

**Adopted
AMENDMENT NO 1 TO AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2971

BY: Representative Lamar

1 **AMEND** by striking Section 3 of the bill and inserting in lieu
2 thereof the following:

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

6 (a) "Accreted value" of any bond means, as of any date
7 of computation, an amount equal to the sum of (i) the stated
8 initial value of such bond, plus (ii) the interest accrued thereon
9 from the issue date to the date of computation at the rate,
10 compounded semiannually, that is necessary to produce the
11 approximate yield to maturity shown for bonds of the same
12 maturity.

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



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

15 (2) (a) The Mississippi Development Authority, at one time,
16 or from time to time, may declare by resolution the necessity for
17 issuance of general obligation bonds of the State of Mississippi
18 to provide funds for the program authorized in Section 57-1-701.
19 Upon the adoption of a resolution by the Mississippi Development
20 Authority declaring the necessity for the issuance of any part or
21 all of the general obligation bonds authorized by this subsection,
22 the Mississippi Development Authority shall deliver a certified
23 copy of its resolution or resolutions to the commission. Upon
24 receipt of such resolution, the commission, in its discretion, may
25 act as the issuing agent, prescribe the form of the bonds,
26 determine the appropriate method for sale of the bonds, advertise
27 for and accept bids or negotiate the sale of the bonds, issue and
28 sell the bonds so authorized to be sold, and do any and all other
29 things necessary and advisable in connection with the issuance and
30 sale of such bonds. The total amount of bonds issued under this
31 section shall not exceed Ten Million Dollars (\$10,000,000.00). No
32 bonds authorized under this section shall be issued after July 1,
33 2025.

34 (b) The proceeds of bonds issued pursuant to this
35 section shall be deposited into the Mississippi Site Development
36 Grant Fund created pursuant to Section 57-1-701. Any investment
37 earnings on bonds issued pursuant to this section shall be used to



38 pay debt service on bonds issued under this section, in accordance
39 with the proceedings authorizing issuance of such bonds.

40 (3) The principal of and interest on the bonds authorized
41 under this section shall be payable in the manner provided in this
42 subsection. Such bonds shall bear such date or dates, be in such
43 denomination or denominations, bear interest at such rate or rates
44 (not to exceed the limits set forth in Section 75-17-101,
45 Mississippi Code of 1972), be payable at such place or places
46 within or without the State of Mississippi, shall mature
47 absolutely at such time or times not to exceed twenty-five (25)
48 years from date of issue, be redeemable before maturity at such
49 time or times and upon such terms, with or without premium, shall
50 bear such registration privileges, and shall be substantially in
51 such form, all as shall be determined by resolution of the
52 commission.

53 (4) The bonds authorized by this section shall be signed by
54 the chairman of the commission, or by his facsimile signature, and
55 the official seal of the commission shall be affixed thereto,
56 attested by the secretary of the commission. The interest
57 coupons, if any, to be attached to such bonds may be executed by
58 the facsimile signatures of such officers. Whenever any such
59 bonds shall have been signed by the officials designated to sign
60 the bonds who were in office at the time of such signing but who
61 may have ceased to be such officers before the sale and delivery
62 of such bonds, or who may not have been in office on the date such



63 bonds may bear, the signatures of such officers upon such bonds
64 and coupons shall nevertheless be valid and sufficient for all
65 purposes and have the same effect as if the person so officially
66 signing such bonds had remained in office until their delivery to
67 the purchaser, or had been in office on the date such bonds may
68 bear. However, notwithstanding anything herein to the contrary,
69 such bonds may be issued as provided in the Registered Bond Act of
70 the State of Mississippi.

71 (5) All bonds and interest coupons issued under the
72 provisions of this section have all the qualities and incidents of
73 negotiable instruments under the provisions of the Uniform
74 Commercial Code, and in exercising the powers granted by this
75 section, the commission shall not be required to and need not
76 comply with the provisions of the Uniform Commercial Code.

77 (6) The commission shall act as the issuing agent for the
78 bonds authorized under this section, prescribe the form of the
79 bonds, determine the appropriate method for sale of the bonds,
80 advertise for and accept bids or negotiate the sale of the bonds,
81 issue and sell the bonds so authorized to be sold, pay all fees
82 and costs incurred in such issuance and sale, and do any and all
83 other things necessary and advisable in connection with the
84 issuance and sale of such bonds. The commission is authorized and
85 empowered to pay the costs that are incident to the sale, issuance
86 and delivery of the bonds authorized under this section from the
87 proceeds derived from the sale of such bonds. The commission



88 shall sell such bonds on sealed bids at public sale or may
89 negotiate the sale of the bonds for such price as it may determine
90 to be for the best interest of the State of Mississippi. All
91 interest accruing on such bonds so issued shall be payable
92 semiannually or annually.

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

99 The commission, when issuing any bonds under the authority of
100 this section, may provide that bonds, at the option of the State
101 of Mississippi, may be called in for payment and redemption at the
102 call price named therein and accrued interest on such date or
103 dates named therein.

104 (7) The bonds issued under the provisions of this section
105 are general obligations of the State of Mississippi, and for the
106 payment thereof the full faith and credit of the State of
107 Mississippi is irrevocably pledged. If the funds appropriated by
108 the Legislature are insufficient to pay the principal of and the
109 interest on such bonds as they become due, then the deficiency
110 shall be paid by the State Treasurer from any funds in the State
111 Treasury not otherwise appropriated. All such bonds shall contain



112 recitals on their faces substantially covering the provisions of
113 this subsection.

114 (8) Upon the issuance and sale of bonds under the provisions
115 of this section, the commission shall transfer the proceeds of any
116 such sale or sales to the Mississippi Site Development Grant Fund
117 created in Section 57-1-701. The proceeds of such bonds shall be
118 disbursed solely upon the order of the Mississippi Development
119 Authority under such restrictions, if any, as may be contained in
120 the resolution providing for the issuance of the bonds.

121 (9) The bonds authorized under this section may be issued
122 without any other proceedings or the happening of any other
123 conditions or things other than those proceedings, conditions and
124 things which are specified or required by this section. Any
125 resolution providing for the issuance of bonds under the
126 provisions of this section shall become effective immediately upon
127 its adoption by the commission, and any such resolution may be
128 adopted at any regular or special meeting of the commission by a
129 majority of its members.

130 (10) The bonds authorized under the authority of this
131 section may be validated in the Chancery Court of the First
132 Judicial District of Hinds County, Mississippi, in the manner and
133 with the force and effect provided by Title 31, Chapter 13,
134 Mississippi Code of 1972, for the validation of county, municipal,
135 school district and other bonds. The notice to taxpayers required



136 by such statutes shall be published in a newspaper published or
137 having a general circulation in the City of Jackson, Mississippi.

138 (11) Any holder of bonds issued under the provisions of this
139 section or of any of the interest coupons pertaining thereto may,
140 either at law or in equity, by suit, action, mandamus or other
141 proceeding, protect and enforce any and all rights granted under
142 this section, or under such resolution, and may enforce and compel
143 performance of all duties required by this section to be
144 performed, in order to provide for the payment of bonds and
145 interest thereon.

146 (12) All bonds issued under the provisions of this section
147 shall be legal investments for trustees and other fiduciaries, and
148 for savings banks, trust companies and insurance companies
149 organized under the laws of the State of Mississippi, and such
150 bonds shall be legal securities which may be deposited with and
151 shall be received by all public officers and bodies of this state
152 and all municipalities and political subdivisions for the purpose
153 of securing the deposit of public funds.

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

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



160 (15) The State Treasurer is authorized, without further
161 process of law, to certify to the Department of Finance and
162 Administration the necessity for warrants, and the Department of
163 Finance and Administration is authorized and directed to issue
164 such warrants, in such amounts as may be necessary to pay when due
165 the principal of, premium, if any, and interest on, or the
166 accreted value of, all bonds issued under this section; and the
167 State Treasurer shall forward the necessary amount to the
168 designated place or places of payment of such bonds in ample time
169 to discharge such bonds, or the interest thereon, on the due dates
170 thereof.

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

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

177 57-1-701. (1) For the purposes of this section, the
178 following words and phrases shall have the meanings ascribed in
179 this subsection unless the context clearly indicates otherwise:

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



185 (b) "Eligible expenditures" means:

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

191 (ii) Contributions toward site development
192 improvements, as approved by MDA, located on industrial property
193 that is publicly owned.

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

195 (d) "Site development improvements" means site
196 clearing, grading, and environmental mitigation; improvements to
197 drainage systems; easement and right-of-way acquisition; sewer
198 systems; transportation directly affecting the site, including
199 roads, bridges or rail; bulkheads; land reclamation; water supply
200 (storage, treatment and distribution); aesthetic improvements; the
201 dredging of channels and basins; or other improvements as approved
202 by MDA.

203 (2) (a) There is hereby created in the State Treasury a
204 special fund to be designated as the "Mississippi Site Development
205 Grant Fund," which shall consist of funds made available by the
206 Legislature in any manner and funds from any other source
207 designated for deposit into such fund. Unexpended amounts
208 remaining in the fund at the end of a fiscal year shall not lapse
209 into the State General Fund, and any investment earnings or



210 interest earned on amounts in the fund shall be deposited to the
211 credit of the fund. Monies in the fund shall be used to make
212 grants to assist eligible entities as provided in this section.

213 (b) Monies in the fund which are derived from proceeds
214 of bonds issued under Section 2 of Chapter 390, Laws of 2017,
215 Section 5 of Chapter 412, Laws of 2018, Section 1 of Chapter 421,
216 Laws of 2019, * * * Section 4 of Chapter 492, Laws of 2020, or
217 Section 1 of this act, may be used to reimburse reasonable actual
218 and necessary costs incurred by MDA for the administration of the
219 various grant, loan and financial incentive programs administered
220 by MDA. An accounting of actual costs incurred for which
221 reimbursement is sought shall be maintained by MDA. Reimbursement
222 of reasonable actual and necessary costs shall not exceed three
223 percent (3%) of the proceeds of bonds issued. Reimbursements
224 under this subsection shall satisfy any applicable federal tax law
225 requirements.

226 (3) (a) MDA shall establish a program to make grants to
227 eligible entities to match local or other funds associated with
228 improving the marketability of publicly owned industrial property
229 for industrial economic development purposes and other property
230 improvements as approved by MDA. An eligible entity may apply to
231 MDA for a grant under this program in the manner provided for in
232 this section. An eligible entity desiring assistance under this
233 section must provide matching funds in an amount determined by



234 MDA. Matching funds may be provided in the form of cash and/or
235 in-kind services as determined by MDA.

236 (b) An eligible entity desiring assistance under this
237 section must submit an application to MDA. The application must
238 include:

239 (i) A description of the eligible expenditures for
240 which assistance is requested;

241 (ii) The amount of assistance requested;

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

244 (iv) Any other information required by MDA.

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

249 (4) MDA shall have all powers necessary to implement and
250 administer the program established under this section, and the
251 department shall promulgate rules and regulations, in accordance
252 with the Mississippi Administrative Procedures Law, necessary for
253 the implementation of this section.

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



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

261 (a) "Accreted value" of any bonds means, as of any date
262 of computation, an amount equal to the sum of (i) the stated
263 initial value of such bond, plus (ii) the interest accrued thereon
264 from the issue date to the date of computation at the rate,
265 compounded semiannually, that is necessary to produce the
266 approximate yield to maturity shown for bonds of the same
267 maturity.

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

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

270 (2) (a) The Mississippi Development Authority, at one time,
271 or from time to time, may declare by resolution the necessity for
272 issuance of general obligation bonds of the State of Mississippi
273 to provide funds for the program authorized in Section 57-1-16.
274 Upon the adoption of a resolution by the Mississippi Development
275 Authority declaring the necessity for the issuance of any part or
276 all of the general obligation bonds authorized by this subsection,
277 the Mississippi Development Authority shall deliver a certified
278 copy of its resolution or resolutions to the commission. Upon
279 receipt of such resolution, the commission, in its discretion, may
280 act as the issuing agent, prescribe the form of the bonds,
281 determine the appropriate method for sale of the bonds, advertise
282 for and accept bids or negotiate the sale of the bonds, issue and



283 sell the bonds so authorized to be sold, and do any and all other
284 things necessary and advisable in connection with the issuance and
285 sale of such bonds. The total amount of bonds issued under this
286 section shall not exceed Twenty Million Dollars (\$20,000,000.00).
287 No bonds authorized under this section shall be issued after July
288 1, 2025.

289 (b) The proceeds of bonds issued pursuant to this
290 section shall be deposited into the ACE Fund created pursuant to
291 Section 57-1-16. Any investment earnings on bonds issued pursuant
292 to this section shall be used to pay debt service on bonds issued
293 under this section, in accordance with the proceedings authorizing
294 issuance of such bonds.

295 (3) The principal of and interest on the bonds authorized
296 under this section shall be payable in the manner provided in this
297 subsection. Such bonds shall bear such date or dates, be in such
298 denomination or denominations, bear interest at such rate or rates
299 (not to exceed the limits set forth in Section 75-17-101,
300 Mississippi Code of 1972), be payable at such place or places
301 within or without the State of Mississippi, shall mature
302 absolutely at such time or times not to exceed twenty-five (25)
303 years from date of issue, be redeemable before maturity at such
304 time or times and upon such terms, with or without premium, shall
305 bear such registration privileges, and shall be substantially in
306 such form, all as shall be determined by resolution of the
307 commission.



308 (4) The bonds authorized by this section shall be signed by
309 the chairman of the commission, or by his facsimile signature, and
310 the official seal of the commission shall be affixed thereto,
311 attested by the secretary of the commission. The interest
312 coupons, if any, to be attached to such bonds may be executed by
313 the facsimile signatures of such officers. Whenever any such
314 bonds shall have been signed by the officials designated to sign
315 the bonds who were in office at the time of such signing but who
316 may have ceased to be such officers before the sale and delivery
317 of such bonds, or who may not have been in office on the date such
318 bonds may bear, the signatures of such officers upon such bonds
319 and coupons shall nevertheless be valid and sufficient for all
320 purposes and have the same effect as if the person so officially
321 signing such bonds had remained in office until their delivery to
322 the purchaser, or had been in office on the date such bonds may
323 bear. However, notwithstanding anything herein to the contrary,
324 such bonds may be issued as provided in the Registered Bond Act of
325 the State of Mississippi.

326 (5) All bonds and interest coupons issued under the
327 provisions of this section have all the qualities and incidents of
328 negotiable instruments under the provisions of the Uniform
329 Commercial Code, and in exercising the powers granted by this
330 section, the commission shall not be required to and need not
331 comply with the provisions of the Uniform Commercial Code.



332 (6) The commission shall act as the issuing agent for the
333 bonds authorized under this section, prescribe the form of the
334 bonds, determine the appropriate method for sale of the bonds,
335 advertise for and accept bids or negotiate the sale of the bonds,
336 issue and sell the bonds so authorized to be sold, pay all fees
337 and costs incurred in such issuance and sale, and do any and all
338 other things necessary and advisable in connection with the
339 issuance and sale of such bonds. The commission is authorized and
340 empowered to pay the costs that are incident to the sale, issuance
341 and delivery of the bonds authorized under this section from the
342 proceeds derived from the sale of such bonds. The commission
343 shall sell such bonds on sealed bids at public sale or may
344 negotiate the sale of the bonds for such price as it may determine
345 to be for the best interest of the State of Mississippi. All
346 interest accruing on such bonds so issued shall be payable
347 semiannually or annually.

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

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



357 call price named therein and accrued interest on such date or
358 dates named therein.

359 (7) The bonds issued under the provisions of this section
360 are general obligations of the State of Mississippi, and for the
361 payment thereof the full faith and credit of the State of
362 Mississippi is irrevocably pledged. If the funds appropriated by
363 the Legislature are insufficient to pay the principal of and the
364 interest on such bonds as they become due, then the deficiency
365 shall be paid by the State Treasurer from any funds in the State
366 Treasury not otherwise appropriated. All such bonds shall contain
367 recitals on their faces substantially covering the provisions of
368 this subsection.

369 (8) Upon the issuance and sale of bonds under the provisions
370 of this section, the commission shall transfer the proceeds of any
371 such sale or sales to the ACE Fund created in Section 57-1-16.
372 The proceeds of such bonds shall be disbursed solely upon the
373 order of the Mississippi Development Authority under such
374 restrictions, if any, as may be contained in the resolution
375 providing for the issuance of the bonds.

376 (9) The bonds authorized under this section may be issued
377 without any other proceedings or the happening of any other
378 conditions or things other than those proceedings, conditions and
379 things which are specified or required by this section. Any
380 resolution providing for the issuance of bonds under the
381 provisions of this section shall become effective immediately upon



382 its adoption by the commission, and any such resolution may be
383 adopted at any regular or special meeting of the commission by a
384 majority of its members.

385 (10) The bonds authorized under the authority of this
386 section may be validated in the Chancery Court of the First
387 Judicial District of Hinds County, Mississippi, in the manner and
388 with the force and effect provided by Title 31, Chapter 13,
389 Mississippi Code of 1972, for the validation of county, municipal,
390 school district and other bonds. The notice to taxpayers required
391 by such statutes shall be published in a newspaper published or
392 having a general circulation in the City of Jackson, Mississippi.

393 (11) Any holder of bonds issued under the provisions of this
394 section or of any of the interest coupons pertaining thereto may,
395 either at law or in equity, by suit, action, mandamus or other
396 proceeding, protect and enforce any and all rights granted under
397 this section, or under such resolution, and may enforce and compel
398 performance of all duties required by this section to be
399 performed, in order to provide for the payment of bonds and
400 interest thereon.

401 (12) All bonds issued under the provisions of this section
402 shall be legal investments for trustees and other fiduciaries, and
403 for savings banks, trust companies and insurance companies
404 organized under the laws of the State of Mississippi, and such
405 bonds shall be legal securities which may be deposited with and
406 shall be received by all public officers and bodies of this state



407 and all municipalities and political subdivisions for the purpose
408 of securing the deposit of public funds.

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

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

415 (15) The State Treasurer is authorized, without further
416 process of law, to certify to the Department of Finance and
417 Administration the necessity for warrants, and the Department of
418 Finance and Administration is authorized and directed to issue
419 such warrants, in such amounts as may be necessary to pay when due
420 the principal of, premium, if any, and interest on, or the
421 accreted value of, all bonds issued under this section; and the
422 State Treasurer shall forward the necessary amount to the
423 designated place or places of payment of such bonds in ample time
424 to discharge such bonds, or the interest thereon, on the due dates
425 thereof.

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

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



432 57-61-25. (1) The seller is authorized to borrow, on the
433 credit of the state upon receipt of a resolution from the
434 Mississippi Development Authority requesting the same, monies not
435 exceeding the aggregate sum of * * * Three Hundred Ninety-seven
436 Million Five Hundred Thousand Dollars (\$397,500,000.00), not
437 including monies borrowed to refund outstanding bonds, notes or
438 replacement notes, as may be necessary to carry out the purposes
439 of this chapter. The rate of interest on any such bonds or notes
440 which are not subject to taxation shall not exceed the rates set
441 forth in Section 75-17-101, Mississippi Code of 1972, for general
442 obligation bonds.

443 (2) As evidence of indebtedness authorized in this chapter,
444 general or limited obligation bonds of the state shall be issued,
445 from time to time, to provide monies necessary to carry out the
446 purposes of this chapter for such total amounts, in such form, in
447 such denominations payable in such currencies (either domestic or
448 foreign, or both) and subject to such terms and conditions of
449 issue, redemption and maturity, rate of interest and time of
450 payment of interest as the seller directs, except that such bonds
451 shall mature or otherwise be retired in annual installments
452 beginning not more than five (5) years from date thereof and
453 extending not more than thirty (30) years from date thereof.

454 (3) All bonds and notes issued under authority of this
455 chapter shall be signed by the chairman of the seller, or by his



456 facsimile signature, and the official seal of the seller shall be
457 affixed thereto, attested by the secretary of the seller.

458 (4) All bonds and notes issued under authority of this
459 chapter may be general or limited obligations of the state, and
460 the full faith and credit of the State of Mississippi as to
461 general obligation bonds, or the revenues derived from projects
462 assisted as to limited obligation bonds, are hereby pledged for
463 the payment of the principal of and interest on such bonds and
464 notes.

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

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

471 (7) The seller is authorized to provide, by resolution, for
472 the issuance of refunding bonds for the purpose of refunding any
473 debt issued under the provisions of this chapter and then
474 outstanding, either by voluntary exchange with the holders of the
475 outstanding debt or to provide funds to redeem and the costs of
476 issuance and retirement of the debt, at maturity or at any call
477 date. The issuance of the refunding bonds, the maturities and
478 other details thereof, the rights of the holders thereof and the
479 duties of the issuing officials in respect to the same shall be



480 governed by the provisions of this section, insofar as they may be
481 applicable.

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

486 (9) The proceeds of bonds issued under this chapter after
487 April 9, 2002, may be used to reimburse reasonable actual and
488 necessary costs incurred by the Mississippi Development Authority
489 for the administration of the various grant, loan and financial
490 incentive programs administered by the authority. An accounting
491 of actual costs incurred for which reimbursement is sought shall
492 be maintained by the Mississippi Development Authority.
493 Reimbursement of reasonable actual and necessary costs shall not
494 exceed three percent (3%) of the proceeds of bonds issued.
495 Reimbursements under this subsection shall satisfy any applicable
496 federal tax law requirements.

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

499 57-61-36. (1) Notwithstanding any provision of this chapter
500 to the contrary, the Mississippi Development Authority shall
501 utilize not more than Fourteen Million Five Hundred Thousand
502 Dollars (\$14,500,000.00) out of the proceeds of bonds authorized
503 to be issued in this chapter for the purpose of making grants to



504 municipalities through a Development Infrastructure Grant Fund to
505 complete infrastructure related to new or expanded industry.

506 (2) [Repealed]

507 (3) Notwithstanding any provision of this chapter to the
508 contrary, the Mississippi Development Authority shall utilize the
509 monies transferred from the Housing Development Revolving Loan
510 Fund and not more than * * * One Hundred Four Million One Hundred
511 Thousand Dollars (\$104,100,000.00) out of the proceeds of bonds
512 authorized to be issued in this chapter for the purpose of making
513 grants or loans to municipalities through an equipment and public
514 facilities grant and loan fund to aid in infrastructure-related
515 improvements as determined by the Mississippi Development
516 Authority, the purchase of equipment and in the purchase,
517 construction or repair and renovation of public facilities. Any
518 bonds previously issued for the Development Infrastructure
519 Revolving Loan Program which have not been loaned or applied for
520 are eligible to be administered as grants or loans. In making
521 grants and loans under this section, the Mississippi Development
522 Authority shall attempt to provide for an equitable distribution
523 of such grants and loans among each of the congressional districts
524 of this state in order to promote economic development across the
525 entire state.

526 The requirements of Section 57-61-9 shall not apply to any
527 grant made under this subsection. The Mississippi Development



528 Authority may establish criteria and guidelines to govern grants
529 made pursuant to this subsection.

530 (4) [Repealed]

531 (5) (a) The Mississippi Development Authority may establish
532 a Capital Access Program and may contract with any financial
533 institution to participate in the program upon such terms and
534 conditions as the authority shall consider necessary and proper.
535 The Mississippi Development Authority may establish loss reserve
536 accounts at financial institutions that participate in the program
537 and require payments by the financial institution and the borrower
538 to such loss reserve accounts. All monies in such loss reserve
539 accounts is the property of the Mississippi Development Authority.

540 (b) Under the Capital Access Program a participating
541 financial institution may make a loan to any borrower the
542 Mississippi Development Authority determines to be qualified under
543 rules and regulations adopted by the authority and be protected
544 against losses from such loans as provided in the program. Under
545 such rules and regulations as may be adopted by the Mississippi
546 Development Authority, a participating financial institution may
547 submit claims for the reimbursement for losses incurred as a
548 result of default on loans by qualified borrowers.

549 (c) Under the Capital Access Program a participating
550 financial institution may make a loan that is secured by the
551 assignment of the proceeds of a contract between the borrower and
552 a public entity if the Mississippi Development Authority



553 determines the loan to be qualified under the rules and
554 regulations adopted by the authority. Under such rules and
555 regulations as may be adopted by the Mississippi Development
556 Authority, a participating financial institution may submit an
557 application to the authority requesting that a loan secured
558 pursuant to this paragraph be funded under the Capital Access
559 Program.

560 (d) Notwithstanding any provision of this chapter to
561 the contrary, the Mississippi Development Authority may utilize
562 not more than One Million Five Hundred Fifty Thousand Dollars
563 (\$1,550,000.00) out of the proceeds of bonds authorized to be
564 issued in this chapter for the purpose of making payments to loan
565 loss reserve accounts established at financial institutions that
566 participate in the Capital Access Program established by the
567 Mississippi Development Authority; however, any portion of the
568 bond proceeds authorized to be utilized by this paragraph that are
569 not utilized for making payments to loss reserve accounts may be
570 utilized by the Mississippi Development Authority to advance funds
571 to financial institutions that participate in the Capital Access
572 Program pursuant to paragraph (c) of this subsection.

