, 1999, shall be
8480 assessed at a rate of three percent (3%) of the value thereof at
8481 the point of production for a period of three (3) years. The
8482 reduced rate of assessment of natural gas produced from
8483 development wells or replacement wells as described in this
8484 paragraph (b) shall be repealed from and after January 1, 2003,
8485 provided that any such production for which drilling commenced
8486 before January 1, 2003, shall be assessed at the reduced rate for
8487 an entire period of three (3) years, notwithstanding that the
8488 repeal of this provision has become effective.

8489 (6) (a) Gas produced from a development well for which
8490 drilling commenced on or after April 1, 1994, but before July 1,
8491 1999, and for which three-dimensional seismic was utilized in
8492 connection with the drilling of such well, shall be assessed at a
8493 rate of three percent (3%) of the value of the gas at the point of
8494 production for a period of five (5) years, provided that the
8495 average monthly sales price of such gas does not exceed Three
8496 Dollars and Fifty Cents (\$3.50) per one thousand (1,000) cubic
8497 feet. The reduced rate of assessment of gas produced from a

8498 development well as described in this subsection and for which
8499 three-dimensional seismic was utilized shall be repealed from and
8500 after July 1, 2003, provided that any such production for which a
8501 permit was granted by the board before July 1, 2003, shall be
8502 assessed at the reduced rate for an entire period of five (5)
8503 years, notwithstanding that the repeal of this provision has
8504 become effective.

8505 (b) Gas produced from a development well for which
8506 drilling commenced on or after July 1, 1999, and for which
8507 three-dimensional seismic was utilized in connection with the
8508 drilling of such well, shall be assessed at a rate of three
8509 percent (3%) of the value of the gas at the point of production
8510 for a period of five (5) years, provided that the average monthly
8511 sales price of such gas does not exceed Two Dollars and Fifty
8512 Cents (\$2.50) per one thousand (1,000) cubic feet. The reduced
8513 rate of assessment of gas produced from a development well as
8514 described in this paragraph (b) and for which three-dimensional
8515 seismic was utilized shall be repealed from and after July 1,
8516 2003, provided that any such production for which a permit was
8517 granted by the board before July 1, 2003, shall be assessed at the
8518 reduced rate for an entire period of five (5) years,
8519 notwithstanding that the repeal of this provision has become
8520 effective.

8521 (7) (a) Natural gas produced before July 1, 1999, from a
8522 two-year inactive well as defined in Section 27-25-701 shall be
8523 exempt from the taxes levied under this section for a period of

8524 three (3) years beginning on the date of first sale of production
8525 from such well, provided that the average monthly sales price of
8526 such gas does not exceed Three Dollars and Fifty Cents (\$3.50) per
8527 one thousand (1,000) cubic feet. The exemption for natural gas
8528 produced from an inactive well as described in this subsection
8529 shall be repealed from and after July 1, 2003, provided that any
8530 such production which began before July 1, 2003, shall be exempt
8531 for an entire period of three (3) years, notwithstanding that the
8532 repeal of this provision has become effective.

8533 (b) Natural gas produced on or after July 1, 1999, from
8534 a two-year inactive well as defined in Section 27-25-701 shall be
8535 exempt from the taxes levied under this section for a period of
8536 three (3) years beginning on the date of first sale of production
8537 from such well, provided that the average monthly sales price of
8538 such gas does not exceed Two Dollars and Fifty Cents (\$2.50) per
8539 one thousand (1,000) cubic feet. The exemption for natural gas
8540 produced from an inactive well as described in this paragraph (b)
8541 shall be repealed from and after July 1, 2003, provided that any
8542 such production which began before July 1, 2003, shall be exempt
8543 for an entire period of three (3) years, notwithstanding that the
8544 repeal of this provision has become effective.

8545 (8) The State Oil and Gas Board shall have the exclusive
8546 authority to determine the qualification of wells defined in
8547 paragraphs (n) through (t) of Section 27-25-701.

8548 **SECTION 63.** Section 27-25-705, Mississippi Code of 1972, is
8549 brought forward as follows:

8550 **[With regard to any county which is exempt from the**
8551 **provisions of Section 19-2-3, this section shall read as follows:]**

8552 27-25-705. (1) All taxes levied in this article and
8553 collected by the department shall be paid into the State Treasury
8554 on the same day in which the taxes are collected.

8555 (2) Except as otherwise provided in this section, the
8556 commissioner shall apportion all the tax collections made pursuant
8557 to this article to the state and to the county in which the gas
8558 was produced, in the proportion of sixty-six and two-thirds
8559 percent (66-2/3%) to the state and thirty-three and one-third
8560 percent (33-1/3%) to the county.

8561 (3) The commissioner shall apportion all the tax collections
8562 made pursuant to Section 27-25-703(1)(b) to the county in which
8563 the gas is produced.

8564 (4) When the producer of gas subject to the tax levied in
8565 this article increases the price of the gas sold and such increase
8566 is subject to approval by a federal regulatory board or
8567 commission, and when the producer of the gas so requests, the
8568 State Treasurer is hereby authorized to hold the severance tax
8569 collected on the price increase in escrow until such time as the
8570 price increase or a portion thereof is finally granted or
8571 approved. The severance tax thus held in escrow shall be
8572 deposited by the State Treasurer to an account in a state
8573 depository to be invested in an interest-bearing account in the
8574 manner provided by law. When the price increase in question or a
8575 portion thereof is granted or approved, the commissioner shall

8576 compute the correct severance tax due on the increase and certify
8577 the amount of tax thus computed. This amount and interest earned
8578 from the depository shall be distributed to the General Fund and
8579 to the county or counties proportionately as provided in this
8580 subsection. The balance, if any, of the tax and interest held in
8581 escrow on the price increase shall be returned to the taxpayer.

8582 (5) The state's share of all gas severance taxes collected
8583 pursuant to this section shall be deposited as provided for in
8584 Section 27-25-506.

8585 (6) The commissioner shall certify at the end of each month
8586 the apportionment to each county to the State Treasurer, who shall
8587 remit the county's share of the funds on or before the twentieth
8588 day of the month next succeeding the month in which the
8589 collections were made for division among the municipalities and
8590 taxing districts of the county. The commissioner shall submit a
8591 report to the State Treasurer for distribution to each county
8592 receiving the funds showing from whom the tax and interest, if
8593 any, were collected. Upon receipt of the funds, the board of
8594 supervisors of the county shall allocate the funds to the
8595 municipalities and to the various maintenance and bond and
8596 interest funds of the county, school districts, supervisors
8597 districts and road districts, as provided in this subsection.

8598 When there are any gas producing properties within the
8599 corporate limits of any municipality, then the municipality shall
8600 participate in the division of the tax and interest, if any,
8601 returned to the county in which the municipality is located in the

8602 proportion which the tax on production of gas from properties
8603 located within the municipal corporate limits bears to the tax on
8604 total production of gas in the county. In no event, however,
8605 shall the amount allocated to the municipalities exceed one-third
8606 (1/3) of the tax and interest produced in the municipality and
8607 returned to the county. Any amount received by any municipality
8608 as a result of the allocation provided for in this subsection
8609 shall be used for such purposes as are authorized by law.

8610 The balance remaining of any funds returned to the county
8611 after the allocation to municipalities shall be divided among the
8612 various maintenance and bond and interest funds of the county,
8613 school districts, supervisors districts and road districts, in the
8614 discretion of the board of supervisors, and the board shall make
8615 the division in consideration of the needs of the various taxing
8616 districts. The funds so allocated shall be used only for such
8617 purposes as are authorized by law.

8618 **[With regard to any county which is required to operate on a**
8619 **countywide system of road administration as described in Section**
8620 **19-2-3, this section shall read as follows:]**

8621 27-25-705. (1) All taxes herein levied in this article and
8622 collected by the department shall be paid into the State Treasury
8623 on the same day in which the taxes are collected.

8624 (2) Except as otherwise provided in this section, the
8625 commissioner shall apportion all the tax collections made pursuant
8626 to this article to the state and to the county in which the gas
8627 was produced, in the proportion of sixty-six and two-thirds

8628 percent (66-2/3%) to the state and thirty-three and one-third
8629 percent (33-1/3%) to the county.

8630 (3) The commissioner shall apportion all the tax collections
8631 made pursuant to Section 27-25-703(1)(b) to the county in which
8632 the gas is produced.

8633 (4) When the producer of gas subject to the tax levied in
8634 this article increases the price of the gas sold and the increase
8635 is subject to approval by a federal regulatory board or
8636 commission, and when the producer of the gas so requests, the
8637 State Treasurer is hereby authorized to hold the severance tax
8638 collected on the price increase in escrow until such time as the
8639 price increase or a portion thereof is finally granted or
8640 approved. The severance tax thus held in escrow shall be
8641 deposited by the State Treasurer to an account in a state
8642 depository to be invested in an interest-bearing account in the
8643 manner provided by law. When the price increase in question or a
8644 portion thereof is granted or approved, the commissioner shall
8645 compute the correct severance tax due on the increase and certify
8646 the amount of tax thus computed. This amount and interest earned
8647 from the depository shall be distributed to the General Fund and
8648 to the county or counties proportionately as provided in this
8649 subsection. The balance, if any, of the tax and interest held in
8650 escrow on the price increase shall be returned to the taxpayer.

8651 (5) The state's share of all gas severance taxes collected
8652 pursuant to this section shall be deposited as provided for in
8653 Section 27-25-506.

8654 (6) The commissioner shall certify at the end of each month
8655 the apportionment to each county to the State Treasurer, who shall
8656 remit the county's share of the funds on or before the twentieth
8657 day of the month next succeeding the month in which the
8658 collections were made for division among the municipalities and
8659 taxing districts of the county. The commissioner shall submit a
8660 report to the State Treasurer for distribution to each county
8661 receiving the funds showing from whom the tax and interest, if
8662 any, were collected. Upon receipt of the funds, the board of
8663 supervisors of the county shall allocate the funds to the
8664 municipalities and to the various maintenance and bond and
8665 interest funds of the county and school districts, as provided in
8666 this subsection.

