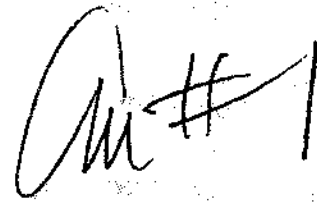


Amendment Proposed To



HOUSE BILL NO. 1439

BY: *Lamar*

1 **AMEND** on line 1765 by inserting "through August 15, 2021"
2 after "thereafter".

3 **AMEND further** on line 1769 by inserting "(1)(n) and" before
4 "(2)".

5 **AMEND further** on line 1779 by inserting the following after
6 the period:
7 "On or before September 15, 2021, and each succeeding month
8 thereafter through August 15, 2024, two and two hundred sixty-six
9 one-thousandths percent (2.266%) of the total sales tax revenue
10 collected during the preceding month under the provisions of this
11 chapter, except that collected under the provisions of Section
12 27-65-17 (1)(n) and (2), and three and fifty-two-one hundredths
13 percent(3.52%) of the total sales tax revenue collected during the



14 preceding month under the provisions of Section 27-65-1(1)(n)
15 shall be deposited into the School Ad Valorem Tax Reduction Fund
16 created under Section 37-61-35 until such time that the total
17 amount deposited into the fund during a fiscal year equals
18 Forty-two Million Dollars (\$42,000,000.00). Thereafter, the
19 amounts diverted under this subsection (7) during the fiscal year
20 in excess of Forty-two Million Dollars (\$42,000,000.00) shall be
21 deposited into the Education Enhancement Fund created under
22 Section 37-61-33 for appropriation by the Legislature as other
23 education needs and shall not be subject to the percentage
24 appropriation requirements set forth in Section 37-61-33. On or
25 before September 15, 2024, and each succeeding month thereafter
26 through August 15, 2026, two and two hundred sixty-six
27 one-thousandths percent (2.266%) of the total sales tax revenue
28 collected during the preceding month under the provisions of this
29 chapter, except that collected under the provisions of Section
30 27-65-17(1)(n) and (2), and four percent (4%) of the total sales
31 tax revenue collected during the preceding month under the
32 provisions of Section 27-65-1(1)(n) shall be deposited into the
33 School Ad Valorem Tax Reduction Fund created under Section
34 37-61-35 until such time that the total amount deposited into the
35 fund during a fiscal year equals Forty-two Million Dollars
36 (\$42,000,000.00). Thereafter, the amounts diverted under this
37 subsection (7) during the fiscal year in excess of Forty-two
38 Million Dollars (\$42,000,000.00) shall be deposited into the



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

AMEND further on line 1781 by inserting "through August 15,
2021" after "thereafter".

62 **AMEND further** on line 1784 by inserting "(1)(n) and" before
63 "(2)".

64 **AMEND further** on line 1786 by inserting the following after
65 the period:

66 "On or before September 15, 2021, and each succeeding month
67 thereafter through August 15, 2024, nine and seventy-three
68 one-thousandths percent (9.073%) of the total sales tax revenue
69 collected during the preceding month under the provisions of this
70 chapter, except that collected under the provisions of Section
71 27-65-17(1)(n) and (2) and fourteen and eleven one-hundredths
72 percent (14.11%) of the total sales tax revenue collected during
73 the preceding month under the provisions of Section 27-65-1(1)(n)
74 shall be deposited into the Education Enhancement Fund created
75 under Section 37-61-33. On or before September 15, 2024, and each
76 succeeding month thereafter through August 15, 2026, nine and
77 seventy-three one-thousandths percent (9.073%) of the total sales
78 tax revenue collected during the preceding month under the
79 provisions of this chapter, except that collected under the
80 provisions of Section 27-65-17(1)(n) and (2) and fifteen and nine
81 tenths (15.9%) of the total sales tax revenue collected during the
82 preceding month under the provisions of Section 27-65-1(1)(n)
83 shall be deposited into the Education Enhancement Fund created
84 under Section 37-61-33. On or before September 15, 2026, and each
85 succeeding month thereafter, nine and seventy-three



86 one-thousandths percent (9.073%) of the total sales tax revenue
87 collected during the preceding month under the provisions of this
88 chapter, except that collected under the provisions of Section
89 27-65-17(1)(n) and (2) and ^{and} eighteen~~x~~ one-tenths (18.1%) of the
90 total sales tax revenue collected during the preceding month under
91 the provisions of Section 27-65-1(1)(n) shall be deposited into
92 the Education Enhancement Fund created under Section 37-61-33."

93 **AMEND further** on line 1994 by inserting "27-65-24" before
94 the second "and".

95 **AMEND further** on line 2003 by inserting "27-65-24," after the
96 first comma.

97 **AMEND further** on lines 2675 and 7248 by striking "59" and
98 inserting in lieu thereof "61".

99 **AMEND further** by inserting the following after line 2682 and
100 renumbering succeeding sections accordingly:

101 **"SECTION ⁵⁹ 59.** Section 27-65-24, Mississippi Code of 1972, is
102 amended as follows:

103 27-65-24. (1) There is levied, assessed and shall be
104 collected a tax on the sale of manufacturing or processing
105 machinery to be installed and/or used at a refinery in this state
106 and on the performance of construction activities at or in regard
107 to a refinery in this state. The tax is in the amount of:



108 (a) * * * Four percent (4%) on the gross proceeds of
109 sales for manufacturing or processing machinery without any regard
110 as to whether or not the machinery retains its identity as
111 tangible personal property after installation; and

112 (b) Three and one-half percent (3-1/2%) of one hundred
113 three and one-half percent (103-1/2%) of the total contract price
114 or compensation paid for the performance of a construction
115 activity.