573 (6) Notwithstanding any provision of this chapter to the
574 contrary, the Mississippi Development Authority shall utilize not
575 more than Two Hundred Thousand Dollars (\$200,000.00) out of the
576 proceeds of bonds authorized to be issued in this chapter for the
577 purpose of assisting Warren County, Mississippi, in the



578 continuation and completion of the study for the proposed Kings
579 Point Levee.

580 (7) Notwithstanding any provision of this chapter to the
581 contrary, the Mississippi Development Authority shall utilize not
582 more than One Hundred Thousand Dollars (\$100,000.00) out of the
583 proceeds of bonds authorized to be issued in this chapter for the
584 purpose of developing a long-range plan for coordinating the
585 resources of the state institutions of higher learning, the
586 community and junior colleges, the Mississippi Development
587 Authority and other state agencies in order to promote economic
588 development in the state.

589 (8) Notwithstanding any other provision of this chapter to
590 the contrary, the Mississippi Development Authority shall use not
591 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of
592 the proceeds of bonds authorized to be issued in this chapter for
593 the purpose of providing assistance to municipalities that have
594 received Community Development Block Grant funds for repair,
595 renovation and other improvements to buildings for use as
596 community centers. Assistance provided to a municipality under
597 this subsection shall be used by the municipality to match such
598 Community Development Block Grant funds. The maximum amount of
599 assistance that may be provided to a municipality under this
600 subsection shall not exceed Seventy-five Thousand Dollars
601 (\$75,000.00) in the aggregate.



602 (9) Notwithstanding any provision of this chapter to the
603 contrary, the Mississippi Development Authority shall utilize not
604 more than Two Million Dollars (\$2,000,000.00) out of the proceeds
605 of bonds authorized to be issued in this chapter for the purpose
606 of assisting in paying the costs of constructing a new spillway
607 and related bridge and dam structures at Lake Mary in Wilkinson
608 County, Mississippi, including construction of a temporary dam and
609 diversion canal, removing existing structures, removing and
610 stockpiling riprap, spillway construction, dam embankment
611 construction, road access, constructing bridges and related
612 structures, design and construction engineering and field testing.

613 (10) Notwithstanding any provision of this chapter to the
614 contrary, the Mississippi Development Authority shall utilize not
615 more than One Hundred Thousand Dollars (\$100,000.00) out of the
616 proceeds of bonds authorized to be issued in this chapter for the
617 purpose of assisting the City of Holly Springs, Mississippi, in
618 providing water and sewer and other infrastructure services in the
619 Marshall, Benton and Tippah Counties area.

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

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

623 57-75-15. (1) Upon notification to the authority by the
624 enterprise that the state has been finally selected as the site
625 for the project, the State Bond Commission shall have the power
626 and is hereby authorized and directed, upon receipt of a



627 declaration from the authority as hereinafter provided, to borrow
628 money and issue general obligation bonds of the state in one or
629 more series for the purposes herein set out. Upon such
630 notification, the authority may thereafter, from time to time,
631 declare the necessity for the issuance of general obligation bonds
632 as authorized by this section and forward such declaration to the
633 State Bond Commission, provided that before such notification, the
634 authority may enter into agreements with the United States
635 government, private companies and others that will commit the
636 authority to direct the State Bond Commission to issue bonds for
637 eligible undertakings set out in subsection (4) of this section,
638 conditioned on the siting of the project in the state.

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

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

648 (b) Bonds issued under the authority of this section
649 for projects as defined in Section 57-75-5(f)(ii) shall not
650 exceed * * * Eighty Million Dollars (\$80,000,000.00). The
651 authority, with the express direction of the State Bond



652 Commission, is authorized to expend any remaining proceeds of
653 bonds issued under the authority of this act prior to January 1,
654 1998, for the purpose of financing projects as then defined in
655 Section 57-75-5(f)(ii) or for any other projects as defined in
656 Section 57-75-5(f)(ii), as it may be amended from time to time.
657 No bonds shall be issued under this paragraph (b) until the State
658 Bond Commission by resolution adopts a finding that the issuance
659 of such bonds will improve, expand or otherwise enhance the
660 military installation, its support areas or military operations,
661 or will provide employment opportunities to replace those lost by
662 closure or reductions in operations at the military installation
663 or will support critical studies or investigations authorized by
664 Section 57-75-5(f)(ii).

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

669 (d) Bonds issued under the authority of this section
670 for projects defined in Section 57-75-5(f)(iv) shall not exceed
671 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
672 additional amount of bonds in an amount not to exceed Twelve
673 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
674 issued under the authority of this section for the purpose of
675 defraying costs associated with the construction of surface water
676 transmission lines for a project defined in Section 57-75-5(f)(iv)



677 or for any facility related to the project. No bonds shall be
678 issued under this paragraph after June 30, 2005.

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

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

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

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

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

700 (j) Bonds issued under the authority of this section
701 for projects defined in Section 57-75-5(f)(xii) shall not exceed



702 Thirty-three Million Dollars (\$33,000,000.00). The amount of
703 bonds that may be issued under this paragraph for projects defined
704 in Section 57-75-5(f)(xii) may be reduced by the amount of any
705 federal or local funds made available for such projects. No bonds
706 shall be issued under this paragraph until local governments in or
707 near the county in which the project is located have irrevocably
708 committed funds to the project in an amount of not less than Two
709 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
710 aggregate; however, this irrevocable commitment requirement may be
711 waived by the authority upon a finding that due to the unforeseen
712 circumstances created by Hurricane Katrina, the local governments
713 are unable to comply with such commitment. No bonds shall be
714 issued under this paragraph after June 30, 2008.

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

719 (l) Bonds issued under the authority of this section
720 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
721 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
722 issued under this paragraph until local governments in the county
723 in which the project is located have irrevocably committed funds
724 to the project in an amount of not less than Two Million Dollars
725 (\$2,000,000.00). No bonds shall be issued under this paragraph
726 after June 30, 2009.



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

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

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

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

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

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



751 (s) Bonds issued under the authority of this section
752 for projects defined in Section 57-75-5(f) (xxi) shall not exceed
753 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
754 (\$293,900,000.00). No bonds shall be issued under this paragraph
755 after July 1, 2020.

756 (t) Bonds issued under the authority of this section
757 for Tier One suppliers shall not exceed Thirty Million Dollars
758 (\$30,000,000.00). No bonds shall be issued under this paragraph
759 after July 1, 2020.

760 (u) Bonds issued under the authority of this section
761 for projects defined in Section 57-75-5(f) (xxii) shall not exceed
762 Forty-eight Million Four Hundred Thousand Dollars
763 (\$48,400,000.00). No bonds shall be issued under this paragraph
764 after July 1, 2020.

765 (v) Bonds issued under the authority of this section
766 for projects defined in Section 57-75-5(f) (xxiii) shall not exceed
767 Eighty-eight Million Two Hundred Fifty Thousand Dollars
768 (\$88,250,000.00). No bonds shall be issued under this paragraph
769 after July 1, 2009.

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

774 (x) Bonds issued under the authority of this section
775 for projects defined in Section 57-75-5(f) (xxv) shall not exceed



776 Twenty-five Million Dollars (\$25,000,000.00). No bonds shall be
777 issued under this paragraph after July 1, 2017.

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

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

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

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

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

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



800 (i) Defraying all or any designated portion of the
801 costs incurred with respect to acquisition, planning, design,
802 construction, installation, rehabilitation, improvement,
803 relocation and with respect to state-owned property, operation and
804 maintenance of the project and any facility related to the project
805 located within the project area, including costs of design and
806 engineering, all costs incurred to provide land, easements and
807 rights-of-way, relocation costs with respect to the project and
808 with respect to any facility related to the project located within
809 the project area, and costs associated with mitigation of
810 environmental impacts and environmental impact studies;

811 (ii) Defraying the cost of providing for the
812 recruitment, screening, selection, training or retraining of
813 employees, candidates for employment or replacement employees of
814 the project and any related activity;

815 (iii) Reimbursing the Mississippi Development
816 Authority for expenses it incurred in regard to projects defined
817 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
818 Mississippi Development Authority shall submit an itemized list of
819 expenses it incurred in regard to such projects to the Chairmen of
820 the Finance and Appropriations Committees of the Senate and the
821 Chairmen of the Ways and Means and Appropriations Committees of
822 the House of Representatives;

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



825 (v) Paying any warranty made by the authority
826 regarding site work for a project defined in Section
827 57-75-5(f)(iv)1;

828 (vi) Defraying the cost of marketing and promotion
829 of a project as defined in Section 57-75-5(f)(iv)1, Section
830 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii). The authority shall
831 submit an itemized list of costs incurred for marketing and
832 promotion of such project to the Chairmen of the Finance and
833 Appropriations Committees of the Senate and the Chairmen of the
834 Ways and Means and Appropriations Committees of the House of
835 Representatives;

836 (vii) Providing for the payment of interest on the
837 bonds;

838 (viii) Providing debt service reserves;

839 (ix) Paying underwriters' discount, original issue
840 discount, accountants' fees, engineers' fees, attorneys' fees,
841 rating agency fees and other fees and expenses in connection with
842 the issuance of the bonds;

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

846 (xi) Providing grants to enterprises operating
847 projects defined in Section 57-75-5(f)(v), or, in connection with
848 a facility related to such a project, for any purposes deemed by



849 the authority in its sole discretion to be necessary and
850 appropriate;

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

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

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

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

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

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

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



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

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

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

879 (xxii) Providing grants and loans as authorized in
880 Section 57-75-11(tt); and

881 (xxiii) Providing grants as authorized in Section
882 57-75-11(wv) for any purposes deemed by the authority in its sole
883 discretion to be necessary and appropriate.

884 Such bonds shall be issued, from time to time, and in such
885 principal amounts as shall be designated by the authority, not to
886 exceed in aggregate principal amounts the amount authorized in
887 subsection (3) of this section. Proceeds from the sale of the
888 bonds issued under this section may be invested, subject to
889 federal limitations, pending their use, in such securities as may
890 be specified in the resolution authorizing the issuance of the
891 bonds or the trust indenture securing them, and the earning on
892 such investment applied as provided in such resolution or trust
893 indenture.

894 (b) (i) The proceeds of bonds issued after June 21,
895 2002, under this section for projects described in Section
896 57-75-5(f)(iv) may be used to reimburse reasonable actual and
897 necessary costs incurred by the Mississippi Development Authority



898 in providing assistance related to a project for which funding is
899 provided from the use of proceeds of such bonds. The Mississippi
900 Development Authority shall maintain an accounting of actual costs
901 incurred for each project for which reimbursements are sought.
902 Reimbursements under this paragraph (b) (i) shall not exceed Three
903 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
904 Reimbursements under this paragraph (b) (i) shall satisfy any
905 applicable federal tax law requirements.

906 (ii) The proceeds of bonds issued after June 21,
907 2002, under this section for projects described in Section
908 57-75-5(f) (iv) may be used to reimburse reasonable actual and
909 necessary costs incurred by the Department of Audit in providing
910 services related to a project for which funding is provided from
911 the use of proceeds of such bonds. The Department of Audit shall
912 maintain an accounting of actual costs incurred for each project
913 for which reimbursements are sought. The Department of Audit may
914 escalate its budget and expend such funds in accordance with rules
915 and regulations of the Department of Finance and Administration in
916 a manner consistent with the escalation of federal funds.
917 Reimbursements under this paragraph (b) (ii) shall not exceed One
918 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
919 Reimbursements under this paragraph (b) (ii) shall satisfy any
920 applicable federal tax law requirements.

921 (c) (i) Except as otherwise provided in this
922 subsection, the proceeds of bonds issued under this section for a



923 project described in Section 57-75-5(f) may be used to reimburse
924 reasonable actual and necessary costs incurred by the Mississippi
925 Development Authority in providing assistance related to the
926 project for which funding is provided for the use of proceeds of
927 such bonds. The Mississippi Development Authority shall maintain
928 an accounting of actual costs incurred for each project for which
929 reimbursements are sought. Reimbursements under this paragraph
930 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
931 each project.

932 (ii) Except as otherwise provided in this
933 subsection, the proceeds of bonds issued under this section for a
934 project described in Section 57-75-5(f) may be used to reimburse
935 reasonable actual and necessary costs incurred by the Department
936 of Audit in providing services related to the project for which
937 funding is provided from the use of proceeds of such bonds. The
938 Department of Audit shall maintain an accounting of actual costs
939 incurred for each project for which reimbursements are sought.
940 The Department of Audit may escalate its budget and expend such
941 funds in accordance with rules and regulations of the Department
942 of Finance and Administration in a manner consistent with the
943 escalation of federal funds. Reimbursements under this paragraph
944 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
945 each project. Reimbursements under this paragraph shall satisfy
946 any applicable federal tax law requirements.



947 (5) The principal of and the interest on the bonds shall be
948 payable in the manner hereinafter set forth. The bonds shall bear
949 date or dates; be in such denomination or denominations; bear
950 interest at such rate or rates; be payable at such place or places
951 within or without the state; mature absolutely at such time or
952 times; be redeemable before maturity at such time or times and
953 upon such terms, with or without premium; bear such registration
954 privileges; and be substantially in such form; all as shall be
955 determined by resolution of the State Bond Commission except that
956 such bonds shall mature or otherwise be retired in annual
957 installments beginning not more than five (5) years from the date
958 thereof and extending not more than twenty-five (25) years from
959 the date thereof. The bonds shall be signed by the Chairman of
960 the State Bond Commission, or by his facsimile signature, and the
961 official seal of the State Bond Commission shall be imprinted on
962 or affixed thereto, attested by the manual or facsimile signature
963 of the Secretary of the State Bond Commission. Whenever any such
964 bonds have been signed by the officials herein designated to sign
965 the bonds, who were in office at the time of such signing but who
966 may have ceased to be such officers before the sale and delivery
967 of such bonds, or who may not have been in office on the date such
968 bonds may bear, the signatures of such officers upon such bonds
969 shall nevertheless be valid and sufficient for all purposes and
970 have the same effect as if the person so officially signing such



971 bonds had remained in office until the delivery of the same to the
972 purchaser, or had been in office on the date such bonds may bear.

973 (6) All bonds issued under the provisions of this section
974 shall be and are hereby declared to have all the qualities and
975 incidents of negotiable instruments under the provisions of the
976 Uniform Commercial Code and in exercising the powers granted by
977 this chapter, the State Bond Commission shall not be required to
978 and need not comply with the provisions of the Uniform Commercial
979 Code.

980 (7) The State Bond Commission shall act as issuing agent for
981 the bonds, prescribe the form of the bonds, determine the
982 appropriate method for sale of the bonds, advertise for and accept
983 bids or negotiate the sale of the bonds, issue and sell the bonds,
984 pay all fees and costs incurred in such issuance and sale, and do
985 any and all other things necessary and advisable in connection
986 with the issuance and sale of the bonds. The State Bond
987 Commission may sell such bonds on sealed bids at public sale or
988 may negotiate the sale of the bonds for such price as it may
989 determine to be for the best interest of the State of Mississippi.
990 The bonds shall bear interest at such rate or rates not exceeding
991 the limits set forth in Section 75-17-101 as shall be fixed by the
992 State Bond Commission. All interest accruing on such bonds so
993 issued shall be payable semiannually or annually.

994 If the bonds are to be sold on sealed bids at public sale,
995 notice of the sale of any bonds shall be published at least one



996 time, the first of which shall be made not less than ten (10) days
997 prior to the date of sale, and shall be so published in one or
998 more newspapers having a general circulation in the City of
999 Jackson, Mississippi, selected by the State Bond Commission.

1000 The State Bond Commission, when issuing any bonds under the
1001 authority of this section, may provide that the bonds, at the
1002 option of the state, may be called in for payment and redemption
1003 at the call price named therein and accrued interest on such date
1004 or dates named therein.

1005 (8) State bonds issued under the provisions of this section
1006 shall be the general obligations of the state and backed by the
1007 full faith and credit of the state. The Legislature shall
1008 appropriate annually an amount sufficient to pay the principal of
1009 and the interest on such bonds as they become due. All bonds
1010 shall contain recitals on their faces substantially covering the
1011 foregoing provisions of this section.

1012 (9) The State Treasurer is authorized to certify to the
1013 Department of Finance and Administration the necessity for
1014 warrants, and the Department of Finance and Administration is
1015 authorized and directed to issue such warrants payable out of any
1016 funds appropriated by the Legislature under this section for such
1017 purpose, in such amounts as may be necessary to pay when due the
1018 principal of and interest on all bonds issued under the provisions
1019 of this section. The State Treasurer shall forward the necessary
1020 amount to the designated place or places of payment of such bonds



1021 in ample time to discharge such bonds, or the interest thereon, on
1022 the due dates thereof.

1023 (10) The bonds may be issued without any other proceedings
1024 or the happening of any other conditions or things other than
1025 those proceedings, conditions and things which are specified or
1026 required by this chapter. Any resolution providing for the
1027 issuance of general obligation bonds under the provisions of this
1028 section shall become effective immediately upon its adoption by
1029 the State Bond Commission, and any such resolution may be adopted
1030 at any regular or special meeting of the State Bond Commission by
1031 a majority of its members.

1032 (11) In anticipation of the issuance of bonds hereunder, the
1033 State Bond Commission is authorized to negotiate and enter into
1034 any purchase, loan, credit or other agreement with any bank, trust
1035 company or other lending institution or to issue and sell interim
1036 notes for the purpose of making any payments authorized under this
1037 section. All borrowings made under this provision shall be
1038 evidenced by notes of the state which shall be issued from time to
1039 time, for such amounts not exceeding the amount of bonds
1040 authorized herein, in such form and in such denomination and
1041 subject to such terms and conditions of sale and issuance,
1042 prepayment or redemption and maturity, rate or rates of interest
1043 not to exceed the maximum rate authorized herein for bonds, and
1044 time of payment of interest as the State Bond Commission shall
1045 agree to in such agreement. Such notes shall constitute general



1046 obligations of the state and shall be backed by the full faith and
1047 credit of the state. Such notes may also be issued for the
1048 purpose of refunding previously issued notes. No note shall
1049 mature more than three (3) years following the date of its
1050 issuance. The State Bond Commission is authorized to provide for
1051 the compensation of any purchaser of the notes by payment of a
1052 fixed fee or commission and for all other costs and expenses of
1053 issuance and service, including paying agent costs. Such costs
1054 and expenses may be paid from the proceeds of the notes.

1055 (12) The bonds and interim notes authorized under the
1056 authority of this section may be validated in the Chancery Court
1057 of the First Judicial District of Hinds County, Mississippi, in
1058 the manner and with the force and effect provided now or hereafter
1059 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1060 validation of county, municipal, school district and other bonds.
1061 The necessary papers for such validation proceedings shall be
1062 transmitted to the State Bond Attorney, and the required notice
1063 shall be published in a newspaper published in the City of
1064 Jackson, Mississippi.

1065 (13) Any bonds or interim notes issued under the provisions
1066 of this chapter, a transaction relating to the sale or securing of
1067 such bonds or interim notes, their transfer and the income
1068 therefrom shall at all times be free from taxation by the state or
1069 any local unit or political subdivision or other instrumentality
1070 of the state, excepting inheritance and gift taxes.



1071 (14) All bonds issued under this chapter shall be legal
1072 investments for trustees, other fiduciaries, savings banks, trust
1073 companies and insurance companies organized under the laws of the
1074 State of Mississippi; and such bonds shall be legal securities
1075 which may be deposited with and shall be received by all public
1076 officers and bodies of the state and all municipalities and other
1077 political subdivisions thereof for the purpose of securing the
1078 deposit of public funds.

1079 (15) The Attorney General of the State of Mississippi shall
1080 represent the State Bond Commission in issuing, selling and
1081 validating bonds herein provided for, and the Bond Commission is
1082 hereby authorized and empowered to expend from the proceeds
1083 derived from the sale of the bonds authorized hereunder all
1084 necessary administrative, legal and other expenses incidental and
1085 related to the issuance of bonds authorized under this chapter.

1086 (16) There is hereby created a special fund in the State
1087 Treasury to be known as the Mississippi Major Economic Impact
1088 Authority Fund wherein shall be deposited the proceeds of the
1089 bonds issued under this chapter and all monies received by the
1090 authority to carry out the purposes of this chapter. Expenditures
1091 authorized herein shall be paid by the State Treasurer upon
1092 warrants drawn from the fund, and the Department of Finance and
1093 Administration shall issue warrants upon requisitions signed by
1094 the director of the authority.



1095 (17) (a) There is hereby created the Mississippi Economic
1096 Impact Authority Sinking Fund from which the principal of and
1097 interest on such bonds shall be paid by appropriation. All monies
1098 paid into the sinking fund not appropriated to pay accruing bonds
1099 and interest shall be invested by the State Treasurer in such
1100 securities as are provided by law for the investment of the
1101 sinking funds of the state.

1102 (b) In the event that all or any part of the bonds and
1103 notes are purchased, they shall be cancelled and returned to the
1104 loan and transfer agent as cancelled and paid bonds and notes and
1105 thereafter all payments of interest thereon shall cease and the
1106 cancelled bonds, notes and coupons, together with any other
1107 cancelled bonds, notes and coupons, shall be destroyed as promptly
1108 as possible after cancellation but not later than two (2) years
1109 after cancellation. A certificate evidencing the destruction of
1110 the cancelled bonds, notes and coupons shall be provided by the
1111 loan and transfer agent to the seller.

1112 (c) The State Treasurer shall determine and report to
1113 the Department of Finance and Administration and Legislative
1114 Budget Office by September 1 of each year the amount of money
1115 necessary for the payment of the principal of and interest on
1116 outstanding obligations for the following fiscal year and the
1117 times and amounts of the payments. It shall be the duty of the
1118 Governor to include in every executive budget submitted to the
1119 Legislature full information relating to the issuance of bonds and



1120 notes under the provisions of this chapter and the status of the
1121 sinking fund for the payment of the principal of and interest on
1122 the bonds and notes.

1123 (d) Any monies repaid to the state from loans
1124 authorized in Section 57-75-11(hh) shall be deposited into the
1125 Mississippi Major Economic Impact Authority Sinking Fund unless
1126 the State Bond Commission, at the request of the authority, shall
1127 determine that such loan repayments are needed to provide
1128 additional loans as authorized under Section 57-75-11(hh). For
1129 purposes of providing additional loans, there is hereby created
1130 the Mississippi Major Economic Impact Authority Revolving Loan
1131 Fund and loan repayments shall be deposited into the fund. The
1132 fund shall be maintained for such period as determined by the
1133 State Bond Commission for the sole purpose of making additional
1134 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1135 remaining in the fund at the end of a fiscal year shall not lapse
1136 into the State General Fund and any interest earned on amounts in
1137 such fund shall be deposited to the credit of the fund.

1138 (e) Any monies repaid to the state from loans
1139 authorized in Section 57-75-11(ii) shall be deposited into the
1140 Mississippi Major Economic Impact Authority Sinking Fund.

1141 (f) Any monies repaid to the state from loans
1142 authorized in Section 57-75-11(jj) or Section 57-75-11(vv) shall
1143 be deposited into the Mississippi Major Economic Impact Authority
1144 Sinking Fund.



1145 (18) (a) Upon receipt of a declaration by the authority
1146 that it has determined that the state is a potential site for a
1147 project, the State Bond Commission is authorized and directed to
1148 authorize the State Treasurer to borrow money from any special
1149 fund in the State Treasury not otherwise appropriated to be
1150 utilized by the authority for the purposes provided for in this
1151 subsection.

1152 (b) The proceeds of the money borrowed under this
1153 subsection may be utilized by the authority for the purpose of
1154 defraying all or a portion of the costs incurred by the authority
1155 with respect to acquisition options and planning, design and
1156 environmental impact studies with respect to a project defined in
1157 Section 57-75-5(f)(xi) or Section 57-75-5(f)(xxix). The authority
1158 may escalate its budget and expend the proceeds of the money
1159 borrowed under this subsection in accordance with rules and
1160 regulations of the Department of Finance and Administration in a
1161 manner consistent with the escalation of federal funds.

1162 (c) The authority shall request an appropriation or
1163 additional authority to issue general obligation bonds to repay
1164 the borrowed funds and establish a date for the repayment of the
1165 funds so borrowed.

1166 (d) Borrowings made under the provisions of this
1167 subsection shall not exceed Five Hundred Thousand Dollars
1168 (\$500,000.00) at any one time.



1169 **[From and after July 1, 2022, this section shall read as**
1170 **follows:]**

1171 57-75-15. (1) Upon notification to the authority by the
1172 enterprise that the state has been finally selected as the site
1173 for the project, the State Bond Commission shall have the power
1174 and is hereby authorized and directed, upon receipt of a
1175 declaration from the authority as hereinafter provided, to borrow
1176 money and issue general obligation bonds of the state in one or
1177 more series for the purposes herein set out. Upon such
1178 notification, the authority may thereafter, from time to time,
1179 declare the necessity for the issuance of general obligation bonds
1180 as authorized by this section and forward such declaration to the
1181 State Bond Commission, provided that before such notification, the
1182 authority may enter into agreements with the United States
1183 government, private companies and others that will commit the
1184 authority to direct the State Bond Commission to issue bonds for
1185 eligible undertakings set out in subsection (4) of this section,
1186 conditioned on the siting of the project in the state.