8667 When there are any gas producing properties within the
8668 corporate limits of any municipality, then the municipality shall
8669 participate in the division of the tax and interest, if any,
8670 returned to the county in which the municipality is located in the
8671 proportion which the tax on production of gas from properties
8672 located within the municipal corporate limits bears to the tax on
8673 total production of gas in the county. In no event, however,
8674 shall the amount allocated to the municipalities exceed one-third
8675 (1/3) of the tax and interest produced in the municipality and
8676 returned to the county. Any amount received by any municipality
8677 as a result of the allocation provided for in this subsection
8678 shall be used for such purposes as are authorized by law.

8679 The balance remaining of any funds returned to the county
8680 after the allocation to municipalities shall be divided among the
8681 various maintenance and bond and interest funds of the county and
8682 school districts, in the discretion of the board of supervisors,
8683 and the board shall make the division in consideration of the
8684 needs of the various taxing districts. The funds so allocated
8685 shall be used only for such purposes as are authorized by law.

8686 **SECTION 64.** Section 27-65-101, Mississippi Code of 1972, is
8687 brought forward as follows:

8688 27-65-101. (1) The exemptions from the provisions of this
8689 chapter which are of an industrial nature or which are more
8690 properly classified as industrial exemptions than any other
8691 exemption classification of this chapter shall be confined to
8692 those persons or property exempted by this section or by the
8693 provisions of the Constitution of the United States or the State
8694 of Mississippi. No industrial exemption as now provided by any
8695 other section except Section 57-3-33 shall be valid as against the
8696 tax herein levied. Any subsequent industrial exemption from the
8697 tax levied hereunder shall be provided by amendment to this
8698 section. No exemption provided in this section shall apply to
8699 taxes levied by Section 27-65-15 or 27-65-21.

8700 The tax levied by this chapter shall not apply to the
8701 following:

8702 (a) Sales of boxes, crates, cartons, cans, bottles and
8703 other packaging materials to manufacturers and wholesalers for use
8704 as containers or shipping materials to accompany goods sold by

8705 said manufacturers or wholesalers where possession thereof will
8706 pass to the customer at the time of sale of the goods contained
8707 therein and sales to anyone of containers or shipping materials
8708 for use in ships engaged in international commerce.

8709 (b) Sales of raw materials, catalysts, processing
8710 chemicals, welding gases or other industrial processing gases
8711 (except natural gas) to a manufacturer for use directly in
8712 manufacturing or processing a product for sale or rental or
8713 repairing or reconditioning vessels or barges of fifty (50) tons
8714 load displacement and over. For the purposes of this exemption,
8715 electricity used directly in the electrolysis process in the
8716 production of sodium chlorate shall be considered a raw material.
8717 This exemption shall not apply to any property used as fuel except
8718 to the extent that such fuel comprises by-products which have no
8719 market value.

8720 (c) The gross proceeds of sales of dry docks, offshore
8721 drilling equipment for use in oil or natural gas exploration or
8722 production, vessels or barges of fifty (50) tons load displacement
8723 and over, when the vessels or barges are sold by the manufacturer
8724 or builder thereof. In addition to other types of equipment,
8725 offshore drilling equipment for use in oil or natural gas
8726 exploration or production shall include aircraft used
8727 predominately to transport passengers or property to or from
8728 offshore oil or natural gas exploration or production platforms or
8729 vessels, and engines, accessories and spare parts for such
8730 aircraft.

8731 (d) Sales to commercial fishermen of commercial fishing
8732 boats of over five (5) tons load displacement and not more than
8733 fifty (50) tons load displacement as registered with the United
8734 States Coast Guard and licensed by the Mississippi Commission on
8735 Marine Resources.

8736 (e) The gross income from repairs to vessels and barges
8737 engaged in foreign trade or interstate transportation.

8738 (f) Sales of petroleum products to vessels or barges
8739 for consumption in marine international commerce or interstate
8740 transportation businesses.

8741 (g) Sales and rentals of rail rolling stock (and
8742 component parts thereof) for ultimate use in interstate commerce
8743 and gross income from services with respect to manufacturing,
8744 repairing, cleaning, altering, reconditioning or improving such
8745 rail rolling stock (and component parts thereof).

8746 (h) Sales of raw materials, catalysts, processing
8747 chemicals, welding gases or other industrial processing gases
8748 (except natural gas) used or consumed directly in manufacturing,
8749 repairing, cleaning, altering, reconditioning or improving such
8750 rail rolling stock (and component parts thereof). This exemption
8751 shall not apply to any property used as fuel.

8752 (i) Sales of machinery or tools or repair parts
8753 therefor or replacements thereof, fuel or supplies used directly
8754 in manufacturing, converting or repairing ships, vessels or barges
8755 of three thousand (3,000) tons load displacement and over, but not
8756 to include office and plant supplies or other equipment not

8757 directly used on the ship, vessel or barge being built, converted
8758 or repaired. For purposes of this exemption, "ships, vessels or
8759 barges" shall not include floating structures described in Section
8760 27-65-18.

8761 (j) Sales of tangible personal property to persons
8762 operating ships in international commerce for use or consumption
8763 on board such ships. This exemption shall be limited to cases in
8764 which procedures satisfactory to the commissioner, ensuring
8765 against use in this state other than on such ships, are
8766 established.

8767 (k) Sales of materials used in the construction of a
8768 building, or any addition or improvement thereon, and sales of any
8769 machinery and equipment not later than three (3) months after the
8770 completion of construction of the building, or any addition
8771 thereon, to be used therein, to qualified businesses, as defined
8772 in Section 57-51-5, which are located in a county or portion
8773 thereof designated as an enterprise zone pursuant to Sections
8774 57-51-1 through 57-51-15.

8775 (l) Sales of materials used in the construction of a
8776 building, or any addition or improvement thereon, and sales of any
8777 machinery and equipment not later than three (3) months after the
8778 completion of construction of the building, or any addition
8779 thereon, to be used therein, to qualified businesses, as defined
8780 in Section 57-54-5.

8781 (m) Income from storage and handling of perishable
8782 goods by a public storage warehouse.

8783 (n) The value of natural gas lawfully injected into the
8784 earth for cycling, repressuring or lifting of oil, or lawfully
8785 vented or flared in connection with the production of oil;
8786 however, if any gas so injected into the earth is sold for such
8787 purposes, then the gas so sold shall not be exempt.

8788 (o) The gross collections from self-service commercial
8789 laundering, drying, cleaning and pressing equipment.

8790 (p) Sales of materials used in the construction of a
8791 building, or any addition or improvement thereon, and sales of any
8792 machinery and equipment not later than three (3) months after the
8793 completion of construction of the building, or any addition
8794 thereon, to be used therein, to qualified companies, certified as
8795 such by the Mississippi Development Authority under Section
8796 57-53-1.

8797 (q) Sales of component materials used in the
8798 construction of a building, or any addition or improvement
8799 thereon, sales of machinery and equipment to be used therein, and
8800 sales of manufacturing or processing machinery and equipment which
8801 is permanently attached to the ground or to a permanent foundation
8802 and which is not by its nature intended to be housed within a
8803 building structure, not later than three (3) months after the
8804 initial start-up date, to permanent business enterprises engaging
8805 in manufacturing or processing in Tier Three areas (as such term
8806 is defined in Section 57-73-21), which businesses are certified by
8807 the Department of Revenue as being eligible for the exemption
8808 granted in this paragraph (q).

8809 (r) (i) Sales of component materials used in the
8810 construction of a building, or any addition or improvement
8811 thereon, and sales of any machinery and equipment not later than
8812 three (3) months after the completion of the building, addition or
8813 improvement thereon, to be used therein, for any company
8814 establishing or transferring its national or regional headquarters
8815 from within or outside the State of Mississippi and creating a
8816 minimum of twenty (20) jobs at the new headquarters in this state.
8817 The Department of Revenue shall establish criteria and prescribe
8818 procedures to determine if a company qualifies as a national or
8819 regional headquarters for the purpose of receiving the exemption
8820 provided in this subparagraph (i).

8821 (ii) Sales of component materials used in the
8822 construction of a building, or any addition or improvement
8823 thereon, and sales of any machinery and equipment not later than
8824 three (3) months after the completion of the building, addition or
8825 improvement thereon, to be used therein, for any company expanding
8826 or making additions after January 1, 2013, to its national or
8827 regional headquarters within the State of Mississippi and creating
8828 a minimum of twenty (20) new jobs at the headquarters as a result
8829 of the expansion or additions. The Department of Revenue shall
8830 establish criteria and prescribe procedures to determine if a
8831 company qualifies as a national or regional headquarters for the
8832 purpose of receiving the exemption provided in this subparagraph
8833 (ii).

8834 (s) The gross proceeds from the sale of semitrailers,
8835 trailers, boats, travel trailers, motorcycles, all-terrain cycles
8836 and rotary-wing aircraft if exported from this state within
8837 forty-eight (48) hours and registered and first used in another
8838 state.

8839 (t) Gross income from the storage and handling of
8840 natural gas in underground salt domes and in other underground
8841 reservoirs, caverns, structures and formations suitable for such
8842 storage.

8843 (u) Sales of machinery and equipment to nonprofit
8844 organizations if the organization:

8845 (i) Is tax exempt pursuant to Section 501(c)(4) of
8846 the Internal Revenue Code of 1986, as amended;

8847 (ii) Assists in the implementation of the
8848 contingency plan or area contingency plan, and which is created in
8849 response to the requirements of Title IV, Subtitle B of the Oil
8850 Pollution Act of 1990, Public Law 101-380; and

8851 (iii) Engages primarily in programs to contain,
8852 clean up and otherwise mitigate spills of oil or other substances
8853 occurring in the United States coastal and tidal waters.

8854 For purposes of this exemption, "machinery and equipment"
8855 means any ocean-going vessels, barges, booms, skimmers and other
8856 capital equipment used primarily in the operations of nonprofit
8857 organizations referred to herein.