116 (2) If the owner of the refinery holds a direct pay permit
117 issued by the Department of Revenue under Section 27-65-93, the
118 owner shall furnish the permit to the seller or person performing
119 the construction activity unless the holder of the direct pay
120 permit is given written instructions or written authority to do
121 otherwise by the commissioner. After being furnished the direct
122 pay permit, the seller or person performing the construction
123 activity shall be relieved of the duty to collect the tax imposed
124 under subsection (1) of this section and the owner of the refinery
125 shall pay the tax in the manner required by rule and regulation
126 promulgated by the commissioner. The commissioner may assign a
127 distinctive number to the refinery and issue the distinctive
128 number to the owner. The owner of the refinery may furnish the
129 distinctive number to persons performing construction activities
130 in order to allow such persons to purchase component materials and
131 parts for use in the construction activity without the requirement
132 of paying sales tax on the purchases.



133 (3) Any owner of a refinery who makes application for a
134 distinctive number as provided for in subsection (2), shall be
135 required to execute and file with the commissioner a good and
136 valid bond in a surety company authorized to do business in this
137 state, or with sufficient sureties to be approved by the
138 commissioner, conditioned that all taxes which may accrue to the
139 State of Mississippi under this chapter will be paid when due.

140 (4) As used in this section:

141 (a) "Refinery" means any facility that manufactures
142 finished petroleum products from crude oil, unfinished oils,
143 natural gas liquids, other hydrocarbons, or alcohol. The term
144 "refinery" does not include terminals, bulk plants or other
145 locations where finished products are blended.

146 (b) "Construction activity" means the performance of
147 any activity involving and/or incidental to constructing,
148 building, erecting, repairing, grading, excavating, drilling,
149 exploring, testing or adding to any building, highway, street,
150 sidewalk, bridge, culvert, sewer, irrigation or water system,
151 drainage or dredging system, levee or levee system or any part
152 thereof, railway, reservoir, dam, power plant, electrical system,
153 air-conditioning system, heating system, transmission line,
154 pipeline, tower, dock, storage tank, wharf, excavation, grading,
155 water well, and other improvement or structure or any part
156 thereof.



157 (c) "Total contract price or compensation received"
158 means all compensation received for the performance of
159 construction activities, including monies received for all charges
160 related to the contract or construction activities, including, but
161 not limited to, finance charges and late charges; however, where
162 the total contract price of a project exceeds the sum of One
163 Hundred Million Dollars (\$100,000,000.00) that portion of the
164 compensation received in regard to the project that is
165 attributable to design or engineering shall not be considered part
166 of the total contract price or compensation received for
167 construction activities from the project.

168 **SECTION** ⁶⁰ *. Section 27-70-5, Mississippi Code of 1972, is
169 amended as follows:

170 27-70-5. (1) (a) In addition to the tax imposed under
171 Section 27-69-13, and except as provided by subsection (2) of this
172 section, there is imposed a tobacco equity tax in the amount of
173 * * *) ^{and} Three Nine One-Hundredths Cent (3.09¢) per cigarette on all
174 cigarettes subject to the tax imposed under Section 27-69-13.

175 (b) On July 1 of each year, the tax prescribed by
176 subsection (1) of this section shall increase by the greater of:

177 (i) Three percent (3%); or

178 (ii) The percentage increase in the most recent
179 annual revised Consumer Price Index for all Urban Consumers, as
180 published by the Federal Bureau of Labor Statistics of the United
181 States Department of Labor.



182 (c) The revenue collected from the tax imposed by this
183 section shall be deposited into the State General Fund.

184 (d) The cigarettes manufactured by any manufacturer
185 which is a party to the tobacco settlement agreement shall be
186 exempt from the imposition of the tobacco equity tax provided for
187 herein.

188 (2) The tax imposed by this chapter does not apply to
189 cigarettes that are sold, purchased or otherwise distributed in
190 this state for sale outside of this state. A person may not
191 transport or cause to be transported from this state such
192 cigarettes for retail sale in another state without first affixing
193 to the cigarettes the stamp required by the state in which the
194 cigarettes are to be sold or by paying any other excise tax on the
195 cigarettes imposed by the state in which the cigarettes are to be
196 sold; however, a person shall not be required to affix a tax stamp
197 of another state or pay the excise tax of another state prior to
198 transporting the cigarettes out of this state if the other state
199 prohibits that action or if the cigarettes are being sold to a
200 wholesaler licensed by that state.

201 (3) The tax imposed by this chapter is in addition to any
202 other privilege, license, fee, assessment or tax required or
203 imposed by state law, including, but not limited to, the taxes
204 levied by Section 27-69-13.

205 (4) The tax imposed by this chapter is imposed, levied and
206 assessed on each distributor of cigarettes. The tax shall be due



207 and payable on or before the fifteenth day of the month next
208 succeeding the month in which the stamp is required to be affixed
209 to the cigarettes under the Tobacco Tax Law. The distributor
210 shall make a return showing the number of such cigarettes, the
211 brand family, and the manufacturer. The return shall also include
212 the quantity of cigarettes, by brand family, transported or caused
213 to be transported outside of Mississippi in the preceding month as
214 well as the name and address of the recipient of the cigarettes
215 transported outside of Mississippi.

216 (5) The distributor is eligible for a credit if cigarettes
217 for which the distributor had previously paid the tax under this
218 chapter were returned to the distributor."

219 **AMEND title to conform.**