1187 (2) Upon receipt of any such declaration from the authority,
1188 the State Bond Commission shall verify that the state has been
1189 selected as the site of the project and shall act as the issuing
1190 agent for the series of bonds directed to be issued in such
1191 declaration pursuant to authority granted in this section.

1192 (3) (a) Bonds issued under the authority of this section
1193 for projects as defined in Section 57-75-5(f) (i) shall not exceed



1194 an aggregate principal amount in the sum of Sixty-seven Million
1195 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

1196 (b) Bonds issued under the authority of this section
1197 for projects as defined in Section 57-75-5(f)(ii) shall not
1198 exceed * * * Eighty Million Dollars (\$80,000,000.00). The
1199 authority, with the express direction of the State Bond
1200 Commission, is authorized to expend any remaining proceeds of
1201 bonds issued under the authority of this act prior to January 1,
1202 1998, for the purpose of financing projects as then defined in
1203 Section 57-75-5(f)(ii) or for any other projects as defined in
1204 Section 57-75-5(f)(ii), as it may be amended from time to time.
1205 No bonds shall be issued under this paragraph (b) until the State
1206 Bond Commission by resolution adopts a finding that the issuance
1207 of such bonds will improve, expand or otherwise enhance the
1208 military installation, its support areas or military operations,
1209 or will provide employment opportunities to replace those lost by
1210 closure or reductions in operations at the military installation
1211 or will support critical studies or investigations authorized by
1212 Section 57-75-5(f)(ii).

1213 (c) Bonds issued under the authority of this section
1214 for projects as defined in Section 57-75-5(f)(iii) shall not
1215 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
1216 issued under this paragraph after December 31, 1996.

1217 (d) Bonds issued under the authority of this section
1218 for projects defined in Section 57-75-5(f)(iv) shall not exceed



1219 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
1220 additional amount of bonds in an amount not to exceed Twelve
1221 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
1222 issued under the authority of this section for the purpose of
1223 defraying costs associated with the construction of surface water
1224 transmission lines for a project defined in Section 57-75-5(f) (iv)
1225 or for any facility related to the project. No bonds shall be
1226 issued under this paragraph after June 30, 2005.

1227 (e) Bonds issued under the authority of this section
1228 for projects defined in Section 57-75-5(f) (v) and for facilities
1229 related to such projects shall not exceed Thirty-eight Million
1230 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
1231 issued under this paragraph after April 1, 2005.

1232 (f) Bonds issued under the authority of this section
1233 for projects defined in Section 57-75-5(f) (vii) shall not exceed
1234 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1235 under this paragraph after June 30, 2006.

1236 (g) Bonds issued under the authority of this section
1237 for projects defined in Section 57-75-5(f) (viii) shall not exceed
1238 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
1239 bonds shall be issued under this paragraph after June 30, 2008.

1240 (h) Bonds issued under the authority of this section
1241 for projects defined in Section 57-75-5(f) (ix) shall not exceed
1242 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1243 under this paragraph after June 30, 2007.



1244 (i) Bonds issued under the authority of this section
1245 for projects defined in Section 57-75-5(f)(x) shall not exceed
1246 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1247 under this paragraph after April 1, 2005.

1248 (j) Bonds issued under the authority of this section
1249 for projects defined in Section 57-75-5(f)(xii) shall not exceed
1250 Thirty-three Million Dollars (\$33,000,000.00). The amount of
1251 bonds that may be issued under this paragraph for projects defined
1252 in Section 57-75-5(f)(xii) may be reduced by the amount of any
1253 federal or local funds made available for such projects. No bonds
1254 shall be issued under this paragraph until local governments in or
1255 near the county in which the project is located have irrevocably
1256 committed funds to the project in an amount of not less than Two
1257 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
1258 aggregate; however, this irrevocable commitment requirement may be
1259 waived by the authority upon a finding that due to the unforeseen
1260 circumstances created by Hurricane Katrina, the local governments
1261 are unable to comply with such commitment. No bonds shall be
1262 issued under this paragraph after June 30, 2008.

1263 (k) Bonds issued under the authority of this section
1264 for projects defined in Section 57-75-5(f)(xiii) shall not exceed
1265 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
1266 under this paragraph after June 30, 2009.

1267 (l) Bonds issued under the authority of this section
1268 for projects defined in Section 57-75-5(f)(xiv) shall not exceed



1269 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
1270 issued under this paragraph until local governments in the county
1271 in which the project is located have irrevocably committed funds
1272 to the project in an amount of not less than Two Million Dollars
1273 (\$2,000,000.00). No bonds shall be issued under this paragraph
1274 after June 30, 2009.

1275 (m) Bonds issued under the authority of this section
1276 for projects defined in Section 57-75-5(f) (xv) shall not exceed
1277 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
1278 issued under this paragraph after June 30, 2009.

1279 (n) Bonds issued under the authority of this section
1280 for projects defined in Section 57-75-5(f) (xvi) shall not exceed
1281 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
1282 under this paragraph after June 30, 2011.

1283 (o) Bonds issued under the authority of this section
1284 for projects defined in Section 57-75-5(f) (xvii) shall not exceed
1285 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
1286 bonds shall be issued under this paragraph after June 30, 2010.

1287 (p) Bonds issued under the authority of this section
1288 for projects defined in Section 57-75-5(f) (xviii) shall not exceed
1289 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
1290 issued under this paragraph after June 30, 2016.

1291 (q) Bonds issued under the authority of this section
1292 for projects defined in Section 57-75-5(f) (xix) shall not exceed



1293 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
1294 issued under this paragraph after June 30, 2012.

1295 (r) Bonds issued under the authority of this section
1296 for projects defined in Section 57-75-5(f)(xx) shall not exceed
1297 Twenty-three Million Dollars (\$23,000,000.00). No bonds shall be
1298 issued under this paragraph after April 25, 2013.

1299 (s) Bonds issued under the authority of this section
1300 for projects defined in Section 57-75-5(f)(xxi) shall not exceed
1301 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
1302 (\$293,900,000.00). No bonds shall be issued under this paragraph
1303 after July 1, 2020.

1304 (t) Bonds issued under the authority of this section
1305 for Tier One suppliers shall not exceed Thirty Million Dollars
1306 (\$30,000,000.00). No bonds shall be issued under this paragraph
1307 after July 1, 2020.

1308 (u) Bonds issued under the authority of this section
1309 for projects defined in Section 57-75-5(f)(xxii) shall not exceed
1310 Forty-eight Million Four Hundred Thousand Dollars
1311 (\$48,400,000.00). No bonds shall be issued under this paragraph
1312 after July 1, 2020.

1313 (v) Bonds issued under the authority of this section
1314 for projects defined in Section 57-75-5(f)(xxiii) shall not exceed
1315 Eighty-eight Million Two Hundred Fifty Thousand Dollars
1316 (\$88,250,000.00). No bonds shall be issued under this paragraph
1317 after July 1, 2009.



1318 (w) Bonds issued under the authority of this section
1319 for projects defined in Section 57-75-5(f) (xxiv) shall not exceed
1320 Thirteen Million Dollars (\$13,000,000.00). No bonds shall be
1321 issued under this paragraph after July 1, 2020.

1322 (x) Bonds issued under the authority of this section
1323 for projects defined in Section 57-75-5(f) (xxv) shall not exceed
1324 Twenty-five Million Dollars (\$25,000,000.00). No bonds shall be
1325 issued under this paragraph after July 1, 2017.

1326 (y) Bonds issued under the authority of this section
1327 for projects defined in Section 57-75-5(f) (xxvi) shall not exceed
1328 Thirty-five Million One Hundred Thousand Dollars (\$35,100,000.00).
1329 No bonds shall be issued under this paragraph after July 1, 2021.

1330 (z) Bonds issued under the authority of this section
1331 for projects defined in Section 57-75-5(f) (xxvii) shall not exceed
1332 Fifty Million Dollars (\$50,000,000.00). No bonds shall be issued
1333 under this paragraph after April 25, 2013.

1334 (aa) Bonds issued under the authority of this section
1335 for projects defined in Section 57-75-5(f) (xxviii) shall not
1336 exceed One Hundred Thirty Million Dollars (\$130,000,000.00). No
1337 bonds shall be issued under this paragraph after July 1, 2023.

1338 (bb) Bonds issued under the authority of this section
1339 for projects defined in Section 57-75-5(f) (xxix) shall not exceed
1340 Two Hundred Sixty-three Million Dollars (\$263,000,000.00). No
1341 bonds shall be issued under this paragraph after July 1, 2034.



1342 (cc) Bonds issued under the authority of this section
1343 for projects defined in Section 57-75-5(f) (xxx) shall not exceed
1344 Eleven Million Dollars (\$11,000,000.00). No bonds shall be issued
1345 under this paragraph after July 1, 2025.

1346 (4) (a) The proceeds from the sale of the bonds issued
1347 under this section may be applied for the following purposes:

1348 (i) Defraying all or any designated portion of the
1349 costs incurred with respect to acquisition, planning, design,
1350 construction, installation, rehabilitation, improvement,
1351 relocation and with respect to state-owned property, operation and
1352 maintenance of the project and any facility related to the project
1353 located within the project area, including costs of design and
1354 engineering, all costs incurred to provide land, easements and
1355 rights-of-way, relocation costs with respect to the project and
1356 with respect to any facility related to the project located within
1357 the project area, and costs associated with mitigation of
1358 environmental impacts and environmental impact studies;

1359 (ii) Defraying the cost of providing for the
1360 recruitment, screening, selection, training or retraining of
1361 employees, candidates for employment or replacement employees of
1362 the project and any related activity;

1363 (iii) Reimbursing the Mississippi Development
1364 Authority for expenses it incurred in regard to projects defined
1365 in Section 57-75-5(f) (iv) prior to November 6, 2000. The
1366 Mississippi Development Authority shall submit an itemized list of



1367 expenses it incurred in regard to such projects to the Chairmen of
1368 the Finance and Appropriations Committees of the Senate and the
1369 Chairmen of the Ways and Means and Appropriations Committees of
1370 the House of Representatives;

1371 (iv) Providing grants to enterprises operating
1372 projects defined in Section 57-75-5(f)(iv)1;

1373 (v) Paying any warranty made by the authority
1374 regarding site work for a project defined in Section
1375 57-75-5(f)(iv)1;

1376 (vi) Defraying the cost of marketing and promotion
1377 of a project as defined in Section 57-75-5(f)(iv)1, Section
1378 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii). The authority shall
1379 submit an itemized list of costs incurred for marketing and
1380 promotion of such project to the Chairmen of the Finance and
1381 Appropriations Committees of the Senate and the Chairmen of the
1382 Ways and Means and Appropriations Committees of the House of
1383 Representatives;

1384 (vii) Providing for the payment of interest on the
1385 bonds;

1386 (viii) Providing debt service reserves;

1387 (ix) Paying underwriters' discount, original issue
1388 discount, accountants' fees, engineers' fees, attorneys' fees,
1389 rating agency fees and other fees and expenses in connection with
1390 the issuance of the bonds;



1391 (x) For purposes authorized in paragraphs (b),
1392 (c), (d), (e) and (f) of this subsection (4);

1393 (xi) Providing grants to enterprises operating
1394 projects defined in Section 57-75-5(f)(v), or, in connection with
1395 a facility related to such a project, for any purposes deemed by
1396 the authority in its sole discretion to be necessary and
1397 appropriate;

1398 (xii) Providing grant funds or loans to a public
1399 agency or an enterprise owning, leasing or operating a project
1400 defined in Section 57-75-5(f)(ii);

1401 (xiii) Providing grant funds or loans to an
1402 enterprise owning, leasing or operating a project defined in
1403 Section 57-75-5(f)(xiv);

1404 (xiv) Providing grants, loans and payments to or
1405 for the benefit of an enterprise owning or operating a project
1406 defined in Section 57-75-5(f)(xviii);

1407 (xv) Purchasing equipment for a project defined in
1408 Section 57-75-5(f)(viii) subject to such terms and conditions as
1409 the authority considers necessary and appropriate;

1410 (xvi) Providing grant funds to an enterprise
1411 developing or owning a project defined in Section 57-75-5(f)(xx);

1412 (xvii) Providing grants and loans for projects as
1413 authorized in Section 57-75-11(kk), (ll), (mm), (uu), (vv) or, in
1414 connection with a facility related to such a project, for any



1415 purposes deemed by the authority in its sole discretion to be
1416 necessary and appropriate;

1417 (xviii) Providing grants for projects as
1418 authorized in Section 57-75-11(pp) for any purposes deemed by the
1419 authority in its sole discretion to be necessary and appropriate;

1420 (xix) Providing grants and loans for projects as
1421 authorized in Section 57-75-11(qq);

1422 (xx) Providing grants for projects as authorized
1423 in Section 57-75-11(rr);

1424 (xxi) Providing grants, loans and payments as
1425 authorized in Section 57-75-11(ss);

1426 (xxii) Providing loans as authorized in Section
1427 57-75-11(tt); and

1428 (xxiii) Providing grants as authorized in Section
1429 57-75-11(wv) for any purposes deemed by the authority in its sole
1430 discretion to be necessary and appropriate.

1431 Such bonds shall be issued, from time to time, and in such
1432 principal amounts as shall be designated by the authority, not to
1433 exceed in aggregate principal amounts the amount authorized in
1434 subsection (3) of this section. Proceeds from the sale of the
1435 bonds issued under this section may be invested, subject to
1436 federal limitations, pending their use, in such securities as may
1437 be specified in the resolution authorizing the issuance of the
1438 bonds or the trust indenture securing them, and the earning on



1439 such investment applied as provided in such resolution or trust
1440 indenture.

1441 (b) (i) The proceeds of bonds issued after June 21,
1442 2002, under this section for projects described in Section
1443 57-75-5(f) (iv) may be used to reimburse reasonable actual and
1444 necessary costs incurred by the Mississippi Development Authority
1445 in providing assistance related to a project for which funding is
1446 provided from the use of proceeds of such bonds. The Mississippi
1447 Development Authority shall maintain an accounting of actual costs
1448 incurred for each project for which reimbursements are sought.
1449 Reimbursements under this paragraph (b) (i) shall not exceed Three
1450 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
1451 Reimbursements under this paragraph (b) (i) shall satisfy any
1452 applicable federal tax law requirements.

1453 (ii) The proceeds of bonds issued after June 21,
1454 2002, under this section for projects described in Section
1455 57-75-5(f) (iv) may be used to reimburse reasonable actual and
1456 necessary costs incurred by the Department of Audit in providing
1457 services related to a project for which funding is provided from
1458 the use of proceeds of such bonds. The Department of Audit shall
1459 maintain an accounting of actual costs incurred for each project
1460 for which reimbursements are sought. The Department of Audit may
1461 escalate its budget and expend such funds in accordance with rules
1462 and regulations of the Department of Finance and Administration in
1463 a manner consistent with the escalation of federal funds.



1464 Reimbursements under this paragraph (b)(ii) shall not exceed One
1465 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

1466 Reimbursements under this paragraph (b)(ii) shall satisfy any
1467 applicable federal tax law requirements.

1468 (c) (i) Except as otherwise provided in this
1469 subsection, the proceeds of bonds issued under this section for a
1470 project described in Section 57-75-5(f) may be used to reimburse
1471 reasonable actual and necessary costs incurred by the Mississippi
1472 Development Authority in providing assistance related to the
1473 project for which funding is provided for the use of proceeds of
1474 such bonds. The Mississippi Development Authority shall maintain
1475 an accounting of actual costs incurred for each project for which
1476 reimbursements are sought. Reimbursements under this paragraph
1477 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
1478 each project.

1479 (ii) Except as otherwise provided in this
1480 subsection, the proceeds of bonds issued under this section for a
1481 project described in Section 57-75-5(f) may be used to reimburse
1482 reasonable actual and necessary costs incurred by the Department
1483 of Audit in providing services related to the project for which
1484 funding is provided from the use of proceeds of such bonds. The
1485 Department of Audit shall maintain an accounting of actual costs
1486 incurred for each project for which reimbursements are sought.
1487 The Department of Audit may escalate its budget and expend such
1488 funds in accordance with rules and regulations of the Department



1489 of Finance and Administration in a manner consistent with the
1490 escalation of federal funds. Reimbursements under this paragraph
1491 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) for
1492 each project. Reimbursements under this paragraph shall satisfy
1493 any applicable federal tax law requirements.

1494 (5) The principal of and the interest on the bonds shall be
1495 payable in the manner hereinafter set forth. The bonds shall bear
1496 date or dates; be in such denomination or denominations; bear
1497 interest at such rate or rates; be payable at such place or places
1498 within or without the state; mature absolutely at such time or
1499 times; be redeemable before maturity at such time or times and
1500 upon such terms, with or without premium; bear such registration
1501 privileges; and be substantially in such form; all as shall be
1502 determined by resolution of the State Bond Commission except that
1503 such bonds shall mature or otherwise be retired in annual
1504 installments beginning not more than five (5) years from the date
1505 thereof and extending not more than twenty-five (25) years from
1506 the date thereof. The bonds shall be signed by the Chairman of
1507 the State Bond Commission, or by his facsimile signature, and the
1508 official seal of the State Bond Commission shall be imprinted on
1509 or affixed thereto, attested by the manual or facsimile signature
1510 of the Secretary of the State Bond Commission. Whenever any such
1511 bonds have been signed by the officials herein designated to sign
1512 the bonds, who were in office at the time of such signing but who
1513 may have ceased to be such officers before the sale and delivery



1514 of such bonds, or who may not have been in office on the date such
1515 bonds may bear, the signatures of such officers upon such bonds
1516 shall nevertheless be valid and sufficient for all purposes and
1517 have the same effect as if the person so officially signing such
1518 bonds had remained in office until the delivery of the same to the
1519 purchaser, or had been in office on the date such bonds may bear.

1520 (6) All bonds issued under the provisions of this section
1521 shall be and are hereby declared to have all the qualities and
1522 incidents of negotiable instruments under the provisions of the
1523 Uniform Commercial Code and in exercising the powers granted by
1524 this chapter, the State Bond Commission shall not be required to
1525 and need not comply with the provisions of the Uniform Commercial
1526 Code.

1527 (7) The State Bond Commission shall act as issuing agent for
1528 the bonds, prescribe the form of the bonds, advertise for and
1529 accept bids, issue and sell the bonds on sealed bids at public
1530 sale, pay all fees and costs incurred in such issuance and sale,
1531 and do any and all other things necessary and advisable in
1532 connection with the issuance and sale of the bonds. The State
1533 Bond Commission may sell such bonds on sealed bids at public sale
1534 for such price as it may determine to be for the best interest of
1535 the State of Mississippi, but no such sale shall be made at a
1536 price less than par plus accrued interest to date of delivery of
1537 the bonds to the purchaser. The bonds shall bear interest at such
1538 rate or rates not exceeding the limits set forth in Section



1539 75-17-101 as shall be fixed by the State Bond Commission. All
1540 interest accruing on such bonds so issued shall be payable
1541 semiannually or annually; provided that the first interest payment
1542 may be for any period of not more than one (1) year.

1543 Notice of the sale of any bonds shall be published at least
1544 one time, the first of which shall be made not less than ten (10)
1545 days prior to the date of sale, and shall be so published in one
1546 or more newspapers having a general circulation in the City of
1547 Jackson, Mississippi, selected by the State Bond Commission.

1548 The State Bond Commission, when issuing any bonds under the
1549 authority of this section, may provide that the bonds, at the
1550 option of the state, may be called in for payment and redemption
1551 at the call price named therein and accrued interest on such date
1552 or dates named therein.

1553 (8) State bonds issued under the provisions of this section
1554 shall be the general obligations of the state and backed by the
1555 full faith and credit of the state. The Legislature shall
1556 appropriate annually an amount sufficient to pay the principal of
1557 and the interest on such bonds as they become due. All bonds
1558 shall contain recitals on their faces substantially covering the
1559 foregoing provisions of this section.

1560 (9) The State Treasurer is authorized to certify to the
1561 Department of Finance and Administration the necessity for
1562 warrants, and the Department of Finance and Administration is
1563 authorized and directed to issue such warrants payable out of any



1564 funds appropriated by the Legislature under this section for such
1565 purpose, in such amounts as may be necessary to pay when due the
1566 principal of and interest on all bonds issued under the provisions
1567 of this section. The State Treasurer shall forward the necessary
1568 amount to the designated place or places of payment of such bonds
1569 in ample time to discharge such bonds, or the interest thereon, on
1570 the due dates thereof.

1571 (10) The bonds may be issued without any other proceedings
1572 or the happening of any other conditions or things other than
1573 those proceedings, conditions and things which are specified or
1574 required by this chapter. Any resolution providing for the
1575 issuance of general obligation bonds under the provisions of this
1576 section shall become effective immediately upon its adoption by
1577 the State Bond Commission, and any such resolution may be adopted
1578 at any regular or special meeting of the State Bond Commission by
1579 a majority of its members.

1580 (11) In anticipation of the issuance of bonds hereunder, the
1581 State Bond Commission is authorized to negotiate and enter into
1582 any purchase, loan, credit or other agreement with any bank, trust
1583 company or other lending institution or to issue and sell interim
1584 notes for the purpose of making any payments authorized under this
1585 section. All borrowings made under this provision shall be
1586 evidenced by notes of the state which shall be issued from time to
1587 time, for such amounts not exceeding the amount of bonds
1588 authorized herein, in such form and in such denomination and



1589 subject to such terms and conditions of sale and issuance,
1590 prepayment or redemption and maturity, rate or rates of interest
1591 not to exceed the maximum rate authorized herein for bonds, and
1592 time of payment of interest as the State Bond Commission shall
1593 agree to in such agreement. Such notes shall constitute general
1594 obligations of the state and shall be backed by the full faith and
1595 credit of the state. Such notes may also be issued for the
1596 purpose of refunding previously issued notes. No note shall
1597 mature more than three (3) years following the date of its
1598 issuance. The State Bond Commission is authorized to provide for
1599 the compensation of any purchaser of the notes by payment of a
1600 fixed fee or commission and for all other costs and expenses of
1601 issuance and service, including paying agent costs. Such costs
1602 and expenses may be paid from the proceeds of the notes.

1603 (12) The bonds and interim notes authorized under the
1604 authority of this section may be validated in the Chancery Court
1605 of the First Judicial District of Hinds County, Mississippi, in
1606 the manner and with the force and effect provided now or hereafter
1607 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1608 validation of county, municipal, school district and other bonds.
1609 The necessary papers for such validation proceedings shall be
1610 transmitted to the State Bond Attorney, and the required notice
1611 shall be published in a newspaper published in the City of
1612 Jackson, Mississippi.



1613 (13) Any bonds or interim notes issued under the provisions
1614 of this chapter, a transaction relating to the sale or securing of
1615 such bonds or interim notes, their transfer and the income
1616 therefrom shall at all times be free from taxation by the state or
1617 any local unit or political subdivision or other instrumentality
1618 of the state, excepting inheritance and gift taxes.

1619 (14) All bonds issued under this chapter shall be legal
1620 investments for trustees, other fiduciaries, savings banks, trust
1621 companies and insurance companies organized under the laws of the
1622 State of Mississippi; and such bonds shall be legal securities
1623 which may be deposited with and shall be received by all public
1624 officers and bodies of the state and all municipalities and other
1625 political subdivisions thereof for the purpose of securing the
1626 deposit of public funds.

1627 (15) The Attorney General of the State of Mississippi shall
1628 represent the State Bond Commission in issuing, selling and
1629 validating bonds herein provided for, and the Bond Commission is
1630 hereby authorized and empowered to expend from the proceeds
1631 derived from the sale of the bonds authorized hereunder all
1632 necessary administrative, legal and other expenses incidental and
1633 related to the issuance of bonds authorized under this chapter.

1634 (16) There is hereby created a special fund in the State
1635 Treasury to be known as the Mississippi Major Economic Impact
1636 Authority Fund wherein shall be deposited the proceeds of the
1637 bonds issued under this chapter and all monies received by the



1638 authority to carry out the purposes of this chapter. Expenditures
1639 authorized herein shall be paid by the State Treasurer upon
1640 warrants drawn from the fund, and the Department of Finance and
1641 Administration shall issue warrants upon requisitions signed by
1642 the director of the authority.

1643 (17) (a) There is hereby created the Mississippi Economic
1644 Impact Authority Sinking Fund from which the principal of and
1645 interest on such bonds shall be paid by appropriation. All monies
1646 paid into the sinking fund not appropriated to pay accruing bonds
1647 and interest shall be invested by the State Treasurer in such
1648 securities as are provided by law for the investment of the
1649 sinking funds of the state.

1650 (b) In the event that all or any part of the bonds and
1651 notes are purchased, they shall be cancelled and returned to the
1652 loan and transfer agent as cancelled and paid bonds and notes and
1653 thereafter all payments of interest thereon shall cease and the
1654 cancelled bonds, notes and coupons, together with any other
1655 cancelled bonds, notes and coupons, shall be destroyed as promptly
1656 as possible after cancellation but not later than two (2) years
1657 after cancellation. A certificate evidencing the destruction of
1658 the cancelled bonds, notes and coupons shall be provided by the
1659 loan and transfer agent to the seller.