8858 (v) Sales or leases of materials and equipment to
8859 approved business enterprises as provided under the Growth and
8860 Prosperity Act.

8861 (w) From and after July 1, 2001, sales of pollution
8862 control equipment to manufacturers or custom processors for
8863 industrial use. For the purposes of this exemption, "pollution
8864 control equipment" means equipment, devices, machinery or systems
8865 used or acquired to prevent, control, monitor or reduce air, water
8866 or groundwater pollution, or solid or hazardous waste as required
8867 by federal or state law or regulation.

8868 (x) Sales or leases to a manufacturer of motor vehicles
8869 or powertrain components operating a project that has been
8870 certified by the Mississippi Major Economic Impact Authority as a
8871 project as defined in Section 57-75-5(f)(iv)1, Section
8872 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and
8873 equipment; special tooling such as dies, molds, jigs and similar
8874 items treated as special tooling for federal income tax purposes;
8875 or repair parts therefor or replacements thereof; repair services
8876 thereon; fuel, supplies, electricity, coal and natural gas used
8877 directly in the manufacture of motor vehicles or motor vehicle
8878 parts or used to provide climate control for manufacturing areas.

8879 (y) Sales or leases of component materials, machinery
8880 and equipment used in the construction of a building, or any
8881 addition or improvement thereon to an enterprise operating a
8882 project that has been certified by the Mississippi Major Economic
8883 Impact Authority as a project as defined in Section

8884 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)
8885 or Section 57-75-5(f)(xxviii) and any other sales or leases
8886 required to establish or operate such project.

8887 (z) Sales of component materials and equipment to a
8888 business enterprise as provided under Section 57-64-33.

8889 (aa) The gross income from the stripping and painting
8890 of commercial aircraft engaged in foreign or interstate
8891 transportation business.

8892 (bb) [Repealed]

8893 (cc) Sales or leases to an enterprise owning or
8894 operating a project that has been designated by the Mississippi
8895 Major Economic Impact Authority as a project as defined in Section
8896 57-75-5(f)(xviii) of machinery and equipment; special tooling such
8897 as dies, molds, jigs and similar items treated as special tooling
8898 for federal income tax purposes; or repair parts therefor or
8899 replacements thereof; repair services thereon; fuel, supplies,
8900 electricity, coal and natural gas used directly in the
8901 manufacturing/production operations of the project or used to
8902 provide climate control for manufacturing/production areas.

8903 (dd) Sales or leases of component materials, machinery
8904 and equipment used in the construction of a building, or any
8905 addition or improvement thereon to an enterprise owning or
8906 operating a project that has been designated by the Mississippi
8907 Major Economic Impact Authority as a project as defined in Section
8908 57-75-5(f)(xviii) and any other sales or leases required to
8909 establish or operate such project.

8910 (ee) Sales of parts used in the repair and servicing of
8911 aircraft not registered in Mississippi engaged exclusively in the
8912 business of foreign or interstate transportation to businesses
8913 engaged in aircraft repair and maintenance.

8914 (ff) Sales of component materials used in the
8915 construction of a facility, or any addition or improvement
8916 thereon, and sales or leases of machinery and equipment not later
8917 than three (3) months after the completion of construction of the
8918 facility, or any addition or improvement thereto, to be used in
8919 the building or any addition or improvement thereto, to a
8920 permanent business enterprise operating a data/information
8921 enterprise in Tier Three areas (as such areas are designated in
8922 accordance with Section 57-73-21), meeting minimum criteria
8923 established by the Mississippi Development Authority.

8924 (gg) Sales of component materials used in the
8925 construction of a facility, or any addition or improvement
8926 thereto, and sales of machinery and equipment not later than three
8927 (3) months after the completion of construction of the facility,
8928 or any addition or improvement thereto, to be used in the facility
8929 or any addition or improvement thereto, to technology intensive
8930 enterprises for industrial purposes in Tier Three areas (as such
8931 areas are designated in accordance with Section 57-73-21), as
8932 certified by the Department of Revenue. For purposes of this
8933 paragraph, an enterprise must meet the criteria provided for in
8934 Section 27-65-17(1) (f) in order to be considered a technology
8935 intensive enterprise.

8936 (hh) Sales of component materials used in the
8937 replacement, reconstruction or repair of a building or facility
8938 that has been destroyed or sustained extensive damage as a result
8939 of a disaster declared by the Governor, sales of machinery and
8940 equipment to be used therein to replace machinery or equipment
8941 damaged or destroyed as a result of such disaster, including, but
8942 not limited to, manufacturing or processing machinery and
8943 equipment which is permanently attached to the ground or to a
8944 permanent foundation and which is not by its nature intended to be
8945 housed within a building structure, to enterprises or companies
8946 that were eligible for the exemptions authorized in paragraph (q),
8947 (r), (ff) or (gg) of this subsection during initial construction
8948 of the building that was destroyed or damaged, which enterprises
8949 or companies are certified by the Department of Revenue as being
8950 eligible for the exemption granted in this paragraph.

8951 (ii) Sales of software or software services transmitted
8952 by the Internet to a destination outside the State of Mississippi
8953 where the first use of such software or software services by the
8954 purchaser occurs outside the State of Mississippi.

8955 (jj) Gross income of public storage warehouses derived
8956 from the temporary storage of raw materials that are to be used in
8957 an eligible facility as defined in Section 27-7-22.35.

8958 (kk) Sales of component building materials and
8959 equipment for initial construction of facilities or expansion of
8960 facilities as authorized under Sections 57-113-1 through 57-113-7
8961 and Sections 57-113-21 through 57-113-27.

8962 (11) Sales and leases of machinery and equipment
8963 acquired in the initial construction to establish facilities as
8964 authorized in Sections 57-113-1 through 57-113-7.

8965 (mm) Sales and leases of replacement hardware, software
8966 or other necessary technology to operate a data center as
8967 authorized under Sections 57-113-21 through 57-113-27.

8968 (nn) Sales of component materials used in the
8969 construction of a building, or any addition or improvement
8970 thereon, and sales or leases of machinery and equipment not later
8971 than three (3) months after the completion of the construction of
8972 the facility, to be used in the facility, to permanent business
8973 enterprises operating a facility producing renewable crude oil
8974 from biomass harvested or produced, in whole or in part, in
8975 Mississippi, which businesses meet minimum criteria established by
8976 the Mississippi Development Authority. As used in this paragraph,
8977 the term "biomass" shall have the meaning ascribed to such term in
8978 Section 57-113-1.

8979 (oo) Sales of supplies, equipment and other personal
8980 property to an organization that is exempt from taxation under
8981 Section 501(c)(3) of the Internal Revenue Code and is the host
8982 organization coordinating a professional golf tournament played or
8983 to be played in this state and the supplies, equipment or other
8984 personal property will be used for purposes related to the golf
8985 tournament and related activities.

8986 (pp) Sales of materials used in the construction of a
8987 health care industry facility, as defined in Section 57-117-3, or

8988 any addition or improvement thereon, and sales of any machinery
8989 and equipment not later than three (3) months after the completion
8990 of construction of the facility, or any addition thereon, to be
8991 used therein, to qualified businesses, as defined in Section
8992 57-117-3. This paragraph shall be repealed from and after July 1,
8993 2022.

8994 (qq) Sales or leases to a manufacturer of automotive
8995 parts operating a project that has been certified by the
8996 Mississippi Major Economic Impact Authority as a project as
8997 defined in Section 57-75-5(f) (xxviii) of machinery and equipment;
8998 or repair parts therefor or replacements thereof; repair services
8999 thereon; fuel, supplies, electricity, coal, nitrogen and natural
9000 gas used directly in the manufacture of automotive parts or used
9001 to provide climate control for manufacturing areas.

9002 (rr) Gross collections derived from guided tours on any
9003 navigable waters of this state, which include providing
9004 accommodations, guide services and/or related equipment operated
9005 by or under the direction of the person providing the tour, for
9006 the purposes of outdoor tourism. The exemption provided in this
9007 paragraph (rr) does not apply to the sale of tangible personal
9008 property by a person providing such tours.

9009 (ss) Retail sales of truck-tractors and semitrailers
9010 used in interstate commerce and registered under the International
9011 Registration Plan (IRP) or any similar reciprocity agreement or
9012 compact relating to the proportional registration of commercial
9013 vehicles entered into as provided for in Section 27-19-143.

9014 (tt) Sales exempt under the Facilitating Business Rapid
9015 Response to State Declared Disasters Act of 2015 (Sections
9016 27-113-1 through 27-113-9).

9017 (uu) Sales or leases to an enterprise and its
9018 affiliates operating a project that has been certified by the
9019 Mississippi Major Economic Impact Authority as a project as
9020 defined in Section 57-75-5(f)(xxix) of:

9021 (i) All personal property and fixtures, including
9022 without limitation, sales or leases to the enterprise and its
9023 affiliates of:

9024 1. Manufacturing machinery and equipment;

9025 2. Special tooling such as dies, molds, jigs
9026 and similar items treated as special tooling for federal income
9027 tax purposes;

9028 3. Component building materials, machinery
9029 and equipment used in the construction of buildings, and any other
9030 additions or improvements to the project site for the project;

9031 4. Nonmanufacturing furniture, fixtures and
9032 equipment (inclusive of all communications, computer, server,
9033 software and other hardware equipment); and

9034 5. Fuel, supplies (other than
9035 nonmanufacturing consumable supplies and water), electricity,
9036 nitrogen gas and natural gas used directly in the
9037 manufacturing/production operations of such project or used to
9038 provide climate control for manufacturing/production areas of such
9039 project;

9040 (ii) All replacements of, repair parts for or
9041 services to repair items described in subparagraph (i)1, 2 and 3
9042 of this paragraph; and

9043 (iii) All services taxable pursuant to Section
9044 27-65-23 required to establish, support, operate, repair and/or
9045 maintain such project.

9046 (vv) Sales or leases to an enterprise operating a
9047 project that has been certified by the Mississippi Major Economic
9048 Impact Authority as a project as defined in Section
9049 57-75-5(f) (xxx) of:

9050 (i) Purchases required to establish and operate
9051 the project, including, but not limited to, sales of component
9052 building materials, machinery and equipment required to establish
9053 the project facility and any additions or improvements thereon;
9054 and

9055 (ii) Machinery, special tools (such as dies,
9056 molds, and jigs) or repair parts thereof, or replacements and
9057 lease thereof, repair services thereon, fuel, supplies and
9058 electricity, coal and natural gas used in the manufacturing
9059 process and purchased by the enterprise owning or operating the
9060 project for the benefit of the project.

9061 (wv) Sales of component materials used in the
9062 construction of a building, or any expansion or improvement
9063 thereon, sales of machinery and/or equipment to be used therein,
9064 and sales of processing machinery and equipment which is
9065 permanently attached to the ground or to a permanent foundation

9066 which is not by its nature intended to be housed in a building
9067 structure, no later than three (3) months after initial startup,
9068 expansion or improvement of a permanent enterprise solely engaged
9069 in the conversion of natural sand into proppants used in oil and
9070 gas exploration and development with at least ninety-five percent
9071 (95%) of such proppants used in the production of oil and/or gas
9072 from horizontally drilled wells and/or horizontally drilled
9073 recompletion wells as defined in Sections 27-25-501 and 27-25-701.

9074 (2) Sales of component materials used in the construction of
9075 a building, or any addition or improvement thereon, sales of
9076 machinery and equipment to be used therein, and sales of
9077 manufacturing or processing machinery and equipment which is
9078 permanently attached to the ground or to a permanent foundation
9079 and which is not by its nature intended to be housed within a
9080 building structure, not later than three (3) months after the
9081 initial start-up date, to permanent business enterprises engaging
9082 in manufacturing or processing in Tier Two areas and Tier One
9083 areas (as such areas are designated in accordance with Section
9084 57-73-21), which businesses are certified by the Department of
9085 Revenue as being eligible for the exemption granted in this
9086 subsection, shall be exempt from one-half (1/2) of the taxes
9087 imposed on such transactions under this chapter.

9088 (3) Sales of component materials used in the construction of
9089 a facility, or any addition or improvement thereon, and sales or
9090 leases of machinery and equipment not later than three (3) months
9091 after the completion of construction of the facility, or any

9092 addition or improvement thereto, to be used in the building or any
9093 addition or improvement thereto, to a permanent business
9094 enterprise operating a data/information enterprise in Tier Two
9095 areas and Tier One areas (as such areas are designated in
9096 accordance with Section 57-73-21), which businesses meet minimum
9097 criteria established by the Mississippi Development Authority,
9098 shall be exempt from one-half (1/2) of the taxes imposed on such
9099 transaction under this chapter.

9100 (4) Sales of component materials used in the construction of
9101 a facility, or any addition or improvement thereto, and sales of
9102 machinery and equipment not later than three (3) months after the
9103 completion of construction of the facility, or any addition or
9104 improvement thereto, to be used in the building or any addition or
9105 improvement thereto, to technology intensive enterprises for
9106 industrial purposes in Tier Two areas and Tier One areas (as such
9107 areas are designated in accordance with Section 57-73-21), which
9108 businesses are certified by the Department of Revenue as being
9109 eligible for the exemption granted in this subsection, shall be
9110 exempt from one-half (1/2) of the taxes imposed on such
9111 transactions under this chapter. For purposes of this subsection,
9112 an enterprise must meet the criteria provided for in Section
9113 27-65-17(1)(f) in order to be considered a technology intensive
9114 enterprise.

9115 (5) (a) For purposes of this subsection:

9116 (i) "Telecommunications enterprises" shall have
9117 the meaning ascribed to such term in Section 57-73-21;

9118 (ii) "Tier One areas" mean counties designated as
9119 Tier One areas pursuant to Section 57-73-21;

9120 (iii) "Tier Two areas" mean counties designated as
9121 Tier Two areas pursuant to Section 57-73-21;

9122 (iv) "Tier Three areas" mean counties designated
9123 as Tier Three areas pursuant to Section 57-73-21; and

9124 (v) "Equipment used in the deployment of broadband
9125 technologies" means any equipment capable of being used for or in
9126 connection with the transmission of information at a rate, prior
9127 to taking into account the effects of any signal degradation, that
9128 is not less than three hundred eighty-four (384) kilobits per
9129 second in at least one (1) direction, including, but not limited
9130 to, asynchronous transfer mode switches, digital subscriber line
9131 access multiplexers, routers, servers, multiplexers, fiber optics
9132 and related equipment.

9133 (b) Sales of equipment to telecommunications
9134 enterprises after June 30, 2003, and before July 1, 2025, that is
9135 installed in Tier One areas and used in the deployment of
9136 broadband technologies shall be exempt from one-half (1/2) of the
9137 taxes imposed on such transactions under this chapter.

9138 (c) Sales of equipment to telecommunications
9139 enterprises after June 30, 2003, and before July 1, 2025, that is
9140 installed in Tier Two and Tier Three areas and used in the
9141 deployment of broadband technologies shall be exempt from the
9142 taxes imposed on such transactions under this chapter.

9143 (6) Sales of component materials used in the replacement,
9144 reconstruction or repair of a building that has been destroyed or
9145 sustained extensive damage as a result of a disaster declared by
9146 the Governor, sales of machinery and equipment to be used therein
9147 to replace machinery or equipment damaged or destroyed as a result
9148 of such disaster, including, but not limited to, manufacturing or
9149 processing machinery and equipment which is permanently attached
9150 to the ground or to a permanent foundation and which is not by its
9151 nature intended to be housed within a building structure, to
9152 enterprises that were eligible for the partial exemptions provided
9153 for in subsections (2), (3) and (4) of this section during initial
9154 construction of the building that was destroyed or damaged, which
9155 enterprises are certified by the Department of Revenue as being
9156 eligible for the partial exemption granted in this subsection,
9157 shall be exempt from one-half (1/2) of the taxes imposed on such
9158 transactions under this chapter.

9159 **SECTION 65.** Section 27-65-103, Mississippi Code of 1972, is
9160 brought forward as follows:

9161 27-65-103. The exemptions from the provisions of this
9162 chapter which are of an agricultural nature or which are more
9163 properly classified as agricultural exemptions than any other
9164 exemption classification of this chapter shall be confined to
9165 those persons or property exempted by this section or by
9166 provisions of the Constitution of the United States or the State
9167 of Mississippi. No agricultural exemption as now provided by any
9168 other section shall be valid as against the tax herein levied.

9169 Any subsequent agricultural exemption from the tax levied
9170 hereunder shall be provided by amendment to this section.

9171 No exemption provided in this section shall apply to taxes
9172 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

9173 The tax levied by this chapter shall not apply to the
9174 following:

9175 (a) The gross proceeds of sales of lint cotton, seed
9176 cotton, baled cotton, whether compressed or not, and cottonseed
9177 and soybeans in their original condition. Retail sales of seeds,
9178 livestock feed, poultry feed, fish feed and fertilizers. Sales of
9179 defoliants, insecticides, fungicides, herbicides and baby chicks
9180 used in growing agricultural products for market. Bagging and
9181 ties for baling cotton, hay-baling wire and twine, boxes, bags and
9182 cans used in growing or preparing agricultural products for market
9183 when possession thereof will pass to the customer at the time of
9184 sale of the product contained therein. Sales of ice to commercial
9185 fishermen purchased for use in the preservation of seafood or to
9186 producers for use in the refrigeration of vegetables for market.

9187 (b) The sales by producers of livestock, poultry, fish,
9188 honey bees or other products of farm, grove, apiary or garden when
9189 such products are sold in the original state or condition of
9190 preparation for sale before such products are subjected to any
9191 other process within a class of business or sold by a producer
9192 through an established store, as defined in the Privilege Tax Law.
9193 However, except as otherwise provided in this paragraph (b), this
9194 exemption shall not apply to ornamental plants which bear no fruit

9195 of commercial value. The exemption provided in this paragraph (b)
9196 shall apply to Christmas trees, hay, straw, fresh cut flowers and
9197 similar products when (i) grown in Mississippi and (ii) cut,
9198 severed or otherwise removed from the farm, grove, garden or other
9199 place of production and first sold from such place of production
9200 in the original state or condition of preparation for sale. All
9201 sales by agricultural cooperative associations organized under
9202 Article 9, Chapter 7, Title 69, or under Chapter 17 or 19, Title
9203 79, Mississippi Code of 1972, of agricultural products produced by
9204 members for market before such products are subjected to any
9205 manufacturing process.

9206 (c) The gross proceeds of retail sales of mules,
9207 horses, honey bees and other livestock.

9208 (d) Income from grading, excavating, ditching, dredging
9209 or landscaping activities performed for a farmer on a farm for
9210 agricultural or soil erosion purposes.

9211 (e) The gross proceeds of sales of all antibiotics,
9212 hormones and hormone preparations, drugs, medicines and other
9213 medications including serums and vaccines, vitamins, minerals or
9214 other nutrients for use in the production and growing of fish,
9215 livestock, honey bees and poultry by whomever sold. Such
9216 exemption shall be in addition to the exemption provided in this
9217 section for feed for fish, livestock, honey bees and poultry.

9218 (f) Sales of food products and honey that are grown,
9219 made or processed in Mississippi and sold from farmers' markets

9220 that have been certified by the Mississippi Department of
9221 Agriculture and Commerce.

9222 **SECTION 66.** Section 27-65-105, Mississippi Code of 1972, is
9223 brought forward as follows:

9224 27-65-105. The exemption from the provisions of this chapter
9225 which are of a governmental nature or which are more properly
9226 classified as governmental exemptions than any other exemption
9227 classification of this chapter shall be confined to those persons
9228 or property exempted by this section or by provisions of the
9229 Constitutions of the United States or the State of Mississippi.
9230 No governmental exemption as now provided by any other section
9231 shall be valid as against the tax herein levied. Any subsequent
9232 governmental exemption from the tax levied hereunder shall be
9233 provided by amendment to this section.