1660 (c) The State Treasurer shall determine and report to
1661 the Department of Finance and Administration and Legislative
1662 Budget Office by September 1 of each year the amount of money



1663 necessary for the payment of the principal of and interest on
1664 outstanding obligations for the following fiscal year and the
1665 times and amounts of the payments. It shall be the duty of the
1666 Governor to include in every executive budget submitted to the
1667 Legislature full information relating to the issuance of bonds and
1668 notes under the provisions of this chapter and the status of the
1669 sinking fund for the payment of the principal of and interest on
1670 the bonds and notes.

1671 (d) Any monies repaid to the state from loans
1672 authorized in Section 57-75-11(hh) shall be deposited into the
1673 Mississippi Major Economic Impact Authority Sinking Fund unless
1674 the State Bond Commission, at the request of the authority, shall
1675 determine that such loan repayments are needed to provide
1676 additional loans as authorized under Section 57-75-11(hh). For
1677 purposes of providing additional loans, there is hereby created
1678 the Mississippi Major Economic Impact Authority Revolving Loan
1679 Fund and loan repayments shall be deposited into the fund. The
1680 fund shall be maintained for such period as determined by the
1681 State Bond Commission for the sole purpose of making additional
1682 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1683 remaining in the fund at the end of a fiscal year shall not lapse
1684 into the State General Fund and any interest earned on amounts in
1685 such fund shall be deposited to the credit of the fund.



1686 (e) Any monies repaid to the state from loans
1687 authorized in Section 57-75-11(ii) shall be deposited into the
1688 Mississippi Major Economic Impact Authority Sinking Fund.

1689 (f) Any monies repaid to the state from loans
1690 authorized in Section 57-75-11(jj) or Section 57-75-11(vv) shall
1691 be deposited into the Mississippi Major Economic Impact Authority
1692 Sinking Fund.

1693 (18) (a) Upon receipt of a declaration by the authority
1694 that it has determined that the state is a potential site for a
1695 project, the State Bond Commission is authorized and directed to
1696 authorize the State Treasurer to borrow money from any special
1697 fund in the State Treasury not otherwise appropriated to be
1698 utilized by the authority for the purposes provided for in this
1699 subsection.

1700 (b) The proceeds of the money borrowed under this
1701 subsection may be utilized by the authority for the purpose of
1702 defraying all or a portion of the costs incurred by the authority
1703 with respect to acquisition options and planning, design and
1704 environmental impact studies with respect to a project defined in
1705 Section 57-75-5(f)(xi) or Section 57-75-5(f)(xxix). The authority
1706 may escalate its budget and expend the proceeds of the money
1707 borrowed under this subsection in accordance with rules and
1708 regulations of the Department of Finance and Administration in a
1709 manner consistent with the escalation of federal funds.



1710 (c) The authority shall request an appropriation or
1711 additional authority to issue general obligation bonds to repay
1712 the borrowed funds and establish a date for the repayment of the
1713 funds so borrowed.

1714 (d) Borrowings made under the provisions of this
1715 subsection shall not exceed Five Hundred Thousand Dollars
1716 (\$500,000.00) at any one time.

1717 **SECTION 9.** Section 65-4-25, Mississippi Code of 1972, is
1718 amended as follows:

1719 65-4-25. The Mississippi Development Authority, acting
1720 through its executive director, is authorized, at one time or from
1721 time to time, to declare by resolution the necessity for issuance
1722 of negotiable general obligation bonds of the State of Mississippi
1723 to provide funds for the Economic Development Highway Fund
1724 established in Section 65-4-15, Mississippi Code of 1972. Upon
1725 the adoption of a resolution by the Executive Director of the
1726 Mississippi Development Authority, declaring the necessity for the
1727 issuance of any part or all of the general obligation bonds
1728 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code
1729 of 1972, the executive director shall deliver a certified copy of
1730 his resolution or resolutions to the State Bond Commission. Upon
1731 receipt of the resolution, the State Bond Commission, in its
1732 discretion, shall act as the issuing agent, prescribe the form of
1733 the bonds, determine the appropriate method for the sale of the
1734 bonds, advertise for and accept bids or negotiate the sale of the



1735 bonds, issue and sell the bonds so authorized to be sold, and do
1736 any and all other things necessary and advisable in connection
1737 with the issuance and sale of such bonds. The principal amount of
1738 bonds issued under Sections 65-4-25 through 65-4-45, Mississippi
1739 Code of 1972, shall not exceed * * * Three Hundred Ninety-one
1740 Million Five Hundred Thousand Dollars (\$391,500,000.00) in the
1741 aggregate. However, an additional amount of bonds may be issued
1742 under Sections 65-4-25 through 65-4-45, Mississippi Code of 1972,
1743 in an amount not to exceed Seven Million Dollars (\$7,000,000.00),
1744 and the proceeds of any such additional bonds issued shall be used
1745 to provide funding for a high economic benefit project as defined
1746 in Section 65-4-5(1)(c)(vi), Mississippi Code of 1972. An
1747 additional amount of bonds may be issued under Sections 65-4-25
1748 through 65-4-45, in an amount not to exceed One Million Dollars
1749 (\$1,000,000.00), the proceeds of which shall be used to provide
1750 funding for a high economic benefit project as defined in Section
1751 65-4-5(1)(c)(v).

1752 **SECTION 10.** Section 25, Chapter 533, Laws of 2010, as
1753 amended by Section 4, Chapter 30, Laws of 2010 Second
1754 Extraordinary Session, as amended by Section 1, Chapter 301, Laws
1755 of 2011, as amended by Section 6, Chapter 480, Laws of 2011, as
1756 amended by Section 1, Chapter 1, Laws of 2011 First Extraordinary
1757 Session, as amended by Section 8, Chapter 421, Laws of 2019, is
1758 amended as follows:



1759 Section 25. (1) As used in this section, the following
1760 words shall have the meanings ascribed herein unless the context
1761 clearly requires otherwise:

1762 (a) "Accreted value" of any bonds means, as of any date
1763 of computation, an amount equal to the sum of (i) the stated
1764 initial value of such bond, plus (ii) the interest accrued thereon
1765 from the issue date to the date of computation at the rate,
1766 compounded semiannually, that is necessary to produce the
1767 approximate yield to maturity shown for bonds of the same
1768 maturity.

1769 (b) "State" means the State of Mississippi.

1770 (c) "Commission" means the State Bond Commission.

1771 (2) (a) The Mississippi Development Authority, at one time,
1772 or from time to time, may declare by resolution the necessity for
1773 issuance of general obligation bonds of the State of Mississippi
1774 to provide funds for the program authorized in Section 57-1-221.
1775 Upon the adoption of a resolution by the Mississippi Development
1776 Authority, declaring the necessity for the issuance of any part or
1777 all of the general obligation bonds authorized by this subsection,
1778 the Mississippi Development Authority shall deliver a certified
1779 copy of its resolution or resolutions to the commission. Upon
1780 receipt of such resolution, the commission, in its discretion, may
1781 act as the issuing agent, prescribe the form of the bonds,
1782 determine the appropriate method for sale of the bonds, advertise
1783 for and accept bids or negotiate the sale of the bonds, issue and



1784 sell the bonds so authorized to be sold, and do any and all other
1785 things necessary and advisable in connection with the issuance and
1786 sale of such bonds. The total amount of bonds issued under this
1787 section shall not exceed * * * Four Hundred Seventy-eight Million
1788 Dollars (\$478,000,000.00). No bonds authorized under this section
1789 shall be issued after July 1, 2025.

1790 (b) The proceeds of bonds issued pursuant to this
1791 section shall be deposited into the Mississippi Industry Incentive
1792 Financing Revolving Fund created pursuant to Section 57-1-221.
1793 Any investment earnings on bonds issued pursuant to this section
1794 shall be used to pay debt service on bonds issued under this
1795 section, in accordance with the proceedings authorizing issuance
1796 of such bonds.

1797 (3) The principal of and interest on the bonds authorized
1798 under this section shall be payable in the manner provided in this
1799 subsection. Such bonds shall bear such date or dates, be in such
1800 denomination or denominations, bear interest at such rate or rates
1801 (not to exceed the limits set forth in Section 75-17-101,
1802 Mississippi Code of 1972), be payable at such place or places
1803 within or without the State of Mississippi, shall mature
1804 absolutely at such time or times not to exceed twenty-five (25)
1805 years from date of issue, be redeemable before maturity at such
1806 time or times and upon such terms, with or without premium, shall
1807 bear such registration privileges, and shall be substantially in



1808 such form, all as shall be determined by resolution of the
1809 commission.

1810 (4) The bonds authorized by this section shall be signed by
1811 the chairman of the commission, or by his facsimile signature, and
1812 the official seal of the commission shall be affixed thereto,
1813 attested by the secretary of the commission. The interest
1814 coupons, if any, to be attached to such bonds may be executed by
1815 the facsimile signatures of such officers. Whenever any such
1816 bonds shall have been signed by the officials designated to sign
1817 the bonds who were in office at the time of such signing but who
1818 may have ceased to be such officers before the sale and delivery
1819 of such bonds, or who may not have been in office on the date such
1820 bonds may bear, the signatures of such officers upon such bonds
1821 and coupons shall nevertheless be valid and sufficient for all
1822 purposes and have the same effect as if the person so officially
1823 signing such bonds had remained in office until their delivery to
1824 the purchaser, or had been in office on the date such bonds may
1825 bear. However, notwithstanding anything herein to the contrary,
1826 such bonds may be issued as provided in the Registered Bond Act of
1827 the State of Mississippi.

1828 (5) All bonds and interest coupons issued under the
1829 provisions of this section have all the qualities and incidents of
1830 negotiable instruments under the provisions of the Uniform
1831 Commercial Code, and in exercising the powers granted by this



1832 section, the commission shall not be required to and need not
1833 comply with the provisions of the Uniform Commercial Code.

1834 (6) The commission shall act as issuing agent for the bonds
1835 authorized under this section, prescribe the form of the bonds,
1836 determine the appropriate method for sale of the bonds, advertise
1837 for and accept bids or negotiate the sale of the bonds, issue and
1838 sell the bonds so authorized to be sold, pay all fees and costs
1839 incurred in such issuance and sale, and do any and all other
1840 things necessary and advisable in connection with the issuance and
1841 sale of such bonds. The commission is authorized and empowered to
1842 pay the costs that are incident to the sale, issuance and delivery
1843 of the bonds authorized under this section from the proceeds
1844 derived from the sale of such bonds. The commission may sell such
1845 bonds on sealed bids at public sale or may negotiate the sale of
1846 the bonds for such price as it may determine to be for the best
1847 interest of the State of Mississippi. All interest accruing on
1848 such bonds so issued shall be payable semiannually or annually.

1849 If such bonds are sold by sealed bids at public sale, notice
1850 of the sale shall be published at least one time, not less than
1851 ten (10) days before the date of sale, and shall be so published
1852 in one or more newspapers published or having a general
1853 circulation in the City of Jackson, Mississippi, selected by the
1854 commission.

1855 The commission, when issuing any bonds under the authority of
1856 this section, may provide that bonds, at the option of the State



1857 of Mississippi, may be called in for payment and redemption at the
1858 call price named therein and accrued interest on such date or
1859 dates named therein.

1860 (7) The bonds issued under the provisions of this section
1861 are general obligations of the State of Mississippi, and for the
1862 payment thereof the full faith and credit of the State of
1863 Mississippi is irrevocably pledged. If the funds appropriated by
1864 the Legislature are insufficient to pay the principal of and the
1865 interest on such bonds as they become due, then the deficiency
1866 shall be paid by the State Treasurer from any funds in the State
1867 Treasury not otherwise appropriated. All such bonds shall contain
1868 recitals on their faces substantially covering the provisions of
1869 this subsection.

1870 (8) Upon the issuance and sale of bonds under the provisions
1871 of this section, the commission shall transfer the proceeds of any
1872 such sale or sales to the Mississippi Industry Incentive Financing
1873 Revolving Fund created in Section 57-1-221. The proceeds of such
1874 bonds shall be disbursed solely upon the order of the Mississippi
1875 Development Authority under such restrictions, if any, as may be
1876 contained in the resolution providing for the issuance of the
1877 bonds.

1878 (9) The bonds authorized under this section may be issued
1879 without any other proceedings or the happening of any other
1880 conditions or things other than those proceedings, conditions and
1881 things which are specified or required by this section. Any



1882 resolution providing for the issuance of bonds under the
1883 provisions of this section shall become effective immediately upon
1884 its adoption by the commission, and any such resolution may be
1885 adopted at any regular or special meeting of the commission by a
1886 majority of its members.

1887 (10) The bonds authorized under the authority of this
1888 section may be validated in the Chancery Court of the First
1889 Judicial District of Hinds County, Mississippi, in the manner and
1890 with the force and effect provided by Chapter 13, Title 31,
1891 Mississippi Code of 1972, for the validation of county, municipal,
1892 school district and other bonds. The notice to taxpayers required
1893 by such statutes shall be published in a newspaper published or
1894 having a general circulation in the City of Jackson, Mississippi.

1895 (11) Any holder of bonds issued under the provisions of this
1896 section or of any of the interest coupons pertaining thereto may,
1897 either at law or in equity, by suit, action, mandamus or other
1898 proceeding, protect and enforce any and all rights granted under
1899 this section, or under such resolution, and may enforce and compel
1900 performance of all duties required by this section to be
1901 performed, in order to provide for the payment of bonds and
1902 interest thereon.

1903 (12) All bonds issued under the provisions of this section
1904 shall be legal investments for trustees and other fiduciaries, and
1905 for savings banks, trust companies and insurance companies
1906 organized under the laws of the State of Mississippi, and such



1907 bonds shall be legal securities which may be deposited with and
1908 shall be received by all public officers and bodies of this state
1909 and all municipalities and political subdivisions for the purpose
1910 of securing the deposit of public funds.

1911 (13) Bonds issued under the provisions of this section and
1912 income therefrom shall be exempt from all taxation in the State of
1913 Mississippi.

1914 (14) The proceeds of the bonds issued under this section
1915 shall be used solely for the purposes therein provided, including
1916 the costs incident to the issuance and sale of such bonds.

1917 (15) The State Treasurer is authorized, without further
1918 process of law, to certify to the Department of Finance and
1919 Administration the necessity for warrants, and the Department of
1920 Finance and Administration is authorized and directed to issue
1921 such warrants, in such amounts as may be necessary to pay when due
1922 the principal of, premium, if any, and interest on, or the
1923 accreted value of, all bonds issued under this section; and the
1924 State Treasurer shall forward the necessary amount to the
1925 designated place or places of payment of such bonds in ample time
1926 to discharge such bonds, or the interest thereon, on the due dates
1927 thereof.

1928 (16) This section shall be deemed to be full and complete
1929 authority for the exercise of the powers therein granted, but this
1930 section shall not be deemed to repeal or to be in derogation of
1931 any existing law of this state.



1932 **SECTION 11.** Section 27-7-21, Mississippi Code of 1972, is
1933 amended as follows:

1934 27-7-21. (a) **Allowance of deductions.** In the case of a
1935 resident individual, the exemptions provided by this section, as
1936 applicable to individuals, shall be allowed as deductions in
1937 computing taxable income.

1938 (b) **Single individuals.** In the case of a single individual,
1939 a personal exemption of Five Thousand Two Hundred Fifty Dollars
1940 (\$5,250.00) for the 1979 and 1980 calendar years * * *, Six
1941 Thousand Dollars (\$6,000.00) for each calendar year thereafter
1942 through calendar year 2021, and Thirty-seven Thousand Seven
1943 Hundred Dollars (\$37,700.00) for each calendar year thereafter.

1944 (c) **Married individuals.** In the case of married individuals
1945 living together, a joint personal exemption of Eight Thousand
1946 Dollars (\$8,000.00) for the 1979 and 1980 calendar years and Nine
1947 Thousand Five Hundred Dollars (\$9,500.00) for the 1981 through
1948 1997 calendar years, Ten Thousand Dollars (\$10,000.00) for the
1949 calendar year 1998, Eleven Thousand Dollars (\$11,000.00) for the
1950 calendar year 1999, * * * Twelve Thousand Dollars (\$12,000.00) for
1951 each calendar year thereafter through calendar year 2021, and
1952 Seventy-five Thousand Four Hundred Dollars (\$75,400.00) for each
1953 calendar year thereafter. A husband and wife living together
1954 shall receive but one (1) personal exemption in the amounts
1955 provided for in this subsection for each calendar year against
1956 their aggregate income.



1957 (d) **Head of family individuals.** In the case of a head of
1958 family individual, a personal exemption of Eight Thousand Dollars
1959 (\$8,000.00) for the 1979 and 1980 calendar years * * *, Nine
1960 Thousand Five Hundred Dollars (\$9,500.00) for each calendar year
1961 thereafter through calendar year 2021, and Thirty-six Thousand Six
1962 Hundred Dollars (\$36,600.00) for each calendar year thereafter.
1963 The term "head of family" means an individual who is single, or
1964 married but not living with his spouse for the entire taxable
1965 year, who maintains a household which constitutes the principal
1966 place of abode of himself and one or more individuals who are
1967 dependents under the provisions of Section 152(a) of the Internal
1968 Revenue Code of 1954, as amended. The head of family individual
1969 shall be entitled to the additional dependent exemption as
1970 provided in subsection (e) of this section only to the extent of
1971 dependents in excess of the one (1) dependent needed to qualify as
1972 head of family.

1973 (e) **Additional exemption for dependents.** In the case of any
1974 individual having a dependent, other than husband or wife, an
1975 additional personal exemption of One Thousand Five Hundred Dollars
1976 (\$1,500.00) for each such dependent, except as otherwise provided
1977 in subsection (d) of this section. The term "dependent" as used
1978 in this subsection shall mean any person or individual who
1979 qualifies as a dependent under the provisions of Section 152,
1980 Internal Revenue Code of 1954, as amended.



1981 (f) **Additional exemption for taxpayer or spouse aged**
1982 **sixty-five (65) or more.** In the case of any taxpayer or the
1983 spouse of the taxpayer who has attained the age of sixty-five (65)
1984 before the close of his taxable year, an additional exemption of
1985 One Thousand Five Hundred Dollars (\$1,500.00).

1986 (g) **Additional exemption for blindness of taxpayer or**
1987 **spouse.** In the case of any taxpayer or the spouse of the taxpayer
1988 who is blind at the close of the taxable year, an additional
1989 exemption of One Thousand Five Hundred Dollars (\$1,500.00). For
1990 the purpose of this subsection, an individual is blind only if his
1991 central visual acuity does not exceed 20/200 in the better eye
1992 with correcting lenses, or if his visual acuity is greater than
1993 20/200 but is accompanied by a limitation in the fields of vision
1994 such that the widest diameter of the visual field subtends an
1995 angle no greater than twenty (20) degrees.

1996 (h) **Husband and wife--claiming exemptions.** In the case of
1997 husband and wife living together and filing combined returns, the
1998 personal and additional exemptions authorized and allowed by this
1999 section may be taken by either, or divided between them in any
2000 manner they may choose. If the husband and wife fail to choose,
2001 the commissioner shall divide the exemptions between husband and
2002 wife in an equitable manner. In the case of a husband and wife
2003 filing separate returns, the personal and additional exemptions
2004 authorized and allowed by this section shall be divided equally
2005 between the spouses.



2006 (i) **Nonresidents.** A nonresident individual shall be allowed
2007 the same personal and additional exemptions as are authorized for
2008 resident individuals in subsection (a) of this section; however,
2009 the nonresident individual is entitled only to that proportion of
2010 the personal and additional exemptions as his net income from
2011 sources within the State of Mississippi bears to his total or
2012 entire net income from all sources.

2013 A nonresident individual who is married and whose spouse has
2014 income from independent sources must declare the joint income of
2015 himself and his spouse from sources within and without Mississippi
2016 and claim as a personal exemption that proportion of the
2017 authorized personal and additional exemptions which the total net
2018 income from Mississippi sources bears to the total net income of
2019 both spouses from all sources. If both spouses have income from
2020 sources within Mississippi and wish to file separate returns,
2021 their combined personal and additional exemptions shall be that
2022 proration of the exemption which their combined net income from
2023 Mississippi sources is of their total combined net income from all
2024 sources. The amount of the personal and additional exemptions so
2025 computed may be divided between them in any manner they choose.

2026 In the case of married individuals where one (1) spouse is a
2027 resident and the other is a nonresident, the personal exemption of
2028 the resident individual shall be prorated on the same basis as if
2029 both were nonresidents having net income from within and without
2030 the State of Mississippi.



2031 For the purpose of this subsection, the term "net income"
2032 means gross income less business expenses incurred in the
2033 taxpayer's regular trade or business and computed in accordance
2034 with the provisions of the Mississippi Income Tax Law.

2035 (j) **Part-year residents.** An individual who is a resident of
2036 Mississippi for only a part of his taxable year by reason of
2037 either moving into the state or moving from the state shall be
2038 allowed the same personal and additional exemptions as authorized
2039 for resident individuals in subsection (a) of this section; the
2040 part-year resident shall prorate his exemption on the same basis
2041 as nonresidents having net income from within and without the
2042 state.

2043 (k) **Estates.** In the case of an estate, a specific exemption
2044 of Six Hundred Dollars (\$600.00).

2045 (l) **Trusts.** In the case of a trust which, under its
2046 governing instrument, is required to distribute all of its income
2047 currently, a specific exemption of Three Hundred Dollars
2048 (\$300.00). In the case of all other trusts, a specific exemption
2049 of One Hundred Dollars (\$100.00).

2050 (m) **Corporations, foundations, joint ventures, associations.**
2051 In the case of a corporation, foundation, joint venture or
2052 association taxable herein, there shall be allowed no specific
2053 exemption, except as provided under the Growth and Prosperity Act,
2054 Sections 57-113-1 through 57-113-7, and Sections 57-113-21 through
2055 57-113-27.



2056 (n) **Status.** The status on the last day of the taxable year,
2057 except in the case of the head of family as provided in subsection
2058 (d) of this section, shall determine the right to the exemptions
2059 provided in this section; provided, that a taxpayer shall be
2060 entitled to such exemptions, otherwise allowable, if the husband
2061 or wife or dependent has died during the taxable year.

2062 (o) **Fiscal-year taxpayers.** Individual taxpayers reporting
2063 on a fiscal year basis shall prorate their exemptions in a manner
2064 established by regulations promulgated by the commissioner.

2065 (p) (i) On or before December 1, 2022, and on or before
2066 December 1 of each succeeding year, the Commissioner of Revenue
2067 shall calculate the amount of the increases in the personal
2068 exemption for single individuals, the personal exemption for
2069 married individuals, and the personal exemption for head of family
2070 individuals, that will produce a reduction in revenue equal to the
2071 tax reduction growth amount calculated as provided in paragraph
2072 (ii) of this subsection (p). The commissioner shall increase each
2073 of the personal exemptions by the amount calculated in this
2074 paragraph (i), rounded down to the nearest One Thousand Dollars
2075 (\$1,000.00) increment, and the revised personal exemption amounts
2076 calculated by the commissioner shall be effective for the next
2077 calendar year. From and after January 1 of the next succeeding
2078 year after the date that the Commissioner of Revenue certifies
2079 that the reduction in revenue mandated by this paragraph (i)
2080 equals or exceeds the remaining revenue produced by the individual



2081 income tax, the individual income tax shall stand repealed as
2082 provided in Section 27-7-5.

2083 (ii) On or before October 1, 2022, and on or before
2084 October 1 of each succeeding year, the Legislative Budget Office
2085 shall provide to the Commissioner of Revenue the following
2086 amounts:

2087 1. The amount of the actual general fund revenue
2088 collected during the most recent full fiscal year, excluding any
2089 funds received from a nonrecurring revenue source;

2090 2. The amount of the actual general fund revenue
2091 collected during the fiscal year immediately preceding the most
2092 recent full fiscal year, excluding any funds received from a
2093 nonrecurring revenue source;

2094 3. The inflation factor, which shall be determined
2095 by dividing the CPI-U for the most recent full fiscal year by the
2096 CPI-U for the fiscal year immediately preceding the most recent
2097 full fiscal year. As used in this paragraph (ii), "CPI-U" means
2098 the United States Consumer Price Index for All Urban Consumers,
2099 South Region as defined and reported by the United States
2100 Department of Labor, Bureau of Labor Statistics;

2101 4. The adjusted inflation factor, which is the
2102 lesser of 1.015 or the inflation factor determined under
2103 subparagraph 3 of this paragraph (ii); and

2104 5. The tax reduction growth amount for the current
2105 fiscal year, which shall be determined by:



2106 a. Multiplying the amount of the actual
2107 general fund revenue collected during the fiscal year immediately
2108 preceding the most recent full fiscal year by the adjusted
2109 inflation factor, and

2110 b. Subtracting the amount determined under
2111 item a of this subparagraph 5 from the amount of the actual
2112 general fund revenue collected during the most recent full fiscal
2113 year.