9234 No exemption provided in this section shall apply to taxes
9235 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972,
9236 except as provided by paragraph (f) of this section.

9237 The tax levied by this chapter shall not apply to the
9238 following:

9239 (a) Sales of property, labor, services or products
9240 taxable under Sections 27-65-17, 27-65-19, 27-65-23 and 27-19-26,
9241 when sold to and billed directly to and payment therefor is made
9242 directly by the United States government, the State of Mississippi
9243 and its departments, institutions, counties and municipalities or
9244 departments or school districts of said counties and
9245 municipalities.

9246 The exemption from the tax imposed under this chapter shall
9247 not apply to sales of tangible personal property or specified
9248 digital products, labor or services to contractors purchasing in
9249 the performance of contracts with the United States, the State of
9250 Mississippi, counties and municipalities.

9251 (b) Sales to schools, when such schools are supported
9252 wholly or in part by funds provided by the State of Mississippi,
9253 provided that this exemption does not apply to sales of property
9254 which is not to be used in the ordinary operation of the school,
9255 or which is to be resold to the students or the public.

9256 (c) Amounts received from the sale of school textbooks
9257 to students.

9258 (d) Sales to the Mississippi Band of Choctaw Indians,
9259 but not to Indians individually.

9260 (e) Sales of firefighting equipment to governmental
9261 fire departments or volunteer fire departments for their use.

9262 (f) Sales of any gas from any project, as defined in
9263 the Municipal Gas Authority of Mississippi Law, to any
9264 municipality shall not be subject to sales, use or other tax.

9265 (g) Sales of home medical equipment and home medical
9266 supplies listed as eligible for payment under Title XVIII of the
9267 Social Security Act or under the state plan for medical assistance
9268 under Title XIX of the Social Security Act, prosthetics,
9269 orthotics, hearing aids, hearing devices, prescription eyeglasses,
9270 oxygen and oxygen equipment, when ordered or prescribed by a
9271 licensed physician for medical purposes of a patient, and when

9272 payment for such equipment or supplies, or both, is made, in part
9273 or in whole, under the provisions of the Medicare or Medicaid
9274 program, then the entire sale shall be exempt from the taxes
9275 imposed by this chapter. Payment does not have to be made, in
9276 whole or in part, by any particular person to be eligible for this
9277 exemption. Purchases of home medical equipment and supplies by a
9278 provider of home health services or a provider of hospice services
9279 are eligible for this exemption if the purchases otherwise meet
9280 the requirements of this paragraph.

9281 (h) Sales to regional educational service agencies
9282 established under Section 37-7-345.

9283 (i) Sales of buses and other motor vehicles, and parts
9284 and labor used to maintain and/or repair such buses and motor
9285 vehicles, to an entity that (a) has entered into a contract with a
9286 school board under Section 37-41-31 for the purpose of
9287 transporting students to and from schools and (b) uses or will use
9288 the buses and other motor vehicles for such transportation
9289 purposes. This paragraph (i) shall apply to contracts entered
9290 into or renewed on or after July 1, 2010.

9291 (j) Parking at events held solely for religious or
9292 charitable purposes at livestock facilities, agriculture
9293 facilities or other facilities constructed, renovated or expanded
9294 with funds for the grant program authorized under Section 18,
9295 Chapter 530, Laws of 1995.

9296 (k) Sales of tangible personal property, labor,
9297 services or products to schools and school districts under a

9298 program that is administered by or coordinated with an agency,
9299 commission, department or other instrumentality of the United
9300 States government when payment for the tangible personal property,
9301 labor, services or products is made by or through a nonprofit
9302 organization or other entity established by or for the benefit of
9303 the agency, commission, department or other instrumentality of the
9304 United States government administering or coordinating such
9305 program.

9306 **SECTION 67.** Section 27-65-107, Mississippi Code of 1972, is
9307 brought forward as follows:

9308 27-65-107. The exemptions from the provisions of this
9309 chapter which relate to utilities or which are more properly
9310 classified as utility exemptions than any other exemption
9311 classification of this chapter shall be confined to those persons
9312 or property exempted by this section or by provisions of the
9313 Constitutions of the United States or the State of Mississippi.
9314 No utility exemption as now provided by any other section shall be
9315 valid as against the tax herein levied. Any subsequent utility
9316 exemption from the tax levied hereunder shall be provided by
9317 amendment to this section.

9318 No exemption provided in this section shall apply to taxes
9319 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

9320 The tax levied by this chapter shall not apply to the
9321 following:

9322 (a) Sales and rentals of locomotives, rail rolling
9323 stock and materials for their repair, locomotive water, when made

9324 to a railroad whose rates are fixed by the Interstate Commerce
9325 Commission or the Mississippi Public Service Commission.

9326 (b) Rentals of manufacturing machinery to a
9327 manufacturer or custom processor where such manufacturer or custom
9328 processor is engaged in, and such machinery is used in, the
9329 manufacture of containers made from timber or wood for sale. The
9330 tax, likewise, shall not apply to replacement or repair parts of
9331 such machinery used in such manufacture.

9332 (c) Sales of tangible personal property and services to
9333 nonprofit water associations or corporations in which no part of
9334 the net earnings inures to the benefit of any private shareholder,
9335 group or individual. Only sales of property or services which are
9336 ordinary and necessary to the operation of such organizations are
9337 exempt from tax.

9338 (d) Wholesale sales of tangible personal property for
9339 resale under Section 27-65-19.

9340 (e) From and after July 1, 2003, sales of fuel used to
9341 produce electric power by a company primarily engaged in the
9342 business of producing, generating or distributing electric power
9343 for sale.

9344 (f) Sales of electricity, current, power, steam, coal,
9345 natural gas, liquefied petroleum gas or other fuel to a
9346 manufacturer, custom processor, data center meeting the criteria
9347 provided for in Section 57-113-21, technology intensive enterprise
9348 meeting the criteria provided for in Section 27-65-17(1)(f), or
9349 public service company for industrial purposes, which shall

9350 include that used to generate electricity, to operate an
9351 electrical distribution or transmission system, to operate
9352 pipeline compressor or pumping stations, or to operate railroad
9353 locomotives.

9354 (g) Sales of electricity, current, power, steam, coal,
9355 natural gas, liquefied petroleum gas or other fuel to a producer
9356 or processor for use directly in the production of poultry or
9357 poultry products, the production of livestock and livestock
9358 products, the production of domesticated fish and domesticated
9359 fish products, the production of marine aquaculture products, the
9360 production of plants or food by commercial horticulturists, the
9361 processing of milk and milk products, the processing of poultry
9362 and livestock feed, and the irrigation of farm crops.

9363 (h) Sales of electricity, current, power, steam, coal,
9364 natural gas, liquefied petroleum gas or other fuel to a commercial
9365 fisherman, shrimper or oysterman.

9366 (i) Sales exempt under the Facilitating Business Rapid
9367 Response to State Declared Disasters Act of 2015 (Sections
9368 27-113-1 through 27-113-9).

9369 (j) Sales of electricity, current, power, steam, coal,
9370 natural gas, liquefied petroleum gas or other fuel to a permanent
9371 enterprise that is eligible for the exemption authorized in
9372 Section 27-65-101(1)(ww) upon completion of the expansion upon
9373 which such exemption is based; however, in order to be eligible
9374 for the exemption authorized by this paragraph, the expansion
9375 must:

9376 (i) Create at least eighty-five (85) full-time
9377 jobs in this state with an average annual wage of at least Sixty
9378 Thousand Dollars (\$60,000.00); and

9379 (ii) Have at least Eighty Million Dollars
9380 (\$80,000,000.00) in new investment at the existing facility.

9381 **SECTION 68.** Section 27-65-111, Mississippi Code of 1972, is
9382 brought forward as follows:

9383 27-65-111. The exemptions from the provisions of this
9384 chapter which are not industrial, agricultural or governmental, or
9385 which do not relate to utilities or taxes, or which are not
9386 properly classified as one (1) of the exemption classifications of
9387 this chapter, shall be confined to persons or property exempted by
9388 this section or by the Constitution of the United States or the
9389 State of Mississippi. No exemptions as now provided by any other
9390 section, except the classified exemption sections of this chapter
9391 set forth herein, shall be valid as against the tax herein levied.
9392 Any subsequent exemption from the tax levied hereunder, except as
9393 indicated above, shall be provided by amendments to this section.

9394 No exemption provided in this section shall apply to taxes
9395 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

9396 The tax levied by this chapter shall not apply to the
9397 following:

9398 (a) Sales of tangible personal property and services to
9399 hospitals or infirmaries owned and operated by a corporation or
9400 association in which no part of the net earnings inures to the

9401 benefit of any private shareholder, group or individual, and which
9402 are subject to and governed by Sections 41-7-123 through 41-7-127.

9403 Only sales of tangible personal property or services which
9404 are ordinary and necessary to the operation of such hospitals and
9405 infirmaries are exempted from tax.

9406 (b) Sales of daily or weekly newspapers, and
9407 periodicals or publications of scientific, literary or educational
9408 organizations exempt from federal income taxation under Section
9409 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of
9410 March 31, 1975, and subscription sales of all magazines.

9411 (c) Sales of coffins, caskets and other materials used
9412 in the preparation of human bodies for burial.

9413 (d) Sales of tangible personal property for immediate
9414 export to a foreign country.

9415 (e) Sales of tangible personal property to an
9416 orphanage, old men's or ladies' home, supported wholly or in part
9417 by a religious denomination, fraternal nonprofit organization or
9418 other nonprofit organization.

9419 (f) Sales of tangible personal property, labor or
9420 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,
9421 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a
9422 corporation or association in which no part of the net earnings
9423 inures to the benefit of any private shareholder, group or
9424 individual.

9425 (g) Sales to elementary and secondary grade schools,
9426 junior and senior colleges owned and operated by a corporation or

9427 association in which no part of the net earnings inures to the
9428 benefit of any private shareholder, group or individual, and which
9429 are exempt from state income taxation, provided that this
9430 exemption does not apply to sales of property or services which
9431 are not to be used in the ordinary operation of the school, or
9432 which are to be resold to the students or the public.