2114 (iii) For the purposes of paragraph (ii)1 of this
2115 subsection (p), the amount of the actual general fund revenue
2116 collected during Fiscal Year 2022 shall be reduced by the amount
2117 of income tax paid during the months of January through June of
2118 Fiscal Year 2022 for calendar year 2021 on amounts up to
2119 Thirty-seven Thousand Seven Hundred Dollars (\$37,700.00) for
2120 single individuals, Seventy-five Thousand Four Hundred Dollars
2121 (\$75,400.00) for married individuals, and Thirty-six Thousand Six
2122 Hundred Dollars (\$36,600.00) for head of family individuals.

2123 (q) Notwithstanding any other provision of this section,
2124 with regard to the personal exemptions authorized under this
2125 section, a taxpayer may elect to have the taxpayer's individual
2126 income tax liability for any year after calendar year 2021
2127 assessed with the personal exemptions authorized under this
2128 section as it existed on January 1, 2021, or with the personal
2129 exemptions authorized under this section, as amended by this act.



2130 **SECTION 12.** Section 27-65-17, Mississippi Code of 1972, is
2131 amended as follows:

2132 27-65-17. (1) (a) Except as otherwise provided in this
2133 section, upon every person engaging or continuing within this
2134 state in the business of selling any tangible personal property
2135 whatsoever there is hereby levied, assessed and shall be collected
2136 a tax equal to * * * nine and one-half percent (9-1/2%) of the
2137 gross proceeds of the retail sales of the business.

2138 (b) Retail sales of farm tractors and parts and labor
2139 used to maintain and/or repair such tractors shall be taxed at the
2140 rate of one and one-half percent (1-1/2%) when made to farmers for
2141 agricultural purposes.

2142 (c) (i) Retail sales of farm implements sold to
2143 farmers and used directly in the production of poultry, ratite,
2144 domesticated fish as defined in Section 69-7-501, livestock,
2145 livestock products, agricultural crops or ornamental plant crops
2146 or used for other agricultural purposes, and parts and labor used
2147 to maintain and/or repair such implements, shall be taxed at the
2148 rate of one and one-half percent (1-1/2%) when used on the farm.

2149 (ii) The one and one-half percent (1-1/2%) rate
2150 shall also apply to all equipment used in logging, pulpwood
2151 operations or tree farming, and parts and labor used to maintain
2152 and/or repair such equipment, which is either:

2153 1. Self-propelled, or



2154 2. Mounted so that it is permanently attached
2155 to other equipment which is self-propelled or attached to other
2156 equipment drawn by a vehicle which is self-propelled.

2157 In order to be eligible for the rate of tax provided for in
2158 this subparagraph (ii), such sales must be made to a professional
2159 logger. For the purposes of this subparagraph (ii), a
2160 "professional logger" is a person, corporation, limited liability
2161 company or other entity, or an agent thereof, who possesses a
2162 professional logger's permit issued by the Department of Revenue
2163 and who presents the permit to the seller at the time of purchase.
2164 The department shall establish an application process for a
2165 professional logger's permit to be issued, which shall include a
2166 requirement that the applicant submit a copy of documentation
2167 verifying that the applicant is certified according to Sustainable
2168 Forestry Initiative guidelines. Upon a determination that an
2169 applicant is a professional logger, the department shall issue the
2170 applicant a numbered professional logger's permit.

2171 (d) Except as otherwise provided in subsection (3) of
2172 this section, retail sales of aircraft, automobiles, trucks,
2173 truck-tractors, semitrailers and manufactured or mobile homes
2174 shall be taxed at the rate of * * * five and one-half percent
2175 (5-1/2%).

2176 (e) Sales of manufacturing machinery or manufacturing
2177 machine parts when made to a manufacturer or custom processor for
2178 plant use only when the machinery and machine parts will be used



2179 exclusively and directly within this state in manufacturing a
2180 commodity for sale, rental or in processing for a fee shall be
2181 taxed at the rate of one and one-half percent (1-1/2%).

2182 (f) Sales of machinery and machine parts when made to a
2183 technology intensive enterprise for plant use only when the
2184 machinery and machine parts will be used exclusively and directly
2185 within this state for industrial purposes, including, but not
2186 limited to, manufacturing or research and development activities,
2187 shall be taxed at the rate of one and one-half percent (1-1/2%).
2188 In order to be considered a technology intensive enterprise for
2189 purposes of this paragraph:

2190 (i) The enterprise shall meet minimum criteria
2191 established by the Mississippi Development Authority;

2192 (ii) The enterprise shall employ at least ten (10)
2193 persons in full-time jobs;

2194 (iii) At least ten percent (10%) of the workforce
2195 in the facility operated by the enterprise shall be scientists,
2196 engineers or computer specialists;

2197 (iv) The enterprise shall manufacture plastics,
2198 chemicals, automobiles, aircraft, computers or electronics; or
2199 shall be a research and development facility, a computer design or
2200 related facility, or a software publishing facility or other
2201 technology intensive facility or enterprise as determined by the
2202 Mississippi Development Authority;



2203 (v) The average wage of all workers employed by
2204 the enterprise at the facility shall be at least one hundred fifty
2205 percent (150%) of the state average annual wage; and

2206 (vi) The enterprise must provide a basic health
2207 care plan to all employees at the facility.

2208 (g) Sales of materials for use in track and track
2209 structures to a railroad whose rates are fixed by the Interstate
2210 Commerce Commission or the Mississippi Public Service Commission
2211 shall be taxed at the rate of * * * five and one-half percent
2212 (5-1/2%).

2213 (h) Sales of tangible personal property to electric
2214 power associations for use in the ordinary and necessary operation
2215 of their generating or distribution systems shall be taxed at the
2216 rate of * * * three and one-half percent (3-1/2%).

2217 (i) Wholesale sales of beer shall be taxed at the rate
2218 of seven percent (7%), and the retailer shall file a return and
2219 compute the retail tax on retail sales but may take credit for the
2220 amount of the tax paid to the wholesaler on said return covering
2221 the subsequent sales of same property, provided adequate invoices
2222 and records are maintained to substantiate the credit.

2223 (j) Wholesale sales of food and drink for human
2224 consumption to full-service vending machine operators to be sold
2225 through vending machines located apart from and not connected with
2226 other taxable businesses shall be taxed at the rate of eight
2227 percent (8%).



2228 (k) Sales of equipment used or designed for the purpose
2229 of assisting disabled persons, such as wheelchair equipment and
2230 lifts, that is mounted or attached to or installed on a private
2231 carrier of passengers or light carrier of property, as defined in
2232 Section 27-51-101, at the time when the private carrier of
2233 passengers or light carrier of property is sold shall be taxed at
2234 the same rate as the sale of such vehicles under this section.

2235 (l) Sales of the factory-built components of modular
2236 homes, panelized homes and precut homes, and panel constructed
2237 homes consisting of structural insulated panels, shall be taxed at
2238 the rate of * * * five and one-half percent (5-1/2%).

2239 (m) Sales of materials used in the repair, renovation,
2240 addition to, expansion and/or improvement of buildings and related
2241 facilities used by a dairy producer shall be taxed at the rate
2242 of * * * six percent (6%). For the purposes of this paragraph
2243 (m), "dairy producer" means any person engaged in the production
2244 of milk for commercial use.

2245 (n) From and after July 1, 2021, retail sales of food
2246 for human consumption not purchased with food stamps issued by the
2247 United States Department of Agriculture, or other federal agency,
2248 but which would be exempt under Section 27-65-111(o) from the
2249 taxes imposed by this chapter if the food items were purchased
2250 with food stamps, shall be taxed as follows:



2251 (i) From and after July 1, 2021, through June 30,
2252 2024, such sales shall be taxed at the rate of four and one-half
2253 percent (4-1/2%);

2254 (ii) From and after July 1, 2024, through June 30,
2255 2026, such sales shall be taxed at the rate of four percent (4%);
2256 and

2257 (ii) From and after July 1, 2026, such sales shall
2258 be taxed at the rate of three and one-half percent (3-1/2%).

2259 (2) From and after January 1, 1995, retail sales of private
2260 carriers of passengers and light carriers of property, as defined
2261 in Section 27-51-101, shall be taxed an additional two percent
2262 (2%).

2263 (3) A manufacturer selling at retail in this state shall be
2264 required to make returns of the gross proceeds of such sales and
2265 pay the tax imposed in this section.

2266 **SECTION 13.** Section 27-65-19, Mississippi Code of 1972, is
2267 amended as follows:

2268 27-65-19. (1) (a) (i) Except as otherwise provided in
2269 this subsection, upon every person selling to consumers,
2270 electricity, current, power, potable water, steam, coal, natural
2271 gas, liquefied petroleum gas or other fuel, there is hereby
2272 levied, assessed and shall be collected a tax equal to * * * nine
2273 and one-half percent (9-1/2%) of the gross income of the business.
2274 Provided, gross income from sales to consumers of electricity,
2275 current, power, natural gas, liquefied petroleum gas or other fuel



2276 for residential heating, lighting or other residential
2277 noncommercial or nonagricultural use, and sales of potable water
2278 for residential, noncommercial or nonagricultural use shall be
2279 excluded from taxable gross income of the business. Provided
2280 further, upon every such seller using electricity, current, power,
2281 potable water, steam, coal, natural gas, liquefied petroleum gas
2282 or other fuel for nonindustrial purposes, there is hereby levied,
2283 assessed and shall be collected a tax equal to * * * nine and
2284 one-half percent (9-1/2%) of the cost or value of the product or
2285 service used.

2286 (ii) Gross income from sales to a church that is
2287 exempt from federal income taxation under 26 USCS Section
2288 501(c)(3) of electricity, current, power, natural gas, liquefied
2289 petroleum gas or other fuel for heating, lighting or other use,
2290 and sales of potable water to such a church shall be excluded from
2291 taxable gross income of the business if the electricity, current,
2292 power, natural gas, liquefied petroleum gas or potable water is
2293 utilized on property that is primarily used for religious or
2294 educational purposes.

2295 (b) (i) There is hereby levied, assessed and shall be
2296 collected a tax equal to one and one-half percent (1-1/2%) of the
2297 gross income of the business from the sale of naturally occurring
2298 carbon dioxide and anthropogenic carbon dioxide lawfully injected
2299 into the earth for:



2300 1. Use in an enhanced oil recovery project,
2301 including, but not limited to, use for cycling, repressuring or
2302 lifting of oil; or

2303 2. Permanent sequestration in a geological
2304 formation.

2305 (ii) The one and one-half percent (1-1/2%) rate
2306 provided for in this subsection shall apply to electricity,
2307 current, power, steam, coal, natural gas, liquefied petroleum gas
2308 or other fuel that is sold to a producer of oil and gas for use
2309 directly in enhanced oil recovery using carbon dioxide and/or the
2310 permanent sequestration of carbon dioxide in a geological
2311 formation.

2312 (c) The one and one-half percent (1-1/2%) rate provided
2313 for in this subsection shall not apply to sales of fuel for
2314 automobiles, trucks, truck-tractors, buses, farm tractors or
2315 airplanes.

2316 (d) (i) Upon every person providing services in this
2317 state, there is hereby levied, assessed and shall be collected:

2318 1. A tax equal to * * * nine and one-half
2319 percent (9-1/2%) of the gross income received from all charges for
2320 intrastate telecommunications services.

2321 2. A tax equal to * * * nine and one-half
2322 percent (9-1/2%) of the gross income received from all charges for
2323 interstate telecommunications services.



2324 3. A tax equal to * * * nine and one-half
2325 percent (9-1/2%) of the gross income received from all charges for
2326 international telecommunications services.

2327 4. A tax equal to * * * nine and one-half
2328 percent (9-1/2%) of the gross income received from all charges for
2329 ancillary services.

2330 5. A tax equal to * * * nine and one-half
2331 percent (9-1/2%) of the gross income received from all charges for
2332 products delivered electronically, including, but not limited to,
2333 software, music, games, reading materials or ring tones.

2334 (ii) A person, upon proof that he has paid a tax
2335 in another state on an event described in subparagraph (i) of this
2336 paragraph (d), shall be allowed a credit against the tax imposed
2337 in this paragraph (d) on interstate telecommunications service
2338 charges to the extent that the amount of such tax is properly due
2339 and actually paid in such other state and to the extent that the
2340 rate of sales tax imposed by and paid in such other state does not
2341 exceed the rate of sales tax imposed by this paragraph (d).

2342 (iii) Charges by one (1) telecommunications
2343 provider to another telecommunications provider holding a permit
2344 issued under Section 27-65-27 for services that are resold by such
2345 other telecommunications provider, including, but not limited to,
2346 access charges, shall not be subject to the tax levied pursuant to
2347 this paragraph (d).

2348 (iv) For purposes of this paragraph (d):



2349 1. "Telecommunications service" means the
2350 electronic transmission, conveyance or routing of voice, data,
2351 audio, video or any other information or signals to a point, or
2352 between points. The term "telecommunications service" includes
2353 such transmission, conveyance or routing in which computer
2354 processing applications are used to act on the form, code or
2355 protocol of the content for purposes of transmission, conveyance
2356 or routing without regard to whether such service is referred to
2357 as voice over Internet protocol services or is classified by the
2358 Federal Communications Commission as enhanced or value added. The
2359 term "telecommunications service" shall not include:

2360 a. Data processing and information
2361 services that allow data to be generated, acquired, stored,
2362 processed or retrieved and delivered by an electronic transmission
2363 to a purchaser where such purchaser's primary purpose for the
2364 underlying transaction is the processed data or information;

2365 b. Installation or maintenance of wiring
2366 or equipment on a customer's premises;

2367 c. Tangible personal property;

2368 d. Advertising, including, but not
2369 limited to, directory advertising;

2370 e. Billing and collection services
2371 provided to third parties;

2372 f. Internet access service;



2373 g. Radio and television audio and video
2374 programming services regardless of the medium, including the
2375 furnishing of transmission, conveyance and routing of such
2376 services by the programming service provider. Radio and
2377 television audio and video programming services shall include, but
2378 not be limited to, cable service as defined in 47 USCS 522(6) and
2379 audio and video programming services delivered by commercial
2380 mobile radio service providers, as defined in 47 CFR 20.3;

2381 h. Ancillary services; or

2382 i. Digital products delivered
2383 electronically, including, but not limited to, software, music,
2384 video, reading materials or ring tones.

2385 2. "Ancillary services" means services that
2386 are associated with or incidental to the provision of
2387 telecommunications services, including, but not limited to,
2388 detailed telecommunications billing, directory assistance,
2389 vertical service and voice mail service.

2390 a. "Conference bridging" means an
2391 ancillary service that links two (2) or more participants of an
2392 audio or video conference call and may include the provision of a
2393 telephone number. Conference bridging does not include the
2394 telecommunications services used to reach the conference bridge.

2395 b. "Detailed telecommunications billing
2396 service" means an ancillary service of separately stating



2397 information pertaining to individual calls on a customer's billing
2398 statement.

2399 c. "Directory assistance" means an
2400 ancillary service of providing telephone number information and/or
2401 address information.

2402 d. "Vertical service" means an ancillary
2403 service that is offered in connection with one or more
2404 telecommunications services, which offers advanced calling
2405 features that allow customers to identify callers and to manage
2406 multiple calls and call connections, including conference bridging
2407 services.

2408 e. "Voice mail service" means an
2409 ancillary service that enables the customer to store, send or
2410 receive recorded messages. Voice mail service does not include
2411 any vertical services that the customer may be required to have in
2412 order to utilize the voice mail service.

2413 3. "Intrastate" means telecommunications
2414 service that originates in one (1) United States state or United
2415 States territory or possession, and terminates in the same United
2416 States state or United States territory or possession.

2417 4. "Interstate" means a telecommunications
2418 service that originates in one (1) United States state or United
2419 States territory or possession, and terminates in a different
2420 United States state or United States territory or possession.



2421 5. "International" means a telecommunications
2422 service that originates or terminates in the United States and
2423 terminates or originates outside the United States, respectively.

2424 (v) For purposes of paragraph (d), the following
2425 sourcing rules shall apply:

2426 1. Except for the defined telecommunications
2427 services in item 3 of this subparagraph, the sales of
2428 telecommunications services sold on a call-by-call basis shall be
2429 sourced to:

2430 a. Each level of taxing jurisdiction
2431 where the call originates and terminates in that jurisdiction, or

2432 b. Each level of taxing jurisdiction
2433 where the call either originates or terminates and in which the
2434 service address is also located.

2435 2. Except for the defined telecommunications
2436 services in item 3 of this subparagraph, a sale of
2437 telecommunications services sold on a basis other than a
2438 call-by-call basis, is sourced to the customer's place of primary
2439 use.

2440 3. The sale of the following
2441 telecommunications services shall be sourced to each level of
2442 taxing jurisdiction as follows:

2443 a. A sale of mobile telecommunications
2444 services other than air-to-ground radiotelephone service and
2445 prepaid calling service is sourced to the customer's place of



2446 primary use as required by the Mobile Telecommunication Sourcing
2447 Act.

2448 A. A home service provider shall be
2449 responsible for obtaining and maintaining the customer's place of
2450 primary use. The home service provider shall be entitled to rely
2451 on the applicable residential or business street address supplied
2452 by such customer, if the home service provider's reliance is in
2453 good faith; and the home service provider shall be held harmless
2454 from liability for any additional taxes based on a different
2455 determination of the place of primary use for taxes that are
2456 customarily passed on to the customer as a separate itemized
2457 charge. A home service provider shall be allowed to treat the
2458 address used for purposes of the tax levied by this chapter for
2459 any customer under a service contract in effect on August 1, 2002,
2460 as that customer's place of primary use for the remaining term of
2461 such service contract or agreement, excluding any extension or
2462 renewal of such service contract or agreement. Month-to-month
2463 services provided after the expiration of a contract shall be
2464 treated as an extension or renewal of such contract or agreement.

2465 B. If the commissioner determines
2466 that the address used by a home service provider as a customer's
2467 place of primary use does not meet the definition of the term
2468 "place of primary use" as defined in subitem a.A. of this item 3,
2469 the commissioner shall give binding notice to the home service
2470 provider to change the place of primary use on a prospective basis



2471 from the date of notice of determination; however, the customer
2472 shall have the opportunity, prior to such notice of determination,
2473 to demonstrate that such address satisfies the definition.

2474 C. The department has the right to
2475 collect any taxes due directly from the home service provider's
2476 customer that has failed to provide an address that meets the
2477 definition of the term "place of primary use" which resulted in a
2478 failure of tax otherwise due being remitted.

2479 b. A sale of postpaid calling service is
2480 sourced to the origination point of the telecommunications signal
2481 as first identified by either:

2482 A. The seller's telecommunications
2483 system; or

2484 B. Information received by the
2485 seller from its service provider, where the system used to
2486 transport such signals is not that of the seller.

2487 c. A sale of a prepaid calling service
2488 or prepaid wireless calling service shall be subject to the tax
2489 imposed by this paragraph if the sale takes place in this state.
2490 If the customer physically purchases a prepaid calling service or
2491 prepaid wireless calling service at the vendor's place of
2492 business, the sale is deemed to take place at the vendor's place
2493 of business. If the customer does not physically purchase the
2494 service at the vendor's place of business, the sale of a prepaid
2495 calling card or prepaid wireless calling card is deemed to take



2496 place at the first of the following locations that applies to the
2497 sale:

2498 A. The customer's shipping address,
2499 if the sale involves a shipment;

2500 B. The customer's billing address;

2501 C. Any other address of the
2502 customer that is known by the vendor; or

2503 D. The address of the vendor, or
2504 alternatively, in the case of a prepaid wireless calling service,
2505 the location associated with the mobile telephone number.

2506 4. A sale of a private communication service
2507 is sourced as follows:

2508 a. Service for a separate charge related
2509 to a customer channel termination point is sourced to each level
2510 of jurisdiction in which such customer channel termination point
2511 is located.

2512 b. Service where all customer
2513 termination points are located entirely within one (1)
2514 jurisdiction or levels of jurisdiction is sourced in such
2515 jurisdiction in which the customer channel termination points are
2516 located.

2517 c. Service for segments of a channel
2518 between two (2) customer channel termination points located in
2519 different jurisdictions and which segments of a channel are
2520 separately charged is sourced fifty percent (50%) in each level of



2521 jurisdiction in which the customer channel termination points are
2522 located.

2523 d. Service for segments of a channel
2524 located in more than one (1) jurisdiction or levels of
2525 jurisdiction and which segments are not separately billed is
2526 sourced in each jurisdiction based on the percentage determined by
2527 dividing the number of customer channel termination points in such
2528 jurisdiction by the total number of customer channel termination
2529 points.

2530 5. A sale of ancillary services is sourced to
2531 the customer's place of primary use.

2532 (vi) For purposes of subparagraph (v) of this
2533 paragraph (d):

2534 1. "Air-to-ground radiotelephone service"
2535 means a radio service, as that term is defined in 47 CFR 22.99, in
2536 which common carriers are authorized to offer and provide radio
2537 telecommunications service for hire to subscribers in aircraft.

2538 2. "Call-by-call basis" means any method of
2539 charging for telecommunications services where the price is
2540 measured by individual calls.

2541 3. "Communications channel" means a physical
2542 or virtual path of communications over which signals are
2543 transmitted between or among customer channel termination points.

2544 4. "Customer" means the person or entity that
2545 contracts with the seller of telecommunications services. If the



2546 end user of telecommunications services is not the contracting
2547 party, the end user of the telecommunications service is the
2548 customer of the telecommunications service. Customer does not
2549 include a reseller of telecommunications service or for mobile
2550 telecommunications service of a serving carrier under an agreement
2551 to serve the customer outside the home service provider's licensed
2552 service area.

2553 5. "Customer channel termination point" means
2554 the location where the customer either inputs or receives the
2555 communications.

2556 6. "End user" means the person who utilizes
2557 the telecommunications service. In the case of an entity, "end
2558 user" means the individual who utilizes the service on behalf of
2559 the entity.

2560 7. "Home service provider" has the meaning
2561 ascribed to such term in Section 124(5) of Public Law 106-252
2562 (Mobile Telecommunications Sourcing Act).

2563 8. "Mobile telecommunications service" has
2564 the meaning ascribed to such term in Section 124(7) of Public Law
2565 106-252 (Mobile Telecommunications Sourcing Act).

2566 9. "Place of primary use" means the street
2567 address representative of where the customer's use of the
2568 telecommunications service primarily occurs, which must be the
2569 residential street address or the primary business street address
2570 of the customer. In the case of mobile telecommunications



2571 services, the place of primary use must be within the licensed
2572 service area of the home service provider.

2573 10. "Post-paid calling service" means the
2574 telecommunications service obtained by making a payment on a
2575 call-by-call basis either through the use of a credit card or
2576 payment mechanism such as a bank card, travel card, credit card or
2577 debit card, or by charge made to a telephone number which is not
2578 associated with the origination or termination of the
2579 telecommunications service. A post-paid calling service includes
2580 a telecommunications service, except a prepaid wireless calling
2581 service that would be a prepaid calling service except it is not
2582 exclusively a telecommunications service.

2583 11. "Prepaid calling service" means the right
2584 to access exclusively telecommunications services, which must be
2585 paid for in advance and which enables the origination of calls
2586 using an access number or authorization code, whether manually or
2587 electronically dialed, and that is sold in predetermined units or
2588 dollars of which the number declines with use in a known amount.

2589 12. "Prepaid wireless calling service" means
2590 a telecommunications service that provides the right to utilize
2591 mobile wireless service as well as other nontelecommunications
2592 services, including the download of digital products delivered
2593 electronically, content and ancillary service, which must be paid
2594 for in advance that is sold in predetermined units or dollars of
2595 which the number declines with use in a known amount.



2596 13. "Private communication service" means a
2597 telecommunications service that entitles the customer to exclusive
2598 or priority use of a communications channel or group of channels
2599 between or among termination points, regardless of the manner in
2600 which such channel or channels are connected, and includes
2601 switching capacity, extension lines, stations and any other
2602 associated services that are provided in connection with the use
2603 of such channel or channels.

2604 14. "Service address" means:

2605 a. The location of the
2606 telecommunications equipment to which a customer's call is charged
2607 and from which the call originates or terminates, regardless of
2608 where the call is billed or paid.

2609 b. If the location in subitem a of this
2610 item 14 is not known, the origination point of the signal of the
2611 telecommunications services first identified by either the
2612 seller's telecommunications system or in information received by
2613 the seller from its service provider, where the system used to
2614 transport such signals is not that of the seller.

2615 c. If the location in subitems a and b
2616 of this item 14 are not known, the location of the customer's
2617 place of primary use.

2618 (vii) 1. For purposes of this subparagraph (vii),
2619 "bundled transaction" means a transaction that consists of
2620 distinct and identifiable properties or services which are sold



2621 for a single nonitemized price but which are treated differently
2622 for tax purposes.

2623 2. In the case of a bundled transaction that
2624 includes telecommunications services, ancillary services, Internet
2625 access, or audio or video programming services taxed under this
2626 chapter in which the price of the bundled transaction is
2627 attributable to properties or services that are taxable and
2628 nontaxable, the portion of the price that is attributable to any
2629 nontaxable property or service shall be subject to the tax unless
2630 the provider can reasonably identify that portion from its books
2631 and records kept in the regular course of business.