9433 (h) The gross proceeds of retail sales and the use or
9434 consumption in this state of drugs and medicines:

9435 (i) Prescribed for the treatment of a human being
9436 by a person authorized to prescribe the medicines, and dispensed
9437 or prescription filled by a registered pharmacist in accordance
9438 with law; or

9439 (ii) Furnished by a licensed physician, surgeon,
9440 dentist or podiatrist to his own patient for treatment of the
9441 patient; or

9442 (iii) Furnished by a hospital for treatment of any
9443 person pursuant to the order of a licensed physician, surgeon,
9444 dentist or podiatrist; or

9445 (iv) Sold to a licensed physician, surgeon,
9446 podiatrist, dentist or hospital for the treatment of a human
9447 being; or

9448 (v) Sold to this state or any political
9449 subdivision or municipal corporation thereof, for use in the
9450 treatment of a human being or furnished for the treatment of a
9451 human being by a medical facility or clinic maintained by this

9452 state or any political subdivision or municipal corporation
9453 thereof.

9454 "Medicines," as used in this paragraph (h), shall mean and
9455 include any substance or preparation intended for use by external
9456 or internal application to the human body in the diagnosis, cure,
9457 mitigation, treatment or prevention of disease and which is
9458 commonly recognized as a substance or preparation intended for
9459 such use; provided that "medicines" do not include any auditory,
9460 prosthetic, ophthalmic or ocular device or appliance, any dentures
9461 or parts thereof or any artificial limbs or their replacement
9462 parts, articles which are in the nature of splints, bandages,
9463 pads, compresses, supports, dressings, instruments, apparatus,
9464 contrivances, appliances, devices or other mechanical, electronic,
9465 optical or physical equipment or article or the component parts
9466 and accessories thereof, or any alcoholic beverage or any other
9467 drug or medicine not commonly referred to as a prescription drug.

9468 Notwithstanding the preceding sentence of this paragraph (h),
9469 "medicines" as used in this paragraph (h), shall mean and include
9470 sutures, whether or not permanently implanted, bone screws, bone
9471 pins, pacemakers and other articles permanently implanted in the
9472 human body to assist the functioning of any natural organ, artery,
9473 vein or limb and which remain or dissolve in the body.

9474 "Hospital," as used in this paragraph (h), shall have the
9475 meaning ascribed to it in Section 41-9-3, Mississippi Code of
9476 1972.

9477 Insulin furnished by a registered pharmacist to a person for
9478 treatment of diabetes as directed by a physician shall be deemed
9479 to be dispensed on prescription within the meaning of this
9480 paragraph (h).

9481 (i) Retail sales of automobiles, trucks and
9482 truck-tractors if exported from this state within forty-eight (48)
9483 hours and registered and first used in another state.

9484 (j) Sales of tangible personal property or services to
9485 the Salvation Army and the Muscular Dystrophy Association, Inc.

9486 (k) From July 1, 1985, through December 31, 1992,
9487 retail sales of "alcohol blended fuel" as such term is defined in
9488 Section 75-55-5. The gasoline-alcohol blend or the straight
9489 alcohol eligible for this exemption shall not contain alcohol
9490 distilled outside the State of Mississippi.

9491 (l) Sales of tangible personal property or services to
9492 the Institute for Technology Development.

9493 (m) The gross proceeds of retail sales of food and
9494 drink for human consumption made through vending machines serviced
9495 by full line vendors from and not connected with other taxable
9496 businesses.

9497 (n) The gross proceeds of sales of motor fuel.

9498 (o) Retail sales of food for human consumption
9499 purchased with food stamps issued by the United States Department
9500 of Agriculture, or other federal agency, from and after October 1,
9501 1987, or from and after the expiration of any waiver granted
9502 pursuant to federal law, the effect of which waiver is to permit

9503 the collection by the state of tax on such retail sales of food
9504 for human consumption purchased with food stamps.

9505 (p) Sales of cookies for human consumption by the Girl
9506 Scouts of America no part of the net earnings from which sales
9507 inures to the benefit of any private group or individual.

9508 (q) Gifts or sales of tangible personal property or
9509 services to public or private nonprofit museums of art.

9510 (r) Sales of tangible personal property or services to
9511 alumni associations of state-supported colleges or universities.

9512 (s) Sales of tangible personal property or services to
9513 National Association of Junior Auxiliaries, Inc., and chapters of
9514 the National Association of Junior Auxiliaries, Inc.

9515 (t) Sales of tangible personal property or services to
9516 domestic violence shelters which qualify for state funding under
9517 Sections 93-21-101 through 93-21-113.

9518 (u) Sales of tangible personal property or services to
9519 the National Multiple Sclerosis Society, Mississippi Chapter.

9520 (v) Retail sales of food for human consumption
9521 purchased with food instruments issued the Mississippi Band of
9522 Choctaw Indians under the Women, Infants and Children Program
9523 (WIC) funded by the United States Department of Agriculture.

9524 (w) Sales of tangible personal property or services to
9525 a private company, as defined in Section 57-61-5, which is making
9526 such purchases with proceeds of bonds issued under Section 57-61-1
9527 et seq., the Mississippi Business Investment Act.

9528 (x) The gross collections from the operation of
9529 self-service, coin-operated car washing equipment and sales of the
9530 service of washing motor vehicles with portable high-pressure
9531 washing equipment on the premises of the customer.

9532 (y) Sales of tangible personal property or services to
9533 the Mississippi Technology Alliance.

9534 (z) Sales of tangible personal property to nonprofit
9535 organizations that provide foster care, adoption services and
9536 temporary housing for unwed mothers and their children if the
9537 organization is exempt from federal income taxation under Section
9538 501(c) (3) of the Internal Revenue Code.

9539 (aa) Sales of tangible personal property to nonprofit
9540 organizations that provide residential rehabilitation for persons
9541 with alcohol and drug dependencies if the organization is exempt
9542 from federal income taxation under Section 501(c) (3) of the
9543 Internal Revenue Code.

9544 (bb) (i) Retail sales of an article of clothing or
9545 footwear designed to be worn on or about the human body and retail
9546 sales of school supplies if the sales price of the article of
9547 clothing or footwear or school supply is less than One Hundred
9548 Dollars (\$100.00) and the sale takes place during a period
9549 beginning at 12:01 a.m. on the last Friday in July and ending at
9550 12:00 midnight the following Saturday. This paragraph (bb) shall
9551 not apply to:

9552 1. Accessories including jewelry, handbags,
9553 luggage, umbrellas, wallets, watches, briefcases, garment bags and

9554 similar items carried on or about the human body, without regard
9555 to whether worn on the body in a manner characteristic of
9556 clothing;

9557 2. The rental of clothing or footwear; and

9558 3. Skis, swim fins, roller blades, skates and
9559 similar items worn on the foot.

9560 (ii) For purposes of this paragraph (bb), "school
9561 supplies" means items that are commonly used by a student in a
9562 course of study. The following is an all-inclusive list:

9563 1. Backpacks;

9564 2. Binder pockets;

9565 3. Binders;

9566 4. Blackboard chalk;

9567 5. Book bags;

9568 6. Calculators;

9569 7. Cellophane tape;

9570 8. Clays and glazes;

9571 9. Compasses;

9572 10. Composition books;

9573 11. Crayons;

9574 12. Dictionaries and thesauruses;

9575 13. Dividers;

9576 14. Erasers;

9577 15. Folders: expandable, pocket, plastic and
9578 manila;

9579 16. Glue, paste and paste sticks;

- 9580 17. Highlighters;
- 9581 18. Index card boxes;
- 9582 19. Index cards;
- 9583 20. Legal pads;
- 9584 21. Lunch boxes;
- 9585 22. Markers;
- 9586 23. Notebooks;
- 9587 24. Paintbrushes for artwork;
- 9588 25. Paints: acrylic, tempera and oil;
- 9589 26. Paper: loose-leaf ruled notebook paper,
9590 copy paper, graph paper, tracing paper, manila paper, colored
9591 paper, poster board and construction paper;
- 9592 27. Pencil boxes and other school supply
9593 boxes;
- 9594 28. Pencil sharpeners;
- 9595 29. Pencils;
- 9596 30. Pens;
- 9597 31. Protractors;
- 9598 32. Reference books;
- 9599 33. Reference maps and globes;
- 9600 34. Rulers;
- 9601 35. Scissors;
- 9602 36. Sheet music;
- 9603 37. Sketch and drawing pads;
- 9604 38. Textbooks;
- 9605 39. Watercolors;

9606 40. Workbooks; and

9607 41. Writing tablets.

9608 (iii) From and after January 1, 2010, the
9609 governing authorities of a municipality, for retail sales
9610 occurring within the corporate limits of the municipality, may
9611 suspend the application of the exemption provided for in this
9612 paragraph (bb) by adoption of a resolution to that effect stating
9613 the date upon which the suspension shall take effect. A certified
9614 copy of the resolution shall be furnished to the Department of
9615 Revenue at least ninety (90) days prior to the date upon which the
9616 municipality desires such suspension to take effect.

9617 (cc) The gross proceeds of sales of tangible personal
9618 property made for the sole purpose of raising funds for a school
9619 or an organization affiliated with a school.

9620 As used in this paragraph (cc), "school" means any public or
9621 private school that teaches courses of instruction to students in
9622 any grade from kindergarten through Grade 12.

9623 (dd) Sales of durable medical equipment and home
9624 medical supplies when ordered or prescribed by a licensed
9625 physician for medical purposes of a patient. As used in this
9626 paragraph (dd), "durable medical equipment" and "home medical
9627 supplies" mean equipment, including repair and replacement parts
9628 for the equipment or supplies listed under Title XVIII of the
9629 Social Security Act or under the state plan for medical assistance
9630 under Title XIX of the Social Security Act, prosthetics,
9631 orthotics, hearing aids, hearing devices, prescription eyeglasses,

9632 oxygen and oxygen equipment. Payment does not have to be made, in
9633 whole or in part, by any particular person to be eligible for this
9634 exemption. Purchases of home medical equipment and supplies by a
9635 provider of home health services or a provider of hospice services
9636 are eligible for this exemption if the purchases otherwise meet
9637 the requirements of this paragraph.