2632 3. In the case of a bundled transaction that
2633 includes telecommunications services, ancillary services, Internet
2634 access, audio or video programming services subject to tax under
2635 this chapter in which the price is attributable to properties or
2636 services that are subject to the tax but the tax revenue from the
2637 different properties or services are dedicated to different funds
2638 or purposes, the provider shall allocate the price among the
2639 properties or services:

2640 a. By reasonably identifying the portion
2641 of the price attributable to each of the properties and services
2642 from its books and records kept in the regular course of business;
2643 or

2644 b. Based on a reasonable allocation
2645 methodology approved by the department.



2646 4. This subparagraph (vii) shall not create a
2647 right of action for a customer to require that the provider or the
2648 department, for purposes of determining the amount of tax
2649 applicable to a bundled transaction, allocate the price to the
2650 different portions of the transaction in order to minimize the
2651 amount of tax charged to the customer. A customer shall not be
2652 entitled to rely on the fact that a portion of the price is
2653 attributable to properties or services not subject to tax unless
2654 the provider elects, after receiving a written request from the
2655 customer in the form required by the provider, to provide
2656 verifiable data based upon the provider's books and records that
2657 are kept in the regular course of business that reasonably
2658 identifies the portion of the price attributable to the properties
2659 or services not subject to the tax.

2660 (2) Persons making sales to consumers of electricity,
2661 current, power, natural gas, liquefied petroleum gas or other fuel
2662 for residential heating, lighting or other residential
2663 noncommercial or nonagricultural use or sales of potable water for
2664 residential, noncommercial or nonagricultural use shall indicate
2665 on each statement rendered to customers that such charges are
2666 exempt from sales taxes.

2667 (3) There is hereby levied, assessed and shall be paid on
2668 transportation charges on shipments moving between points within
2669 this state when paid directly by the consumer, a tax equal to the
2670 rate applicable to the sale of the property being transported.



2671 Such tax shall be reported and paid directly to the Department of
2672 Revenue by the consumer.

2673 **SECTION 14.** Section 27-65-20, Mississippi Code of 1972, is
2674 amended as follows:

2675 27-65-20. Upon every person engaging or continuing within
2676 this state in the business of selling machinery, machine parts
2677 and/or equipment to an operator or lessee of any structures,
2678 facilities and lands acquired and operated or leased pursuant to
2679 any of the provisions of Chapter 9, Title 59, Mississippi Code of
2680 1972, which machinery, machine parts and/or equipment is to be
2681 located on and used exclusively and directly in the operation of
2682 such structures, facilities and lands, there is hereby levied,
2683 assessed and shall be collected a tax equal to * * * four percent
2684 (4%) of the gross proceeds of such retail sales of the business.

2685 **SECTION 15.** Section 27-65-22, Mississippi Code of 1972, is
2686 amended as follows:

2687 27-65-22. (1) Upon every person engaging or continuing in
2688 any amusement business or activity, which shall include all manner
2689 and forms of entertainment and amusement, all forms of diversion,
2690 sport, recreation or pastime, shows, exhibitions, contests,
2691 displays, games or any other and all methods of obtaining
2692 admission charges, donations, contributions or monetary charges of
2693 any character, from the general public or a limited or selected
2694 number thereof, directly or indirectly in return for other than
2695 tangible property or specific personal or professional services,



2696 whether such amusement is held or conducted in a public or private
2697 building, hotel, tent, pavilion, lot or resort, enclosed or in the
2698 open, there is hereby levied, assessed and shall be collected a
2699 tax equal to * * * nine and one-half percent (9-1/2%) of the gross
2700 income received as admission, except as otherwise provided herein.
2701 In lieu of the rate set forth above, there is hereby imposed,
2702 levied and assessed, to be collected as hereinafter provided, a
2703 tax of three percent (3%) of gross revenue derived from sales of
2704 admission to publicly owned enclosed coliseums and auditoriums
2705 (except admissions to athletic contests between colleges and
2706 universities). There is hereby imposed, levied and assessed a tax
2707 of * * * nine and one-half percent (9-1/2%) of gross revenue
2708 derived from sales of admission to events conducted on property
2709 managed by the Mississippi Veterans Memorial Stadium, which tax
2710 shall be administered in the manner prescribed in this chapter,
2711 subject, however, to the provisions of Sections 55-23-3 through
2712 55-23-11.

2713 (2) The operator of any place of amusement in this state
2714 shall collect the tax imposed by this section, in addition to the
2715 price charged for admission to any place of amusement, and under
2716 all circumstances the person conducting the amusement shall be
2717 liable for, and pay the tax imposed based upon the actual charge
2718 for such admission. Where permits are obtained for conducting
2719 temporary amusements by persons who are not the owners, lessees or
2720 custodians of the buildings, lots or places where the amusements



2721 are to be conducted, or where such temporary amusement is
2722 permitted by the owner, lessee or custodian of any place to be
2723 conducted without the procurement of a permit as required by this
2724 chapter, the tax imposed by this chapter shall be paid by the
2725 owner, lessee or custodian of such place where such temporary
2726 amusement is held or conducted, unless paid by the person
2727 conducting the amusement, and the applicant for such temporary
2728 permit shall furnish with the application therefor, the name and
2729 address of the owner, lessee or custodian of the premises upon
2730 which such amusement is to be conducted, and such owner, lessee or
2731 custodian shall be notified by the commission of the issuance of
2732 such permit, and of the joint liability for such tax.

2733 (3) The tax imposed by this section shall not be levied or
2734 collected upon:

2735 (a) Any admissions charged at any place of amusement
2736 operated by a religious, charitable or educational organization,
2737 or by a nonprofit civic club or fraternal organization (i) when
2738 the net proceeds of such admissions do not inure to any one or
2739 more individuals within such organization and are to be used
2740 solely for religious, charitable, educational or civic purposes;
2741 or (ii) when the entire net proceeds are used to defray the normal
2742 operating expenses of such organization, such as loan payments,
2743 maintenance costs, repairs and other operating expenses;

2744 (b) Any admissions charged to hear gospel singing when
2745 promoted by a duly constituted local, bona fide nonprofit



2746 charitable or religious organization, irrespective of the fact
2747 that the performers and promoters are paid out of the proceeds of
2748 admissions collected, provided the program is composed entirely of
2749 gospel singing and not generally mixed with hillbilly or popular
2750 singing;

2751 (c) Any admissions charged at any athletic games or
2752 contests between high schools or between grammar schools;

2753 (d) Any admissions or tickets to or for baseball games
2754 between teams operated under a professional league franchise;

2755 (e) Any admissions to county, state or community fairs,
2756 or any admissions to entertainments presented in community homes
2757 or houses which are publicly owned and controlled, and the
2758 proceeds of which do not inure to any individual or individuals;

2759 (f) Any admissions or tickets to organized garden
2760 pilgrimages and to antebellum and historic houses when sponsored
2761 by an organized civic or garden club;

2762 (g) Any admissions to any golf tournament held under
2763 the auspices of the Professional Golf Association or United States
2764 Golf Association wherein touring professionals compete, if such
2765 tournament is sponsored by a nonprofit association incorporated
2766 under the laws of the State of Mississippi where no dividends are
2767 declared and the proceeds do not inure to any individual or group;

2768 (h) Any admissions to university or community college
2769 conference, state, regional or national playoffs or championships;



2770 (i) Any admissions or fees charged by any county or
2771 municipally owned and operated swimming pools, golf courses and
2772 tennis courts other than sales or rental of tangible personal
2773 property;

2774 (j) Any admissions charged for the performance of
2775 symphony orchestras, operas, vocal or instrumental artists in
2776 which professional or amateur performers are compensated out of
2777 the proceeds of such admissions, when sponsored by local music or
2778 charity associations, or amateur dramatic performances or
2779 professional dramatic productions when sponsored by a children's
2780 dramatic association, where no dividends are declared, profits
2781 received, nor any salary or compensation paid to any of the
2782 members of such associations, or to any person for procuring or
2783 producing such performance;

2784 (k) Any admissions or tickets to or for hockey games
2785 between teams operated under a professional league franchise;

2786 (l) Any admissions or tickets to or for events
2787 sanctioned by the Mississippi Athletic Commission that are held
2788 within publicly owned enclosed coliseums and auditoriums;

2789 (m) Guided tours on any navigable waters of this state,
2790 which include providing accommodations, guide services and/or
2791 related equipment operated by or under the direction of the person
2792 providing the tour, for the purposes of outdoor tourism;

2793 (n) Any admissions to events held solely for religious
2794 or charitable purposes at livestock facilities, agriculture



2795 facilities or other facilities constructed, renovated or expanded
2796 with funds from the grant program authorized under Section 18 of
2797 Chapter 530, Laws of 1995; and

2798 (o) (i) Any admissions charged at events, activities
2799 or entertainments:

2800 1. Which are open to the public and held in
2801 or on parks, lands or buildings which are publicly owned, leased,
2802 used and/or controlled by a municipality, or any agency thereof;

2803 2. Which are created and sponsored by the
2804 municipality, or an agency thereof; and

2805 3. The proceeds of which do not inure to the
2806 benefit of any individual or individuals; however,

2807 (ii) The governing authorities of a municipality
2808 may require the tax imposed by this section to be levied and
2809 collected at events, activities or entertainments described in
2810 subparagraph (i) of this paragraph by:

2811 1. Adopting an ordinance requiring the levy
2812 and collection of the tax;

2813 2. Providing the Department of Revenue with a
2814 certified copy of the ordinance requiring the tax to be levied and
2815 assessed at least thirty (30) days prior to the effective date of
2816 the ordinance;

2817 (iii) If the ordinance described in subparagraph
2818 (ii) of this paragraph is repealed, the municipality shall provide
2819 the Department of Revenue with a certified copy of the repeal of



2820 the ordinance at least thirty (30) days prior to the effective
2821 date of the repeal.

2822 **SECTION 16.** Section 27-65-23, Mississippi Code of 1972, is
2823 amended as follows:

2824 27-65-23. (1) Upon every person engaging or continuing in
2825 any of the following businesses or activities there is hereby
2826 levied, assessed and shall be collected a tax equal to * * * nine
2827 and one-half percent (9-1/2%) of the gross income of the business,
2828 except as otherwise provided:

2829 Air-conditioning installation or repairs;

2830 Automobile, motorcycle, boat or any other vehicle
2831 repairing or servicing;

2832 Billiards, pool or domino parlors;

2833 Bowling or tenpin alleys;

2834 Burglar and fire alarm systems or services;

2835 Car washing – automatic, self-service, or manual;

2836 Computer software sales and services;

2837 Cotton compresses or cotton warehouses;

2838 Custom creosoting or treating, custom planing, custom
2839 sawing;

2840 Custom meat processing;

2841 Electricians, electrical work, wiring, all repairs or
2842 installation of electrical equipment;

2843 Elevator or escalator installing, repairing or
2844 servicing;



2845 Film developing or photo finishing;
2846 Foundries, machine or general repairing;
2847 Furniture repairing or upholstering;
2848 Grading, excavating, ditching, dredging or landscaping;
2849 Hotels (as defined in Section 41-49-3), motels, tourist
2850 courts or camps, trailer parks;
2851 Insulating services or repairs;
2852 Jewelry or watch repairing;
2853 Laundering, cleaning, pressing or dyeing;
2854 Marina services;
2855 Mattress renovating;
2856 Office and business machine repairing;
2857 Parking garages and lots;
2858 Plumbing or pipe fitting;
2859 Public storage warehouses (There shall be no tax levied
2860 on gross income of a public storage warehouse derived from the
2861 temporary storage of tangible personal property in this state
2862 pending shipping or mailing of the property to another state.);
2863 Refrigerating equipment repairs;
2864 Radio or television installing, repairing, or servicing;
2865 Renting or leasing personal property used within this
2866 state;
2867 Services performed in connection with geophysical
2868 surveying, exploring, developing, drilling, producing,



2869 distributing, or testing of oil, gas, water and other mineral
2870 resources;

2871 Shoe repairing;

2872 Storage lockers;

2873 Telephone answering or paging services;

2874 Termite or pest control services;

2875 Tin and sheet metal shops;

2876 TV cable systems, subscription TV services, and other
2877 similar activities;

2878 Vulcanizing, repairing or recapping of tires or tubes;

2879 Welding; and

2880 Woodworking or wood-turning shops.

2881 (2) Income from services taxed herein performed for electric
2882 power associations in the ordinary and necessary operation of
2883 their generating or distribution systems shall be taxed at the
2884 rate of * * * three and one-half percent (3-1/2%).

2885 (3) Income from services taxed herein performed on materials
2886 for use in track or track structures to a railroad whose rates are
2887 fixed by the Interstate Commerce Commission or the Mississippi
2888 Public Service Commission shall be taxed at the rate of * * * five
2889 and one-half percent (5-1/2%).

2890 (4) Income from renting or leasing tangible personal
2891 property used within this state shall be taxed at the same rates
2892 as sales of the same property.



2893 (5) Persons doing business in this state who rent
2894 transportation equipment with a situs within or without the state
2895 to common, contract or private commercial carriers are taxed on
2896 that part of the income derived from use within this state. If
2897 specific accounting is impracticable, a formula may be used with
2898 approval of the commissioner.

2899 (6) A lessor may deduct from the tax computed on the rental
2900 income from tangible personal property a credit for sales or use
2901 tax paid to this state at the time of purchase of the specific
2902 personal property being leased or rented until such credit has
2903 been exhausted.

2904 (7) Charges for custom processing and repairing services may
2905 be excluded from gross taxable income when the property on which
2906 the service was performed is delivered to the customer in another
2907 state either by common carrier or in the seller's equipment.

2908 (8) When a taxpayer performs unitary services covered by
2909 this section, which are performed both in intrastate and
2910 interstate commerce, the commissioner is hereby invested with
2911 authority to formulate in each particular case and to fix for such
2912 taxpayer in each instance formulae of apportionment which will
2913 apportion to this state, for taxation, that portion of the
2914 services which are performed within the State of Mississippi.

2915 **SECTION 17.** Section 27-65-25, Mississippi Code of 1972, is
2916 amended as follows:



2917 27-65-25. Upon every person engaging or continuing within
2918 this state in the business of selling alcoholic beverages, the
2919 sales of which are legal under the provisions of Chapter 1 of
2920 Title 67, Mississippi Code of 1972, there is hereby levied,
2921 assessed and shall be collected a tax equal to * * * nine and
2922 one-half percent (9-1/2%) of the gross proceeds of the retail
2923 sales of the business. All sales at wholesale to retailers shall
2924 be taxed at the same rate as provided in this section for retail
2925 sales. A retailer in computing the tax on sales may take credit
2926 for the amount of the tax paid to the wholesaler at the rates
2927 provided herein and remit the difference to the commissioner,
2928 provided adequate records and all invoices are maintained to
2929 substantiate the credit claimed.

2930 **SECTION 18.** Section 27-65-26, Mississippi Code of 1972, is
2931 amended as follows:

2932 27-65-26. (1) Upon every person engaging or continuing
2933 within this state in the business of selling, renting or leasing
2934 specified digital products, there shall be levied, assessed and
2935 shall be collected a tax equal to * * * nine and one-half percent
2936 (9-1/2%) of the gross income of the business. The sale of a
2937 digital code that allows the purchaser to obtain a specified
2938 digital product shall be taxed in the same manner as the sale of a
2939 specified digital product. The tax is imposed when:

2940 (a) The sale is to an end user;



2941 (b) The seller grants the right of permanent or less
2942 than permanent use of the products transferred electronically; or

2943 (c) The sale is conditioned or not conditioned upon
2944 continued payment.

2945 (2) Charges by one (1) specified digital products provider
2946 to another specified digital products provider holding a permit
2947 issued under Section 27-65-27 for services that are resold by such
2948 other specified digital products provider shall not be subject to
2949 the tax levied pursuant to this section.

2950 (3) For purposes of this section:

2951 (a) "Specified digital products" means electronically
2952 transferred digital audio-visual works, digital audio works and
2953 digital books.

2954 (b) "Digital audio-visual works" means a series of
2955 related images which, when shown in succession, impart an
2956 impression of motion, together with accompanying sounds, if any.

2957 (c) "Digital audio works" means works that result from
2958 the fixation of a series of musical, spoken or other sounds,
2959 including ringtones. "Ringtones" means digitized sound files that
2960 are downloaded onto a device and that may be used to alert the
2961 customer with respect to a communication.

2962 (d) "Digital books" means works that are generally
2963 recognized in the ordinary and usual sense as "books."

2964 (e) "Electronically transferred" means obtained by the
2965 purchaser by means other than tangible storage media.



2966 (f) "End user" means any person other than a person who
2967 receives by contract a product transferred electronically for
2968 further commercial broadcast, rebroadcast, transmission,
2969 retransmission, licensing, relicensing, distribution,
2970 redistribution or exhibition of the product, in whole or in part,
2971 to another person or persons.

2972 (g) "Permanent use" means for purposes of this section
2973 for perpetual or for an indefinite or unspecified length of time.

2974 (h) "Digital code" means a code that permits a
2975 purchaser to obtain a specified digital product at a later date.

2976 **SECTION 19.** Section 27-65-201, Mississippi Code of 1972, is
2977 amended as follows:

2978 27-65-201. (1) For the purposes of this section, unless the
2979 context otherwise requires, the term "motor vehicle" means a motor
2980 vehicle required to be registered or licensed by the county tax
2981 collectors pursuant to Section 27-19-43.

2982 (2) Upon every person, firm or corporation purchasing other
2983 than at wholesale within this state any motor vehicle required to
2984 be registered or licensed with the tax collector of any county in
2985 this state from any person, firm or corporation which is not a
2986 licensed dealer engaged in selling motor vehicles, there shall be
2987 levied and collected a sales tax at the rate of * * * seven and
2988 one-half percent (7-1/2%) of the true value of the motor vehicle
2989 as calculated by using the most current official motor vehicle
2990 assessment schedule supplied by the Department of Revenue.



2991 (3) Upon every person, firm or corporation purchasing other
2992 than at wholesale outside the state any motor vehicle required to
2993 be registered or licensed with the tax collector of any county in
2994 this state from any person, firm or corporation which is not a
2995 licensed dealer engaged in selling motor vehicles, for use,
2996 storage or other consumption within this state there is levied a
2997 use tax at the rate of * * * seven and one-half percent (7-1/2%)
2998 of the true value of the motor vehicle as calculated by using the
2999 most current official motor vehicle assessment schedule supplied
3000 by the Department of Revenue.

3001 (4) Where any motor vehicle is taken in trade as a credit or
3002 part payment on the sale of a motor vehicle taxable under this
3003 section, the tax levied by this section shall be paid on the net
3004 difference, that is, the true value of the motor vehicle sold less
3005 the credit for the motor vehicle taken in trade.

3006 (5) The tax levied by this section shall be collected by the
3007 tax collector at the time of, and as a prerequisite to, the
3008 registration of or licensing of any such motor vehicle. The tax
3009 collector shall give to the person registering the vehicle a
3010 receipt in a form prescribed and furnished by the Department of
3011 Revenue for the amount of tax collected.

3012 (6) County tax collectors shall be liable for the tax they
3013 are required to collect, and taxes which are in fact collected,
3014 under this section and failure to properly collect or maintain
3015 proper records shall not relieve them of liability for payment to



3016 the Department of Revenue. Deficiencies in collection or payment
3017 shall be assessed against the tax collector, or his successor, in
3018 the same manner and subject to the same penalties and provisions
3019 for appeal as are deficiencies assessed against taxpayers under
3020 Chapter 65, Title 27, Mississippi Code of 1972.

3021 Each tax collector of the several counties shall, on or
3022 before the twentieth day of each month, file a report with and pay
3023 to the Department of Revenue all funds collected under the
3024 provisions of this section, less a commission of three percent
3025 (3%) which shall be retained by the tax collector as a commission
3026 for collecting such tax, and such commission shall be deposited in
3027 the county general fund. The report required to be filed shall
3028 cover all collections made during the calendar month next
3029 preceding the date on which the report is due and filed.

3030 Any error in the report and remittance to the Department of
3031 Revenue may be adjusted on a subsequent report. If the error was
3032 in the collection by the tax collector, it shall be adjusted
3033 through the tax collector with the taxpayer before credit is
3034 allowed by the Department of Revenue.

3035 All information relating to the collection of this tax by tax
3036 collectors and such records as the Department of Revenue may
3037 require shall be preserved in the tax collector's office for a
3038 period of three (3) years for audit by the Department of Revenue.

3039 (7) The tax levied by this section shall not apply to the
3040 following:



3041 (a) Transfers of legal ownership of motor vehicles
3042 currently registered or licensed in the transferor's name between
3043 husband and wife, parent and child, or grandparents and
3044 grandchildren, unless the transferor is a licensed dealer of motor
3045 vehicles and the transfer of the motor vehicle is made in the
3046 regular course of business.

3047 (b) Transfers of legal ownership of motor vehicles
3048 pursuant to a will or pursuant to any law providing for the
3049 distribution of the property of one dying intestate.

3050 (c) Transfers of legal ownership of motor vehicles ten
3051 (10) or more years after the date of the manufacture of such
3052 vehicle.

3053 (d) Transfers of legal ownership of motor vehicles
3054 between siblings, unless the transferor is a licensed dealer of
3055 motor vehicles and the transfer of the motor vehicle is made in
3056 the regular course of business.

3057 **SECTION 20.** Section 27-65-75, Mississippi Code of 1972, is
3058 amended as follows:

3059 27-65-75. On or before the fifteenth day of each month, the
3060 revenue collected under the provisions of this chapter during the
3061 preceding month shall be paid and distributed as follows:

3062 (1) (a) On or before August 15, 1992, and each succeeding
3063 month thereafter through July 15, 1993, eighteen percent (18%) of
3064 the total sales tax revenue collected during the preceding month
3065 under the provisions of this chapter, except that collected under



3066 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
3067 business activities within a municipal corporation shall be
3068 allocated for distribution to the municipality and paid to the
3069 municipal corporation. Except as otherwise provided in this
3070 paragraph (a), on or before August 15, 1993, and each succeeding
3071 month thereafter through August 15, 2021, eighteen and one-half
3072 percent (18-1/2%) of the total sales tax revenue collected during
3073 the preceding month under the provisions of this chapter, except
3074 that collected under the provisions of Sections 27-65-15,
3075 27-65-19(3), 27-65-21 and 27-65-24, on business activities within
3076 a municipal corporation shall be allocated for distribution to the
3077 municipality and paid to the municipal corporation. On or before
3078 September 15, 2021, and each succeeding month thereafter through
3079 August 15, 2024, (i) eighteen and one-half percent (18-1/2%) of
3080 the total sales tax revenue collected during the preceding month
3081 under the provisions of this chapter, except that collected under
3082 the provisions of Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3),
3083 27-65-21 and 27-65-24, on business activities within a municipal
3084 corporation and (ii) twenty-eight and eight-tenths percent
3085 (28-8/10%) of the total sales tax revenue collected during the
3086 preceding month under the provisions of Section 27-65-17(1)(n) on
3087 business activities within a municipal corporation shall be
3088 allocated for distribution to the municipality and paid to the
3089 municipal corporation. On or before September 15, 2024, and each
3090 succeeding month thereafter through August 15, 2026, (i) eighteen



3091 and one-half percent (18-1/2%) of the total sales tax revenue
3092 collected during the preceding month under the provisions of this
3093 chapter, except that collected under the provisions of Sections
3094 27-65-15, 27-65-17(1) (n), 27-65-19(3), 27-65-21 and 27-65-24, on
3095 business activities within a municipal corporation and (ii)
3096 thirty-two and four-tenths percent (32-4/10%) of the total sales
3097 tax revenue collected during the preceding month under the
3098 provisions of Section 27-65-17(1) (n) on business activities within
3099 a municipal corporation shall be allocated for distribution to the
3100 municipality and paid to the municipal corporation. On or before
3101 September 15, 2026, and each succeeding month thereafter, (i)
3102 eighteen and one-half percent (18-1/2%) of the total sales tax
3103 revenue collected during the preceding month under the provisions
3104 of this chapter, except that collected under the provisions of
3105 Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3), 27-65-21 and
3106 27-65-24, on business activities within a municipal corporation
3107 and (ii) thirty-seven percent (37%) of the total sales tax revenue
3108 collected during the preceding month under the provisions of
3109 Section 27-65-17(1) (n) on business activities within a municipal
3110 corporation shall be allocated for distribution to the
3111 municipality and paid to the municipal corporation. However, in
3112 the event the State Auditor issues a certificate of noncompliance
3113 pursuant to Section 21-35-31, the Department of Revenue shall
3114 withhold ten percent (10%) of the allocations and payments to the
3115 municipality that would otherwise be payable to the municipality



3116 under this paragraph (a) until such time that the department
3117 receives written notice of the cancellation of a certificate of
3118 noncompliance from the State Auditor.

3119 A municipal corporation, for the purpose of distributing the
3120 tax under this subsection, shall mean and include all incorporated
3121 cities, towns and villages.

3122 Monies allocated for distribution and credited to a municipal
3123 corporation under this paragraph may be pledged as security for a
3124 loan if the distribution received by the municipal corporation is
3125 otherwise authorized or required by law to be pledged as security
3126 for such a loan.

3127 In any county having a county seat that is not an
3128 incorporated municipality, the distribution provided under this
3129 subsection shall be made as though the county seat was an
3130 incorporated municipality; however, the distribution to the
3131 municipality shall be paid to the county treasury in which the
3132 municipality is located, and those funds shall be used for road,
3133 bridge and street construction or maintenance in the county.