9638 (ee) Sales of tangible personal property or services to
9639 Mississippi Blood Services.

9640 (ff) (i) Subject to the provisions of this paragraph
9641 (ff), retail sales of firearms, ammunition and hunting supplies if
9642 sold during the annual Mississippi Second Amendment Weekend
9643 holiday beginning at 12:01 a.m. on the last Friday in August and
9644 ending at 12:00 midnight the following Sunday. For the purposes
9645 of this paragraph (ff), "hunting supplies" means tangible personal
9646 property used for hunting, including, and limited to, archery
9647 equipment, firearm and archery cases, firearm and archery
9648 accessories, hearing protection, holsters, belts and slings.
9649 Hunting supplies does not include animals used for hunting.

9650 (ii) This paragraph (ff) shall apply only if one
9651 or more of the following occur:

9652 1. Title to and/or possession of an eligible
9653 item is transferred from a seller to a purchaser; and/or

9654 2. A purchaser orders and pays for an
9655 eligible item and the seller accepts the order for immediate
9656 shipment, even if delivery is made after the time period provided

9657 in subparagraph (i) of this paragraph (ff), provided that the
9658 purchaser has not requested or caused the delay in shipment.

9659 (gg) Sales of nonperishable food items to charitable
9660 organizations that are exempt from federal income taxation under
9661 Section 501(c)(3) of the Internal Revenue Code and operate a food
9662 bank or food pantry or food lines.

9663 (hh) Sales of tangible personal property or services to
9664 the United Way of the Pine Belt Region, Inc.

9665 (ii) Sales of tangible personal property or services to
9666 the Mississippi Children's Museum or any subsidiary or affiliate
9667 thereof operating a satellite or branch museum within this state.

9668 (jj) Sales of tangible personal property or services to
9669 the Jackson Zoological Park.

9670 (kk) Sales of tangible personal property or services to
9671 the Hattiesburg Zoo.

9672 (ll) Gross proceeds from sales of food, merchandise or
9673 other concessions at an event held solely for religious or
9674 charitable purposes at livestock facilities, agriculture
9675 facilities or other facilities constructed, renovated or expanded
9676 with funds for the grant program authorized under Section 18,
9677 Chapter 530, Laws of 1995.

9678 (mm) Sales of tangible personal property and services
9679 to the Diabetes Foundation of Mississippi and the Mississippi
9680 Chapter of the Juvenile Diabetes Research Foundation.

9681 (nn) Sales of potting soil, mulch, or other soil
9682 amendments used in growing ornamental plants which bear no fruit

9683 of commercial value when sold to commercial plant nurseries that
9684 operate exclusively at wholesale and where no retail sales can be
9685 made.

9686 (oo) Sales of tangible personal property or services to
9687 the University of Mississippi Medical Center Research Development
9688 Foundation.

9689 (pp) Sales of tangible personal property or services to
9690 Keep Mississippi Beautiful, Inc., and all affiliates of Keep
9691 Mississippi Beautiful, Inc.

9692 (qq) Sales of tangible personal property or services to
9693 the Friends of Children's Hospital.

9694 (rr) Sales of tangible personal property or services to
9695 the Pinecrest Weekend Backpacks for Kids located in Corinth,
9696 Mississippi.

9697 (ss) Sales of hearing aids when ordered or prescribed
9698 by a licensed physician, audiologist or hearing aid specialist for
9699 the medical purposes of a patient.

9700 (tt) Sales exempt under the Facilitating Business Rapid
9701 Response to State Declared Disasters Act of 2015 (Sections
9702 27-113-1 through 27-113-9).

9703 (uu) Sales of tangible personal property or services to
9704 the Junior League of Jackson.

9705 (vv) Sales of tangible personal property or services to
9706 the Mississippi's Toughest Kids Foundation for use in the
9707 construction, furnishing and equipping of buildings and related
9708 facilities and infrastructure at Camp Kamassa in Copiah County,

9709 Mississippi. This paragraph (vv) shall stand repealed on July 1,
9710 2022.

9711 (ww) Sales of tangible personal property or services to
9712 MS Gulf Coast Buddy Sports, Inc.

9713 (xx) Sales of tangible personal property or services to
9714 Biloxi Lions, Inc.

9715 (yy) Sales of tangible personal property or services to
9716 Lions Sight Foundation of Mississippi, Inc.

9717 (zz) Sales of tangible personal property and services
9718 to the Goldring/Woldenberg Institute of Southern Jewish Life
9719 (ISJL).

9720 **SECTION 69.** Sections 11 through 69 of this act shall be
9721 known and may be cited as the "Mississippi Tax Freedom Act of
9722 2021."

9723 **SECTION 70.** This act shall take effect and be in force from
9724 and after July 1, 2021.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF MAKING CAPITAL IMPROVEMENTS FOR STATE
3 INSTITUTIONS OF HIGHER LEARNING AND COMMUNITY AND JUNIOR COLLEGES;
4 TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS IN THE
5 AMOUNT OF \$10,000,000.00 TO PROVIDE FUNDS FOR THE MISSISSIPPI SITE
6 DEVELOPMENT GRANT FUND; TO AMEND SECTION 57-1-701, MISSISSIPPI
7 CODE OF 1972, IN CONFORMITY THERETO; TO AUTHORIZE THE ISSUANCE OF
8 STATE GENERAL OBLIGATION BONDS IN THE AMOUNT OF \$20,000,000.00 FOR
9 THE ACE FUND; TO AMEND SECTION 57-61-25, MISSISSIPPI CODE OF 1972,
10 TO INCREASE BY \$10,000,000.00 THE AMOUNT OF GENERAL OBLIGATION
11 BONDS THAT MAY BE ISSUED UNDER THE MISSISSIPPI BUSINESS INVESTMENT
12 ACT; TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972, TO
13 INCREASE THE AMOUNT OF BOND PROCEEDS THAT THE MISSISSIPPI
14 DEVELOPMENT AUTHORITY MAY UTILIZE UNDER THE MISSISSIPPI BUSINESS

15 INVESTMENT ACT TO MAKE GRANTS OR LOANS TO MUNICIPALITIES THROUGH
16 AN EQUIPMENT AND PUBLIC FACILITIES GRANT AND LOAN FUND TO AID IN
17 INFRASTRUCTURE-RELATED IMPROVEMENTS, THE PURCHASE OF EQUIPMENT,
18 AND THE PURCHASE, CONSTRUCTION OR REPAIR AND RENOVATION OF PUBLIC
19 FACILITIES; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972,
20 TO INCREASE FROM \$77,000,000.00 TO \$80,000,000.00 THE AMOUNT OF
21 GENERAL OBLIGATION BONDS THAT MAY BE ISSUED UNDER THE MISSISSIPPI
22 MAJOR ECONOMIC IMPACT ACT FOR PROJECTS DESIGNED TO ENHANCE
23 FACILITIES THAT ARE AT RISK FOR CLOSURE PURSUANT TO THE DEFENSE
24 BASE REALIGNMENT AND CLOSURE ACT OF 1990 OR OTHER APPLICABLE
25 FEDERAL LAW; TO AMEND SECTION 65-4-25, MISSISSIPPI CODE OF 1972,
26 TO INCREASE BY \$7,000,000.00 THE AMOUNT OF BONDS AUTHORIZED TO BE
27 ISSUED UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT; TO AUTHORIZE AN
28 ADDITIONAL \$1,000,000.00 IN BONDS TO BE USED TO PROVIDE FUNDING
29 FOR A HIGH ECONOMIC BENEFIT PROJECT AS DEFINED IN SECTION 65-4-
30 5(1)(C)(V); TO AMEND SECTION 25, CHAPTER 533, LAWS OF 2010, AS
31 LAST AMENDED BY SECTION 8, CHAPTER 421, LAWS OF 2019, TO INCREASE
32 BY \$10,000,000.00 THE AMOUNT OF GENERAL OBLIGATION BONDS THAT MAY
33 BE ISSUED FOR THE MISSISSIPPI INDUSTRY INCENTIVE FINANCING
34 REVOLVING FUND; TO CREATE THE MISSISSIPPI TAX FREEDOM ACT OF 2021;
35 TO AMEND SECTION 27-7-21, MISSISSIPPI CODE OF 1972, TO INCREASE
36 THE AMOUNT OF THE PERSONAL EXEMPTIONS UNDER THE STATE INCOME TAX
37 LAW FOR SINGLE INDIVIDUALS, MARRIED INDIVIDUALS AND HEAD OF FAMILY
38 INDIVIDUALS AND TO PROVIDE FOR THE ANNUAL ADJUSTMENT OF THE
39 AMOUNTS OF SUCH PERSONAL EXEMPTIONS; TO AMEND SECTION 27-65-17,
40 MISSISSIPPI CODE OF 1972, TO INCREASE THE SALES TAX RATE ON THE
41 SALE OF TANGIBLE PERSONAL PROPERTY; TO INCREASE THE SALES TAX RATE
42 ON RETAIL SALES OF AIRCRAFT, AUTOMOBILES, TRUCKS, TRUCK-TRACTORS,
43 SEMITRAILERS AND MANUFACTURED AND MOBILE HOMES; TO INCREASE THE
44 SALES TAX RATE ON SALES OF MATERIALS FOR USE IN TRACK AND TRACK
45 STRUCTURES TO A RAILROAD WHOSE RATES ARE FIXED BY THE INTERSTATE
46 COMMERCE COMMISSION OR THE MISSISSIPPI PUBLIC SERVICE COMMISSION;
47 TO INCREASE THE SALES TAX RATE ON SALES OF TANGIBLE PERSONAL
48 PROPERTY TO ELECTRIC POWER ASSOCIATIONS FOR USE IN THE ORDINARY
49 AND NECESSARY OPERATION OF THEIR GENERATING OR DISTRIBUTION
50 SYSTEMS; TO INCREASE THE SALES TAX RATE ON SALES OF THE
51 FACTORY-BUILT COMPONENTS OF MODULAR HOMES, PANELIZED HOMES AND
52 PRECUT HOMES, AND PANEL CONSTRUCTED HOMES CONSISTING OF STRUCTURAL
53 INSULATED PANELS; TO INCREASE THE SALES TAX RATE ON SALES OF
54 MATERIALS USED IN THE REPAIR, RENOVATION, ADDITION TO, EXPANSION
55 OR IMPROVEMENT OF BUILDINGS AND RELATED FACILITIES USED BY DAIRY
56 PRODUCERS; TO REDUCE THE SALES TAX RATE ON RETAIL SALES OF FOOD
57 FOR HUMAN CONSUMPTION NOT PURCHASED WITH FOOD STAMPS BUT WHICH
58 WOULD BE EXEMPT FROM SALES TAX IF PURCHASED WITH FOOD STAMPS; TO
59 AMEND SECTION 27-65-19, MISSISSIPPI CODE OF 1972, TO INCREASE THE
60 SALES TAX RATE ON SALES OF UTILITIES AND TELECOMMUNICATIONS
61 SERVICES; TO AMEND SECTION 27-65-20, MISSISSIPPI CODE OF 1972, TO
62 INCREASE THE SALES TAX RATE ON SALES OF MACHINERY, MACHINE PARTS
63 AND EQUIPMENT TO AN OPERATOR OR LESSEE OF COUNTY PORT AUTHORITY OR
64 COUNTY DEVELOPMENT COMMISSION STRUCTURES, FACILITIES AND LANDS; TO
65 AMEND SECTION 27-65-22, MISSISSIPPI CODE OF 1972, TO INCREASE THE
66 SALES TAX RATE ON AMUSEMENT AND ENTERTAINMENT ADMISSIONS; TO AMEND