3134 (b) On or before August 15, 2006, and each succeeding
3135 month thereafter through August 15, 2021, eighteen and one-half
3136 percent (18-1/2%) of the total sales tax revenue collected during
3137 the preceding month under the provisions of this chapter, except
3138 that collected under the provisions of Sections 27-65-15,
3139 27-65-19(3) and 27-65-21, on business activities on the campus of
3140 a state institution of higher learning or community or junior



3141 college whose campus is not located within the corporate limits of
3142 a municipality, shall be allocated for distribution to the state
3143 institution of higher learning or community or junior college and
3144 paid to the state institution of higher learning or community or
3145 junior college. On or before September 15, 2021, and each
3146 succeeding month thereafter through August 15, 2024, (i) eighteen
3147 and one-half percent (18-1/2%) of the total sales tax revenue
3148 collected during the preceding month under the provisions of this
3149 chapter, except that collected under the provisions of Sections
3150 27-65-15, 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business
3151 activities on the campus of a state institution of higher learning
3152 or community or junior college whose campus is not located within
3153 the corporate limits of a municipality and (ii) twenty-eight and
3154 eight-tenths percent (28-8/10%) of the total sales tax revenue
3155 collected during the preceding month under the provisions of
3156 Section 27-65-17(1) (n) on business activities on the campus of a
3157 state institution of higher learning or community or junior
3158 college whose campus is not located within the corporate limits of
3159 a municipality, shall be allocated for distribution to the state
3160 institution of higher learning or community or junior college and
3161 paid to the state institution of higher learning or community or
3162 junior college. On or before September 15, 2024, and each
3163 succeeding month thereafter through August 15, 2026, (i) eighteen
3164 and one-half percent (18-1/2%) of the total sales tax revenue
3165 collected during the preceding month under the provisions of this



3166 chapter, except that collected under the provisions of Sections
3167 27-65-15, 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business
3168 activities on the campus of a state institution of higher learning
3169 or community or junior college whose campus is not located within
3170 the corporate limits of a municipality and (ii) thirty-two and
3171 four-tenths percent (32-4/10%) of the total sales tax revenue
3172 collected during the preceding month under the provisions of
3173 Section 27-65-17(1) (n) on business activities on the campus of a
3174 state institution of higher learning or community or junior
3175 college whose campus is not located within the corporate limits of
3176 a municipality, shall be allocated for distribution to the state
3177 institution of higher learning or community or junior college and
3178 paid to the state institution of higher learning or community or
3179 junior college. On or before September 15, 2026, and each
3180 succeeding month thereafter, (i) eighteen and one-half percent
3181 (18-1/2%) of the total sales tax revenue collected during the
3182 preceding month under the provisions of this chapter, except that
3183 collected under the provisions of Sections 27-65-15,
3184 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business activities
3185 on the campus of a state institution of higher learning or
3186 community or junior college whose campus is not located within the
3187 corporate limits of a municipality and (ii) thirty-seven percent
3188 (37%) of the total sales tax revenue collected during the
3189 preceding month under the provisions of Section 27-65-17(1) (n) on
3190 business activities on the campus of a state institution of higher



3191 learning or community or junior college whose campus is not
3192 located within the corporate limits of a municipality, shall be
3193 allocated for distribution to the state institution of higher
3194 learning or community or junior college and paid to the state
3195 institution of higher learning or community or junior college.

3196 (c) On or before August 15, 2018, and each succeeding
3197 month thereafter until August 14, 2019, two percent (2%) of the
3198 total sales tax revenue collected during the preceding month under
3199 the provisions of this chapter, except that collected under the
3200 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
3201 27-65-24, on business activities within the corporate limits of
3202 the City of Jackson, Mississippi, shall be deposited into the
3203 Capitol Complex Improvement District Project Fund created in
3204 Section 29-5-215. On or before August 15, 2019, and each
3205 succeeding month thereafter until August 14, 2020, four percent
3206 (4%) of the total sales tax revenue collected during the preceding
3207 month under the provisions of this chapter, except that collected
3208 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
3209 and 27-65-24, on business activities within the corporate limits
3210 of the City of Jackson, Mississippi, shall be deposited into the
3211 Capitol Complex Improvement District Project Fund created in
3212 Section 29-5-215. On or before August 15, 2020, and each
3213 succeeding month thereafter through August 15, 2021, six percent
3214 (6%) of the total sales tax revenue collected during the preceding
3215 month under the provisions of this chapter, except that collected



3216 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
3217 and 27-65-24, on business activities within the corporate limits
3218 of the City of Jackson, Mississippi, shall be deposited into the
3219 Capitol Complex Improvement District Project Fund created in
3220 Section 29-5-215. On or before September 15, 2021, and each
3221 succeeding month thereafter through August 15, 2024, (i) six
3222 percent (6%) of the total sales tax revenue collected during the
3223 preceding month under the provisions of this chapter, except that
3224 collected under the provisions of Sections 27-65-15,
3225 27-65-17(1) (n), 27-65-19(3), 27-65-21 and 27-65-24, on business
3226 activities within the corporate limits of the City of Jackson,
3227 Mississippi, and (ii) nine and three-tenths percent (9-3/10%) of
3228 the total sales tax revenue collected during the preceding month
3229 under the provisions of Section 27-65-17(1) (n) on business
3230 activities within the corporate limits of the City of Jackson,
3231 Mississippi, shall be deposited into the Capitol Complex
3232 Improvement District Project Fund created in Section 29-5-215. On
3233 or before September 15, 2024, and each succeeding month thereafter
3234 through August 15, 2026, (i) six percent (6%) of the total sales
3235 tax revenue collected during the preceding month under the
3236 provisions of this chapter, except that collected under the
3237 provisions of Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3),
3238 27-65-21 and 27-65-24, on business activities within the corporate
3239 limits of the City of Jackson, Mississippi, and (ii) ten and
3240 one-half percent (10-1/2%) of the total sales tax revenue



3241 collected during the preceding month under the provisions of
3242 Section 27-65-17(1) (n) on business activities within the corporate
3243 limits of the City of Jackson, Mississippi, shall be deposited
3244 into the Capitol Complex Improvement District Project Fund created
3245 in Section 29-5-215. On or before September 15, 2026, and each
3246 succeeding month thereafter, (i) six percent (6%) of the total
3247 sales tax revenue collected during the preceding month under the
3248 provisions of this chapter, except that collected under the
3249 provisions of Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3),
3250 27-65-21 and 27-65-24, on business activities within the corporate
3251 limits of the City of Jackson, Mississippi, and (ii) twelve
3252 percent (12%) of the total sales tax revenue collected during the
3253 preceding month under the provisions of Section 27-65-17(1) (n) on
3254 business activities within the corporate limits of the City of
3255 Jackson, Mississippi, shall be deposited into the Capitol Complex
3256 Improvement District Project Fund created in Section 29-5-215.

3257 (d) (i) On or before the fifteenth day of the month
3258 that the diversion authorized by this section begins, and each
3259 succeeding month thereafter, eighteen and one-half percent
3260 (18-1/2%) of the total sales tax revenue collected during the
3261 preceding month under the provisions of this chapter, except that
3262 collected under the provisions of Sections 27-65-15, 27-65-19(3)
3263 and 27-65-21, on business activities within a redevelopment
3264 project area developed under a redevelopment plan adopted under
3265 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be



3266 allocated for distribution to the county in which the project area
3267 is located if:

3268 1. The county borders on the Mississippi
3269 Sound and the State of Alabama;

3270 2. The county has issued bonds under Section
3271 21-45-9 to finance all or a portion of a redevelopment project in
3272 the redevelopment project area;

3273 3. Any debt service for the indebtedness
3274 incurred is outstanding; and

3275 4. A development with a value of Ten Million
3276 Dollars (\$10,000,000.00) or more is, or will be, located in the
3277 redevelopment area.

3278 (ii) Before any sales tax revenue may be allocated
3279 for distribution to a county under this paragraph, the county
3280 shall certify to the Department of Revenue that the requirements
3281 of this paragraph have been met, the amount of bonded indebtedness
3282 that has been incurred by the county for the redevelopment project
3283 and the expected date the indebtedness incurred by the county will
3284 be satisfied.

3285 (iii) The diversion of sales tax revenue
3286 authorized by this paragraph shall begin the month following the
3287 month in which the Department of Revenue determines that the
3288 requirements of this paragraph have been met. The diversion shall
3289 end the month the indebtedness incurred by the county is
3290 satisfied. All revenue received by the county under this



3291 paragraph shall be deposited in the fund required to be created in
3292 the tax increment financing plan under Section 21-45-11 and be
3293 utilized solely to satisfy the indebtedness incurred by the
3294 county.

3295 (2) On or before September 15, 1987, and each succeeding
3296 month thereafter, from the revenue collected under this chapter
3297 during the preceding month, One Million One Hundred Twenty-five
3298 Thousand Dollars (\$1,125,000.00) shall be allocated for
3299 distribution to municipal corporations as defined under subsection
3300 (1) of this section in the proportion that the number of gallons
3301 of gasoline and diesel fuel sold by distributors to consumers and
3302 retailers in each such municipality during the preceding fiscal
3303 year bears to the total gallons of gasoline and diesel fuel sold
3304 by distributors to consumers and retailers in municipalities
3305 statewide during the preceding fiscal year. The Department of
3306 Revenue shall require all distributors of gasoline and diesel fuel
3307 to report to the department monthly the total number of gallons of
3308 gasoline and diesel fuel sold by them to consumers and retailers
3309 in each municipality during the preceding month. The Department
3310 of Revenue shall have the authority to promulgate such rules and
3311 regulations as is necessary to determine the number of gallons of
3312 gasoline and diesel fuel sold by distributors to consumers and
3313 retailers in each municipality. In determining the percentage
3314 allocation of funds under this subsection for the fiscal year
3315 beginning July 1, 1987, and ending June 30, 1988, the Department



3316 of Revenue may consider gallons of gasoline and diesel fuel sold
3317 for a period of less than one (1) fiscal year. For the purposes
3318 of this subsection, the term "fiscal year" means the fiscal year
3319 beginning July 1 of a year.

3320 (3) On or before September 15, 1987, and on or before the
3321 fifteenth day of each succeeding month, until the date specified
3322 in Section 65-39-35, the proceeds derived from contractors' taxes
3323 levied under Section 27-65-21 on contracts for the construction or
3324 reconstruction of highways designated under the highway program
3325 created under Section 65-3-97 shall, except as otherwise provided
3326 in Section 31-17-127, be deposited into the State Treasury to the
3327 credit of the State Highway Fund to be used to fund that highway
3328 program. The Mississippi Department of Transportation shall
3329 provide to the Department of Revenue such information as is
3330 necessary to determine the amount of proceeds to be distributed
3331 under this subsection.

3332 (4) On or before August 15, 1994, and on or before the
3333 fifteenth day of each succeeding month through July 15, 1999, from
3334 the proceeds of gasoline, diesel fuel or kerosene taxes as
3335 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
3336 (\$4,000,000.00) shall be deposited in the State Treasury to the
3337 credit of a special fund designated as the "State Aid Road Fund,"
3338 created by Section 65-9-17. On or before August 15, 1999, and on
3339 or before the fifteenth day of each succeeding month, from the
3340 total amount of the proceeds of gasoline, diesel fuel or kerosene



3341 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
3342 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
3343 one-fourth percent (23-1/4%) of those funds, whichever is the
3344 greater amount, shall be deposited in the State Treasury to the
3345 credit of the "State Aid Road Fund," created by Section 65-9-17.
3346 Those funds shall be pledged to pay the principal of and interest
3347 on state aid road bonds heretofore issued under Sections 19-9-51
3348 through 19-9-77, in lieu of and in substitution for the funds
3349 previously allocated to counties under this section. Those funds
3350 may not be pledged for the payment of any state aid road bonds
3351 issued after April 1, 1981; however, this prohibition against the
3352 pledging of any such funds for the payment of bonds shall not
3353 apply to any bonds for which intent to issue those bonds has been
3354 published for the first time, as provided by law before March 29,
3355 1981. From the amount of taxes paid into the special fund under
3356 this subsection and subsection (9) of this section, there shall be
3357 first deducted and paid the amount necessary to pay the expenses
3358 of the Office of State Aid Road Construction, as authorized by the
3359 Legislature for all other general and special fund agencies. The
3360 remainder of the fund shall be allocated monthly to the several
3361 counties in accordance with the following formula:

3362 (a) One-third (1/3) shall be allocated to all counties
3363 in equal shares;

3364 (b) One-third (1/3) shall be allocated to counties
3365 based on the proportion that the total number of rural road miles



3366 in a county bears to the total number of rural road miles in all
3367 counties of the state; and

3368 (c) One-third (1/3) shall be allocated to counties
3369 based on the proportion that the rural population of the county
3370 bears to the total rural population in all counties of the state,
3371 according to the latest federal decennial census.

3372 For the purposes of this subsection, the term "gasoline,
3373 diesel fuel or kerosene taxes" means such taxes as defined in
3374 paragraph (f) of Section 27-5-101.

3375 The amount of funds allocated to any county under this
3376 subsection for any fiscal year after fiscal year 1994 shall not be
3377 less than the amount allocated to the county for fiscal year 1994.

3378 Any reference in the general laws of this state or the
3379 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
3380 construed to refer and apply to subsection (4) of Section
3381 27-65-75.

3382 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
3383 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
3384 the special fund known as the "State Public School Building Fund"
3385 created and existing under the provisions of Sections 37-47-1
3386 through 37-47-67. Those payments into that fund are to be made on
3387 the last day of each succeeding month hereafter.

3388 (6) An amount each month beginning August 15, 1983, through
3389 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
3390 1983, shall be paid into the special fund known as the



3391 Correctional Facilities Construction Fund created in Section 6,
3392 Chapter 542, Laws of 1983.

3393 (7) On or before August 15, 1992, and each succeeding month
3394 thereafter through July 15, 2000, two and two hundred sixty-six
3395 one-thousandths percent (2.266%) of the total sales tax revenue
3396 collected during the preceding month under the provisions of this
3397 chapter, except that collected under the provisions of Section
3398 27-65-17(2), shall be deposited by the department into the School
3399 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
3400 or before August 15, 2000, and each succeeding month thereafter,
3401 through August 15, 2021 two and two hundred sixty-six
3402 one-thousandths percent (2.266%) of the total sales tax revenue
3403 collected during the preceding month under the provisions of this
3404 chapter, except that collected under the provisions of Section
3405 27-65-17(1)(n) and (2), shall be deposited into the School Ad
3406 Valorem Tax Reduction Fund created under Section 37-61-35 until
3407 such time that the total amount deposited into the fund during a
3408 fiscal year equals Forty-two Million Dollars (\$42,000,000.00).
3409 Thereafter, the amounts diverted under this subsection (7) during
3410 the fiscal year in excess of Forty-two Million Dollars
3411 (\$42,000,000.00) shall be deposited into the Education Enhancement
3412 Fund created under Section 37-61-33 for appropriation by the
3413 Legislature as other education needs and shall not be subject to
3414 the percentage appropriation requirements set forth in Section
3415 37-61-33. On or before September 15, 2021, and each succeeding



3416 month thereafter through August 15, 2024, two and two hundred
3417 sixty-six one-thousandths percent (2.266%) of the total sales tax
3418 revenue collected during the preceding month under the provisions
3419 of this chapter, except that collected under the provisions of
3420 Section 27-65-17(1) (n) and (2), and three and fifty-two one
3421 hundredths percent (3.52%) of the total sales tax revenue
3422 collected during the preceding month under the provisions of
3423 Section 27-65-17(1) (n) shall be deposited into the School Ad
3424 Valorem Tax Reduction Fund created under Section 37-61-35 until
3425 such time that the total amount deposited into the fund during a
3426 fiscal year equals Forty-two Million Dollars (\$42,000,000.00).
3427 Thereafter, the amounts diverted under this subsection (7) during
3428 the fiscal year in excess of Forty-two Million Dollars
3429 (\$42,000,000.00) shall be deposited into the Education Enhancement
3430 Fund created under Section 37-61-33 for appropriation by the
3431 Legislature as other education needs and shall not be subject to
3432 the percentage appropriation requirements set forth in Section
3433 37-61-33. On or before September 15, 2024, and each succeeding
3434 month thereafter through August 15, 2026, two and two hundred
3435 sixty-six one-thousandths percent (2.266%) of the total sales tax
3436 revenue collected during the preceding month under the provisions
3437 of this chapter, except that collected under the provisions of
3438 Section 27-65-17(1) (n) and (2), and four percent (4%) of the total
3439 sales tax revenue collected during the preceding month under the
3440 provisions of Section 27-65-17(1) (n) shall be deposited into the



3441 School Ad Valorem Tax Reduction Fund created under Section
3442 37-61-35 until such time that the total amount deposited into the
3443 fund during a fiscal year equals Forty-two Million Dollars
3444 (\$42,000,000.00). Thereafter, the amounts diverted under this
3445 subsection (7) during the fiscal year in excess of Forty-two
3446 Million Dollars (\$42,000,000.00) shall be deposited into the
3447 Education Enhancement Fund created under Section 37-61-33 for
3448 appropriation by the Legislature as other education needs and
3449 shall not be subject to the percentage appropriation requirements
3450 set forth in Section 37-61-33. On or before September 15, 2026,
3451 and each succeeding month thereafter, two and two hundred
3452 sixty-six one-thousandths percent (2.266%) of the total sales tax
3453 revenue collected during the preceding month under the provisions
3454 of this chapter, except that collected under the provisions of
3455 Section 27-65-17(1) (n) and (2), and four and one-half percent
3456 (4.5%) of the total sales tax revenue collected during the
3457 preceding month under the provisions of Section 27-65-17(1) (n)
3458 shall be deposited into the School Ad Valorem Tax Reduction Fund
3459 created under Section 37-61-35 until such time that the total
3460 amount deposited into the fund during a fiscal year equals
3461 Forty-two Million Dollars (\$42,000,000.00). Thereafter, the
3462 amounts diverted under this subsection (7) during the fiscal year
3463 in excess of Forty-two Million Dollars (\$42,000,000.00) shall be
3464 deposited into the Education Enhancement Fund created under
3465 Section 37-61-33 for appropriation by the Legislature as other



3466 education needs and shall not be subject to the percentage
3467 appropriation requirements set forth in Section 37-61-33.

3468 (8) On or before August 15, 1992, and each succeeding month
3469 thereafter, through August 15, 2021 nine and seventy-three
3470 one-thousandths percent (9.073%) of the total sales tax revenue
3471 collected during the preceding month under the provisions of this
3472 chapter, except that collected under the provisions of Section
3473 27-65-17(1)(n) and (2), shall be deposited into the Education
3474 Enhancement Fund created under Section 37-61-33. On or before
3475 September 15, 2021, and each succeeding month thereafter through
3476 August 15, 2024, nine and seventy-three one-thousandths percent
3477 (9.073%) of the total sales tax revenue collected during the
3478 preceding month under the provisions of this chapter, except that
3479 collected under the provisions of Section 27-65-17(1)(n) and (2),
3480 and fourteen and eleven one-hundredths percent (14.11%) of the
3481 total sales tax revenue collected during the preceding month under
3482 the provisions of Section 27-65-17(1)(n) shall be deposited into
3483 the Education Enhancement Fund created under Section 37-61-33. On
3484 or before September 15, 2024, and each succeeding month thereafter
3485 through August 15, 2026, nine and seventy-three one-thousandths
3486 percent (9.073%) of the total sales tax revenue collected during
3487 the preceding month under the provisions of this chapter, except
3488 that collected under the provisions of Section 27-65-17(1)(n) and
3489 (2), and fifteen and nine tenths percent (15.9%) of the total
3490 sales tax revenue collected during the preceding month under the



3491 provisions of Section 27-65-17(1)(n) shall be deposited into the
3492 Education Enhancement Fund created under Section 37-61-33. On or
3493 before September 15, 2026, and each succeeding month thereafter,
3494 nine and seventy-three one-thousandths percent (9.073%) of the
3495 total sales tax revenue collected during the preceding month under
3496 the provisions of this chapter, except that collected under the
3497 provisions of Section 27-65-17(1)(n) and (2), and eighteen and
3498 one-tenths percent (18.1%) of the total sales tax revenue
3499 collected during the preceding month under the provisions of
3500 Section 27-65-17(1)(n) shall be deposited into the Education
3501 Enhancement Fund created under Section 37-61-33.

3502 (9) On or before August 15, 1994, and each succeeding month
3503 thereafter, from the revenue collected under this chapter during
3504 the preceding month, Two Hundred Fifty Thousand Dollars
3505 (\$250,000.00) shall be paid into the State Aid Road Fund.

3506 (10) On or before August 15, 1994, and each succeeding month
3507 thereafter through August 15, 1995, from the revenue collected
3508 under this chapter during the preceding month, Two Million Dollars
3509 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
3510 Valorem Tax Reduction Fund established in Section 27-51-105.

3511 (11) Notwithstanding any other provision of this section to
3512 the contrary, on or before February 15, 1995, and each succeeding
3513 month thereafter, the sales tax revenue collected during the
3514 preceding month under the provisions of Section 27-65-17(2) and
3515 the corresponding levy in Section 27-65-23 on the rental or lease



3516 of private carriers of passengers and light carriers of property
3517 as defined in Section 27-51-101 shall be deposited, without
3518 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
3519 established in Section 27-51-105.

3520 (12) Notwithstanding any other provision of this section to
3521 the contrary, on or before August 15, 1995, and each succeeding
3522 month thereafter, the sales tax revenue collected during the
3523 preceding month under the provisions of Section 27-65-17(1) on
3524 retail sales of private carriers of passengers and light carriers
3525 of property, as defined in Section 27-51-101 and the corresponding
3526 levy in Section 27-65-23 on the rental or lease of these vehicles,
3527 shall be deposited, after diversion, into the Motor Vehicle Ad
3528 Valorem Tax Reduction Fund established in Section 27-51-105.

3529 (13) On or before July 15, 1994, and on or before the
3530 fifteenth day of each succeeding month thereafter, that portion of
3531 the avails of the tax imposed in Section 27-65-22 that is derived
3532 from activities held on the Mississippi State Fairgrounds Complex
3533 shall be paid into a special fund that is created in the State
3534 Treasury and shall be expended upon legislative appropriation
3535 solely to defray the costs of repairs and renovation at the Trade
3536 Mart and Coliseum.

3537 (14) On or before August 15, 1998, and each succeeding month
3538 thereafter through July 15, 2005, that portion of the avails of
3539 the tax imposed in Section 27-65-23 that is derived from sales by
3540 cotton compresses or cotton warehouses and that would otherwise be



3541 paid into the General Fund shall be deposited in an amount not to
3542 exceed Two Million Dollars (\$2,000,000.00) into the special fund
3543 created under Section 69-37-39. On or before August 15, 2007, and
3544 each succeeding month thereafter through July 15, 2010, that
3545 portion of the avails of the tax imposed in Section 27-65-23 that
3546 is derived from sales by cotton compresses or cotton warehouses
3547 and that would otherwise be paid into the General Fund shall be
3548 deposited in an amount not to exceed Two Million Dollars
3549 (\$2,000,000.00) into the special fund created under Section
3550 69-37-39 until all debts or other obligations incurred by the
3551 Certified Cotton Growers Organization under the Mississippi Boll
3552 Weevil Management Act before January 1, 2007, are satisfied in
3553 full. On or before August 15, 2010, and each succeeding month
3554 thereafter through July 15, 2011, fifty percent (50%) of that
3555 portion of the avails of the tax imposed in Section 27-65-23 that
3556 is derived from sales by cotton compresses or cotton warehouses
3557 and that would otherwise be paid into the General Fund shall be
3558 deposited into the special fund created under Section 69-37-39
3559 until such time that the total amount deposited into the fund
3560 during a fiscal year equals One Million Dollars (\$1,000,000.00).
3561 On or before August 15, 2011, and each succeeding month
3562 thereafter, that portion of the avails of the tax imposed in
3563 Section 27-65-23 that is derived from sales by cotton compresses
3564 or cotton warehouses and that would otherwise be paid into the
3565 General Fund shall be deposited into the special fund created



3566 under Section 69-37-39 until such time that the total amount
3567 deposited into the fund during a fiscal year equals One Million
3568 Dollars (\$1,000,000.00).

3569 (15) Notwithstanding any other provision of this section to
3570 the contrary, on or before September 15, 2000, and each succeeding
3571 month thereafter, the sales tax revenue collected during the
3572 preceding month under the provisions of Section
3573 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
3574 without diversion, into the Telecommunications Ad Valorem Tax
3575 Reduction Fund established in Section 27-38-7.

3576 (16) (a) On or before August 15, 2000, and each succeeding
3577 month thereafter, the sales tax revenue collected during the
3578 preceding month under the provisions of this chapter on the gross
3579 proceeds of sales of a project as defined in Section 57-30-1 shall
3580 be deposited, after all diversions except the diversion provided
3581 for in subsection (1) of this section, into the Sales Tax
3582 Incentive Fund created in Section 57-30-3.