67 SECTION 27-65-23, MISSISSIPPI CODE OF 1972, TO INCREASE THE SALES
68 TAX RATE ON VARIOUS SERVICES; TO AMEND SECTION 27-65-25,
69 MISSISSIPPI CODE OF 1972, TO INCREASE THE SALES TAX RATE ON RETAIL
70 SALES OF ALCOHOLIC BEVERAGES; TO AMEND SECTION 27-65-26,
71 MISSISSIPPI CODE OF 1972, TO INCREASE THE SALES TAX RATE ON THE
72 SALE, RENTING OR LEASING OF SPECIFIED DIGITAL PRODUCTS; TO AMEND
73 SECTION 27-65-201, MISSISSIPPI CODE OF 1972, TO INCREASE THE SALES
74 TAX RATE ON CASUAL SALES OF MOTOR VEHICLES; TO AMEND SECTION
75 27-65-75, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE STATE
76 SALES REVENUE COLLECTED FROM INCREASES TO SALES TAX RATES UNDER
77 THIS ACT SHALL BE DEPOSITED, WITHOUT DIVERSION, INTO THE STATE
78 TREASURY TO THE CREDIT OF THE GENERAL FUND, EXCEPT THAT A PORTION
79 OF SUCH REVENUE SHALL BE TEMPORARILY DEPOSITED INTO A SPECIAL FUND
80 CREATED IN THE STATE TREASURY AS THE "BUDGET STABILIZATION FUND";
81 TO REVISE THE DISTRIBUTION OF STATE SALES TAX REVENUE COLLECTED
82 FROM RETAIL SALES OF FOOD FOR HUMAN CONSUMPTION NOT PURCHASED WITH
83 FOOD STAMPS BUT WHICH WOULD BE EXEMPT FROM SALES TAX IF PURCHASED
84 WITH FOOD STAMPS; TO AMEND SECTION 27-67-31, MISSISSIPPI CODE OF
85 1972, TO PROVIDE THAT THE STATE USE TAX REVENUE COLLECTED AS A
86 RESULT OF THE INCREASES TO SALES TAX RATES UNDER THIS ACT SHALL BE
87 DEPOSITED, WITHOUT DIVERSION, INTO THE STATE TREASURY TO THE
88 CREDIT OF THE GENERAL FUND, EXCEPT THAT A PORTION OF SUCH REVENUE
89 SHALL BE TEMPORARILY DEPOSITED INTO A SPECIAL FUND CREATED IN THE
90 STATE TREASURY AS THE "BUDGET STABILIZATION FUND"; TO AMEND
91 SECTION 27-65-241, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES
92 CERTAIN MUNICIPALITIES TO LEVY A MUNICIPAL SPECIAL SALES TAX, TO
93 CONFORM TO THE PROVISIONS OF THIS ACT; TO AMEND SECTIONS 27-69-3,
94 27-69-13 AND 27-69-75, MISSISSIPPI CODE OF 1972, TO REVISE THE
95 DEFINITION OF THE TERM "TOBACCO" UNDER THE TOBACCO TAX LAW; TO
96 INCREASE THE RATE OF THE TOBACCO TAX ON CIGARETTES AND OTHER
97 TOBACCO; TO PROVIDE THAT TOBACCO TAXES COLLECTED FROM THE
98 INCREASES TO TOBACCO TAX RATES UNDER THIS ACT SHALL BE TEMPORARILY
99 DEPOSITED INTO A SPECIAL FUND CREATED IN THE STATE TREASURY AS THE
100 "BUDGET STABILIZATION FUND"; TO CREATE THE "BUDGET STABILIZATION
101 FUND" AS A SPECIAL FUND IN THE STATE TREASURY; TO PROVIDE THAT
102 MONIES IN THE FUND SHALL ONLY BE APPROPRIATED BY THE LEGISLATURE
103 TO FURTHER THE PURPOSES OF THIS ACT; TO AMEND SECTION 27-70-5,
104 MISSISSIPPI CODE OF 1972, TO INCREASE THE RATE OF THE TOBACCO
105 EQUITY TAX; TO AMEND SECTION 27-7-5, MISSISSIPPI CODE OF 1972, TO
106 PROVIDE THAT FROM AND AFTER JANUARY 1 OF THE NEXT SUCCEEDING YEAR
107 AFTER THE DATE THAT THE COMMISSIONER OF REVENUE CERTIFIES THAT THE
108 REDUCTION IN REVENUE MANDATED BY SECTION 27-7-21, MISSISSIPPI CODE
109 OF 1972, EQUALS OR EXCEEDS THE REMAINING REVENUE PRODUCED BY THE
110 INDIVIDUAL INCOME TAX, THE INDIVIDUAL INCOME TAX SHALL BE
111 REPEALED; TO BRING FORWARD SECTION 27-7-3, MISSISSIPPI CODE OF
112 1972, WHICH DEFINES CERTAIN TERMS UNDER THE STATE INCOME TAX LAW,
113 FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION
114 27-7-27, MISSISSIPPI CODE OF 1972, WHICH RELATES TO THE INCOME
115 TAXATION OF ESTATES AND TRUSTS; TO BRING FORWARD SECTIONS
116 27-7-22.5, 27-7-22.15, 27-7-22.21, 27-7-22.22, 27-7-22.31,
117 27-7-22.32, 27-7-22.33, 27-7-22.37, 27-7-22.39, 27-7-22.41 AND
118 27-7-207, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR VARIOUS

119 INCOME TAX CREDITS, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO
120 BRING FORWARD SECTIONS 27-7-312, 57-62-5, 57-62-9, 57-62-11 AND
121 57-62-13, MISSISSIPPI CODE OF 1972, WHICH RELATE TO THE
122 MISSISSIPPI ADVANTAGE JOBS ACT, FOR THE PURPOSES OF POSSIBLE
123 AMENDMENT; TO BRING FORWARD SECTIONS 57-89-3 AND 57-89-7,
124 MISSISSIPPI CODE OF 1972, WHICH ARE SECTIONS OF THE MISSISSIPPI
125 MOTION PICTURE INCENTIVE ACT, FOR THE PURPOSES OF POSSIBLE
126 AMENDMENT; TO BRING FORWARD SECTIONS 57-99-1, 57-99-3, 57-99-5,
127 57-99-7, 57-99-21, 57-99-23, 57-99-25 AND 57-99-27, MISSISSIPPI
128 CODE OF 1972, WHICH RELATE TO THE MISSISSIPPI MAJOR ECONOMIC
129 IMPACT WITHHOLDING REBATE INCENTIVE PROGRAM, FOR THE PURPOSES OF
130 POSSIBLE AMENDMENT; TO BRING FORWARD SECTIONS 37-148-3 AND
131 37-148-5, MISSISSIPPI CODE OF 1972, WHICH ARE SECTIONS OF THE
132 STRENGTHENING MISSISSIPPI ACADEMIC RESEARCH THROUGH BUSINESS ACT,
133 FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION
134 57-105-1, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES INCOME TAX
135 AND INSURANCE PREMIUM TAX CREDITS FOR TAXPAYERS HOLDING CERTAIN
136 QUALIFIED EQUITY INVESTMENTS, FOR THE PURPOSES OF POSSIBLE
137 AMENDMENT; TO BRING FORWARD SECTIONS 27-25-503 AND 27-25-505,
138 MISSISSIPPI CODE OF 1972, WHICH ARE SECTIONS OF THE STATE OIL
139 SEVERANCE TAX LAW, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO
140 BRING FORWARD SECTIONS 27-25-703 AND 27-25-705, MISSISSIPPI CODE
141 OF 1972, WHICH ARE SECTIONS OF THE STATE GAS SEVERANCE TAX LAW,
142 FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTIONS
143 27-65-101, 27-65-103, 27-65-105, 27-65-107 AND 27-65-111,
144 MISSISSIPPI CODE OF 1972, WHICH AUTHORIZE VARIOUS SALES TAX
145 EXEMPTIONS, FOR THE PURPOSES OF POSSIBLE AMENDMENT; AND FOR
146 RELATED PURPOSES.

HR26\SB2971PH.J

Andrew Ketchings
Clerk of the House of Representatives