3583 (b) On or before August 15, 2007, and each succeeding
3584 month thereafter, eighty percent (80%) of the sales tax revenue
3585 collected during the preceding month under the provisions of this
3586 chapter from the operation of a tourism project under the
3587 provisions of Sections 57-26-1 through 57-26-5, shall be
3588 deposited, after the diversions required in subsections (7) and
3589 (8) of this section, into the Tourism Project Sales Tax Incentive
3590 Fund created in Section 57-26-3.



3591 (17) Notwithstanding any other provision of this section to
3592 the contrary, on or before April 15, 2002, and each succeeding
3593 month thereafter, the sales tax revenue collected during the
3594 preceding month under Section 27-65-23 on sales of parking
3595 services of parking garages and lots at airports shall be
3596 deposited, without diversion, into the special fund created under
3597 Section 27-5-101(d).

3598 (18) [Repealed]

3599 (19) (a) On or before August 15, 2005, and each succeeding
3600 month thereafter, the sales tax revenue collected during the
3601 preceding month under the provisions of this chapter on the gross
3602 proceeds of sales of a business enterprise located within a
3603 redevelopment project area under the provisions of Sections
3604 57-91-1 through 57-91-11, and the revenue collected on the gross
3605 proceeds of sales from sales made to a business enterprise located
3606 in a redevelopment project area under the provisions of Sections
3607 57-91-1 through 57-91-11 (provided that such sales made to a
3608 business enterprise are made on the premises of the business
3609 enterprise), shall, except as otherwise provided in this
3610 subsection (19), be deposited, after all diversions, into the
3611 Redevelopment Project Incentive Fund as created in Section
3612 57-91-9.

3613 (b) For a municipality participating in the Economic
3614 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
3615 the diversion provided for in subsection (1) of this section



3616 attributable to the gross proceeds of sales of a business
3617 enterprise located within a redevelopment project area under the
3618 provisions of Sections 57-91-1 through 57-91-11, and attributable
3619 to the gross proceeds of sales from sales made to a business
3620 enterprise located in a redevelopment project area under the
3621 provisions of Sections 57-91-1 through 57-91-11 (provided that
3622 such sales made to a business enterprise are made on the premises
3623 of the business enterprise), shall be deposited into the
3624 Redevelopment Project Incentive Fund as created in Section
3625 57-91-9, as follows:

3626 (i) For the first six (6) years in which payments
3627 are made to a developer from the Redevelopment Project Incentive
3628 Fund, one hundred percent (100%) of the diversion shall be
3629 deposited into the fund;

3630 (ii) For the seventh year in which such payments
3631 are made to a developer from the Redevelopment Project Incentive
3632 Fund, eighty percent (80%) of the diversion shall be deposited
3633 into the fund;

3634 (iii) For the eighth year in which such payments
3635 are made to a developer from the Redevelopment Project Incentive
3636 Fund, seventy percent (70%) of the diversion shall be deposited
3637 into the fund;

3638 (iv) For the ninth year in which such payments are
3639 made to a developer from the Redevelopment Project Incentive Fund,



3640 sixty percent (60%) of the diversion shall be deposited into the
3641 fund; and

3642 (v) For the tenth year in which such payments are
3643 made to a developer from the Redevelopment Project Incentive Fund,
3644 fifty percent (50%) of the funds shall be deposited into the fund.

3645 (20) On or before January 15, 2007, and each succeeding
3646 month thereafter, eighty percent (80%) of the sales tax revenue
3647 collected during the preceding month under the provisions of this
3648 chapter from the operation of a tourism project under the
3649 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
3650 after the diversions required in subsections (7) and (8) of this
3651 section, into the Tourism Sales Tax Incentive Fund created in
3652 Section 57-28-3.

3653 (21) (a) On or before April 15, 2007, and each succeeding
3654 month thereafter through June 15, 2013, One Hundred Fifty Thousand
3655 Dollars (\$150,000.00) of the sales tax revenue collected during
3656 the preceding month under the provisions of this chapter shall be
3657 deposited into the MMEIA Tax Incentive Fund created in Section
3658 57-101-3.

3659 (b) On or before July 15, 2013, and each succeeding
3660 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
3661 of the sales tax revenue collected during the preceding month
3662 under the provisions of this chapter shall be deposited into the
3663 Mississippi Development Authority Job Training Grant Fund created
3664 in Section 57-1-451.



3665 (22) Notwithstanding any other provision of this section to
3666 the contrary, on or before August 15, 2009, and each succeeding
3667 month thereafter, the sales tax revenue collected during the
3668 preceding month under the provisions of Section 27-65-201 shall be
3669 deposited, without diversion, into the Motor Vehicle Ad Valorem
3670 Tax Reduction Fund established in Section 27-51-105.

3671 (23) (a) On or before August 15, 2019, and each month
3672 thereafter through July 15, 2020, one percent (1%) of the total
3673 sales tax revenue collected during the preceding month from
3674 restaurants and hotels shall be allocated for distribution to the
3675 Mississippi Development Authority Tourism Advertising Fund
3676 established under Section 57-1-64, to be used exclusively for the
3677 purpose stated therein. On or before August 15, 2020, and each
3678 month thereafter through July 15, 2021, two percent (2%) of the
3679 total sales tax revenue collected during the preceding month from
3680 restaurants and hotels shall be allocated for distribution to the
3681 Mississippi Development Authority Tourism Advertising Fund
3682 established under Section 57-1-64, to be used exclusively for the
3683 purpose stated therein. On or before August 15, 2021, and each
3684 month thereafter, three percent (3%) of the total sales tax
3685 revenue collected during the preceding month from restaurants and
3686 hotels shall be allocated for distribution to the Mississippi
3687 Development Authority Tourism Advertising Fund established under
3688 Section 57-1-64, to be used exclusively for the purpose stated



3689 therein. The revenue diverted pursuant to this subsection shall
3690 not be available for expenditure until February 1, 2020.

3691 (b) The Joint Legislative Committee on Performance
3692 Evaluation and Expenditure Review (PEER) must provide an annual
3693 report to the Legislature indicating the amount of funds deposited
3694 into the Mississippi Development Authority Tourism Advertising
3695 Fund established under Section 57-1-64, and a detailed record of
3696 how the funds are spent.

3697 (24) (a) Notwithstanding any other provision of this
3698 section to the contrary, on or before September 15, 2021, and each
3699 succeeding month thereafter through February 15, 2022, (a) the
3700 total sales tax revenue collected during the preceding month under
3701 the provisions of Sections 27-65-17(1) (a), 27-65-19, 27-65-22,
3702 27-65-23(1), 27-65-25 and 27-65-26, from the amount of the
3703 increases to tax rates under such sections as provided in Senate
3704 Bill No. 2971, 2021 Regular Session, shall be deposited, without
3705 diversion, into the Budget Stabilization Fund created in Section
3706 26 of this act, and (b) the total sales tax revenue collected
3707 during the preceding month under the provisions of Sections
3708 27-65-17(1) (d), (g), (h), (l) and (m), 27-65-20, 27-65-23(2) and
3709 (3) and 27-65-201, from the amount of the increases to tax rates
3710 under such sections as provided in Senate Bill No. 2971, 2021
3711 Regular Session, shall be deposited, without diversion, into the
3712 State Treasury to the credit of the General Fund. Notwithstanding
3713 any other provision of this section to the contrary, on or before



3714 March 15, 2022, and each succeeding month thereafter, the total
3715 sales tax revenue collected during the preceding month under the
3716 provisions of Sections 27-65-17, 27-65-19, 27-65-20, 27-65-22,
3717 27-65-23, 27-65-25, 27-65-26 and 27-65-201, from the amount of the
3718 increases to tax rates under such sections as provided in Senate
3719 Bill No. 2971, 2021 Regular Session, shall be deposited, without
3720 diversion, into the State Treasury to the credit of the General
3721 Fund.

3722 (b) The provisions of this subsection (24) shall supersede
3723 and control over any other provisions of this section providing
3724 for the distribution of revenue under this section.

3725 (* * *25) The remainder of the amounts collected under the
3726 provisions of this chapter shall be paid into the State Treasury
3727 to the credit of the General Fund.

3728 (* * *26) (a) It shall be the duty of the municipal
3729 officials of any municipality that expands its limits, or of any
3730 community that incorporates as a municipality, to notify the
3731 commissioner of that action thirty (30) days before the effective
3732 date. Failure to so notify the commissioner shall cause the
3733 municipality to forfeit the revenue that it would have been
3734 entitled to receive during this period of time when the
3735 commissioner had no knowledge of the action.

3736 (b) (i) Except as otherwise provided in subparagraph
3737 (ii) of this paragraph, if any funds have been erroneously
3738 disbursed to any municipality or any overpayment of tax is



3739 recovered by the taxpayer, the commissioner may make correction
3740 and adjust the error or overpayment with the municipality by
3741 withholding the necessary funds from any later payment to be made
3742 to the municipality.

3743 (ii) Subject to the provisions of Sections
3744 27-65-51 and 27-65-53, if any funds have been erroneously
3745 disbursed to a municipality under subsection (1) of this section
3746 for a period of three (3) years or more, the maximum amount that
3747 may be recovered or withheld from the municipality is the total
3748 amount of funds erroneously disbursed for a period of three (3)
3749 years beginning with the date of the first erroneous disbursement.
3750 However, if during such period, a municipality provides written
3751 notice to the Department of Revenue indicating the erroneous
3752 disbursement of funds, then the maximum amount that may be
3753 recovered or withheld from the municipality is the total amount of
3754 funds erroneously disbursed for a period of one (1) year beginning
3755 with the date of the first erroneous disbursement.

3756 **SECTION 21.** Section 27-67-31, Mississippi Code of 1972, is
3757 amended as follows:

3758 27-67-31. All administrative provisions of the sales tax
3759 law, and amendments thereto, including those which fix damages,
3760 penalties and interest for failure to comply with the provisions
3761 of said sales tax law, and all other requirements and duties
3762 imposed upon taxpayer, shall apply to all persons liable for use
3763 taxes under the provisions of this article. The commissioner



3764 shall exercise all power and authority and perform all duties with
3765 respect to taxpayers under this article as are provided in said
3766 sales tax law, except where there is conflict, then the provisions
3767 of this article shall control.

3768 The commissioner may require transportation companies to
3769 permit the examination of waybills, freight bills, or other
3770 documents covering shipments of tangible personal property into
3771 this state.

3772 On or before the fifteenth day of each month, the amount
3773 received from taxes, damages and interest under the provisions of
3774 this article during the preceding month shall be paid and
3775 distributed as follows:

3776 (a) On or before July 15, 1994, through July 15, 2000,
3777 and each succeeding month thereafter, two and two hundred
3778 sixty-six one-thousandths percent (2.266%) of the total use tax
3779 revenue collected during the preceding month under the provisions
3780 of this article shall be deposited in the School Ad Valorem Tax
3781 Reduction Fund created pursuant to Section 37-61-35. On or before
3782 August 15, 2000, and each succeeding month thereafter, two and two
3783 hundred sixty-six one-thousandths percent (2.266%) of the total
3784 use tax revenue collected during the preceding month under the
3785 provisions of this chapter shall be deposited into the School Ad
3786 Valorem Tax Reduction Fund created under Section 37-61-35 until
3787 such time that the total amount deposited into the fund during a
3788 fiscal year equals Four Million Dollars (\$4,000,000.00).



3789 Thereafter, the amounts diverted under this paragraph (a) during
3790 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)
3791 shall be deposited into the Education Enhancement Fund created
3792 under Section 37-61-33 for appropriation by the Legislature as
3793 other education needs and shall not be subject to the percentage
3794 appropriation requirements set forth in Section 37-61-33.

3795 (b) On or before July 15, 1994, and each succeeding
3796 month thereafter, nine and seventy-three one-thousandths percent
3797 (9.073%) of the total use tax revenue collected during the
3798 preceding month under the provisions of this article shall be
3799 deposited into the Education Enhancement Fund created pursuant to
3800 Section 37-61-33.

3801 (c) On or before July 15, 1997, and on or before the
3802 fifteenth day of each succeeding month thereafter, the revenue
3803 collected under the provisions of this article imposed and levied
3804 as a result of Section 27-65-17(2) and the corresponding levy in
3805 Section 27-65-23 on the rental or lease of private carriers of
3806 passengers and light carriers of property as defined in Section
3807 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax
3808 Reduction Fund created pursuant to Section 27-51-105.

3809 (d) On or before July 15, 1997, and on or before the
3810 fifteenth day of each succeeding month thereafter and after the
3811 deposits required by paragraphs (a) and (b) of this section are
3812 made, the remaining revenue collected under the provisions of this
3813 article imposed and levied as a result of Section 27-65-17(1) and



3814 the corresponding levy in Section 27-65-23 on the rental or lease
3815 of private carriers of passengers and light carriers of property
3816 as defined in Section 27-51-101 shall be deposited into the Motor
3817 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section
3818 27-51-105.

3819 (e) On or before August 15, 2019, and each succeeding
3820 month thereafter through July 15, 2020, three and three-fourths
3821 percent (3-3/4%) of the total use tax revenue collected during the
3822 preceding month under the provisions of this article shall be
3823 deposited into the special fund created in Section 27-67-35(1).
3824 On or before August 15, 2020, and each succeeding month thereafter
3825 through July 15, 2021, seven and one-half percent (7-1/2%) of the
3826 total use tax revenue collected during the preceding month under
3827 the provisions of this article shall be deposited into the special
3828 fund created in Section 27-67-35(1). On or before August 15,
3829 2021, and each succeeding month thereafter through July 15, 2022,
3830 eleven and one-fourth percent (11-1/4%) of the total use tax
3831 revenue collected during the preceding month under the provisions
3832 of this article shall be deposited into the special fund created
3833 in Section 27-67-35(1). On or before August 15, 2022, and each
3834 succeeding month thereafter, fifteen percent (15%) of the total
3835 use tax revenue collected during the preceding month under the
3836 provisions of this article shall be deposited into the special
3837 fund created in Section 27-67-35(1).



3838 (f) On or before August 15, 2019, and each succeeding
3839 month thereafter through July 15, 2020, three and three-fourths
3840 percent (3-3/4%) of the total use tax revenue collected during the
3841 preceding month under the provisions of this article shall be
3842 deposited into the special fund created in Section 27-67-35(2).
3843 On or before August 15, 2020, and each succeeding month thereafter
3844 through July 15, 2021, seven and one-half percent (7-1/2%) of the
3845 total use tax revenue collected during the preceding month under
3846 the provisions of this article shall be deposited into the special
3847 fund created in Section 27-67-35(2). On or before August 15,
3848 2021, and each succeeding month thereafter through July 15, 2022,
3849 eleven and one-fourth percent (11-1/4%) of the total use tax
3850 revenue collected during the preceding month under the provisions
3851 of this article shall be deposited into the special fund created
3852 in Section 27-67-35(2). On or before August 15, 2022, and each
3853 succeeding month thereafter, fifteen percent (15%) of the total
3854 use tax revenue collected during the preceding month under the
3855 provisions of this article shall be deposited into the special
3856 fund created in Section 27-67-35(2).

3857 (g) On or before August 15, 2019, and each succeeding
3858 month thereafter through July 15, 2020, Four Hundred Sixteen
3859 Thousand Six Hundred Sixty-six Dollars and Sixty-seven Cents
3860 (\$416,666.67) or one and one-fourth percent (1-1/4%) of the total
3861 use tax revenue collected during the preceding month under the
3862 provisions of this article, whichever is the greater amount, shall



3863 be deposited into the Local System Bridge Replacement and
3864 Rehabilitation Fund created in Section 65-37-13. On or before
3865 August 15, 2020, and each succeeding month thereafter through July
3866 15, 2021, Eight Hundred Thirty-three Thousand Three Hundred
3867 Thirty-three Dollars and Thirty-four Cents (\$833,333.34) or two
3868 and one-half percent (2-1/2%) of the total use tax revenue
3869 collected during the preceding month under the provisions of this
3870 article, whichever is the greater amount, shall be deposited into
3871 the Local System Bridge Replacement and Rehabilitation Fund
3872 created in Section 65-37-13. On or before August 15, 2021, and
3873 each succeeding month thereafter through July 15, 2022, One
3874 Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) or
3875 three and three-fourths percent (3-3/4%) of the total use tax
3876 revenue collected during the preceding month under the provisions
3877 of this article, whichever is the greater amount, shall be
3878 deposited into the Local System Bridge Replacement and
3879 Rehabilitation Fund created in Section 65-37-13. On or before
3880 August 15, 2022, and each succeeding month thereafter, One Million
3881 Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars and
3882 Sixty-seven Cents (\$1,666,666.67) or five percent (5%) of the
3883 total use tax revenue collected during the preceding month under
3884 the provisions of this article, whichever is the greater amount,
3885 shall be deposited into the Local System Bridge Replacement and
3886 Rehabilitation Fund created in Section 65-37-13.



3887 (h) On or before August 15, 2020, and each succeeding
3888 month thereafter through July 15, 2022, One Million Dollars
3889 (\$1,000,000.00) of the total use tax revenue collected during the
3890 preceding month under the provisions of this article shall be
3891 deposited into the Local System Bridge Replacement and
3892 Rehabilitation Fund created in Section 65-37-13. Amounts
3893 deposited into the Local System Bridge Replacement and
3894 Rehabilitation Fund under this paragraph (h) shall be in addition
3895 to amounts deposited into the fund under paragraph (g) of this
3896 section.

3897 (i) Notwithstanding any other provision of this section
3898 to the contrary, on or before September 15, 2021, and each
3899 succeeding month thereafter through February 15, 2022, (i) the
3900 total use tax revenue collected during the preceding month under
3901 the provisions of this article as a result of the increases to tax
3902 rates under Sections 27-65-17(1) (a), 27-65-25 and 27-65-26, as
3903 provided in Senate Bill No. 2971, 2021 Regular Session, shall be
3904 deposited, without diversion, into the Budget Stabilization Fund
3905 created in Section 26 of this act, and (ii) the total use tax
3906 revenue collected during the preceding month under the provisions
3907 of this article as a result of the increases to tax rates under
3908 Sections 27-65-17(1) (d), (g), (h), (l) and (m) and 27-65-20, as
3909 provided in Senate Bill No. 2971, 2021 Regular Session, shall be
3910 deposited, without diversion, into the State Treasury to the
3911 credit of the General Fund. Notwithstanding any other provision



3912 of this section to the contrary, on or before March 15, 2022, and
3913 each succeeding month thereafter, the total use tax revenue
3914 collected during the preceding month under the provisions of this
3915 article as a result of the increases to tax rates under Sections
3916 27-65-17, 27-65-20, 27-65-25 and 27-65-26, as provided in Senate
3917 Bill No. 2971, 2021 Regular Session, shall be shall be deposited,
3918 without diversion, into the State Treasury to the credit of the
3919 General Fund.

3920 The provisions of this paragraph (i) shall supersede and
3921 control over any other provisions of this section providing for
3922 the distribution of revenue under this section.

3923 **SECTION 22.** Section 27-65-241, Mississippi Code of 1972, is
3924 amended as follows:

3925 27-65-241. (1) As used in this section, the following terms
3926 shall have the meanings ascribed to them in this section unless
3927 otherwise clearly indicated by the context in which they are used:

3928 (a) "Hotel" or "motel" means and includes a place of
3929 lodging that at any one time will accommodate transient guests on
3930 a daily or weekly basis and that is known to the trade as such.
3931 Such terms shall not include a place of lodging with ten (10) or
3932 less rental units.

3933 (b) "Municipality" means any municipality in the State
3934 of Mississippi with a population of one hundred fifty thousand
3935 (150,000) or more according to the most recent federal decennial
3936 census.



3937 (c) "Restaurant" means and includes all places where
3938 prepared food is sold and whose annual gross proceeds of sales or
3939 gross income for the preceding calendar year equals or exceeds One
3940 Hundred Thousand Dollars (\$100,000.00). The term "restaurant"
3941 shall not include any nonprofit organization that is exempt from
3942 federal income taxation under Section 501(c)(3) of the Internal
3943 Revenue Code. For the purpose of calculating gross proceeds of
3944 sales or gross income, the sales or income of all establishments
3945 owned, operated or controlled by the same person, persons or
3946 corporation shall be aggregated.

3947 (2) (a) Subject to the provisions of this section, the
3948 governing authorities of a municipality may impose upon all
3949 persons as a privilege for engaging or continuing in business or
3950 doing business within such municipality, a special sales tax at
3951 the rate of not more than one percent (1%) of the gross proceeds
3952 of sales or gross income of the business, as the case may be,
3953 derived from any of the activities taxed at the rate of * * * nine
3954 and one-half percent (9-1/2%) or more under the Mississippi Sales
3955 Tax Law, Section 27-65-1 et seq.

3956 (b) The tax levied under this section shall apply to
3957 every person making sales of tangible personal property or
3958 services within the municipality but shall not apply to:

3959 (i) Sales exempted by Sections 27-65-19,
3960 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and
3961 27-65-111 of the Mississippi Sales Tax Law;



3962 (ii) Gross proceeds of sales or gross income of
3963 restaurants derived from the sale of food and beverages;
3964 (iii) Gross proceeds of sales or gross income of
3965 hotels and motels derived from the sale of hotel rooms and motel
3966 rooms for lodging purposes;
3967 (iv) Retail sales of food for human consumption
3968 not purchased with food stamps issued by the United States
3969 Department of Agriculture, or other federal agency, but which
3970 would be exempt under Section 27-65-111(o) from the taxes imposed
3971 by this chapter if the food items were purchased with food stamps;
3972 (v) Gross income of businesses engaging or
3973 continuing in the business of TV cable systems, subscription TV
3974 services, and other similar activities, including, but not limited
3975 to, cable Internet services;
3976 (vi) Wholesale sales of food and drink for human
3977 consumption sold to full service vending machine operators; and
3978 (vii) Wholesale sales of light wine, light spirit
3979 product, beer and alcoholic beverages.

3980 (3) (a) Before any tax authorized under this section may be
3981 imposed, the governing authorities of the municipality shall adopt
3982 a resolution declaring its intention to levy the tax, setting
3983 forth the amount of the tax to be imposed, the purposes for which
3984 the revenue collected pursuant to the tax levy may be used and
3985 expended, the date upon which the tax shall become effective, the
3986 date upon which the tax shall be repealed, and calling for an



3987 election to be held on the question. The date of the election
3988 shall be set in the resolution. Notice of the election shall be
3989 published once each week for at least three (3) consecutive weeks
3990 in a newspaper published or having a general circulation in the
3991 municipality, with the first publication of the notice to be made
3992 not less than twenty-one (21) days before the date fixed in the
3993 resolution for the election and the last publication to be made
3994 not more than seven (7) days before the election. At the
3995 election, all qualified electors of the municipality may vote.
3996 The ballots used at the election shall have printed thereon a
3997 brief description of the sales tax, the amount of the sales tax
3998 levy, a description of the purposes for which the tax revenue may
3999 be used and expended and the words "FOR THE LOCAL SALES TAX" and
4000 "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing
4001 a cross (X) or check mark (✓) opposite his choice on the
4002 proposition. When the results of the election have been canvassed
4003 by the election commissioners of the municipality and certified by
4004 them to the governing authorities, it shall be the duty of such
4005 governing authorities to determine and adjudicate whether at least
4006 three-fifths (3/5) of the qualified electors who voted in the
4007 election voted in favor of the tax. If at least three-fifths
4008 (3/5) of the qualified electors who voted in the election voted in
4009 favor of the tax, the governing authorities shall adopt a
4010 resolution declaring the levy and collection of the tax provided
4011 in this section and shall set the first day of the second month



4012 following the date of such adoption as the effective date of the
4013 tax levy. A certified copy of this resolution, together with the
4014 result of the election, shall be furnished to the Department of
4015 Revenue not less than thirty (30) days before the effective date
4016 of the levy.

4017 (b) A municipality shall not hold more than two (2)
4018 elections under this subsection.

4019 (4) The revenue collected pursuant to the tax levy imposed
4020 under this section may be expended to pay the cost of road and
4021 street repair, reconstruction and resurfacing projects based on
4022 traffic patterns, need and usage, and to pay the costs of water,
4023 sewer and drainage projects in accordance with a master plan
4024 adopted by the department established pursuant to subsection (7).

4025 (5) (a) The special sales tax authorized by this section
4026 shall be collected by the Department of Revenue, shall be
4027 accounted for separately from the amount of sales tax collected
4028 for the state in the municipality and shall be paid to the
4029 municipality. The Department of Revenue may retain one percent
4030 (1%) of the proceeds of such tax for the purpose of defraying the
4031 costs incurred by the department in the collection of the tax.
4032 Payments to the municipality shall be made by the Department of
4033 Revenue on or before the fifteenth day of the month following the
4034 month in which the tax was collected.

4035 (b) The proceeds of the special sales tax shall be
4036 placed into a special municipal fund apart from the municipal



4037 general fund and any other funds of the municipality, and shall be
4038 expended by the municipality solely for the purposes authorized in
4039 subsection (4) of this section. The records reflecting the
4040 receipts and expenditures of the revenue from the special sales
4041 tax shall be audited annually by an independent certified public
4042 accountant. The accountant shall make a report of his findings to
4043 the governing authorities of the municipality and file a copy of
4044 his report with the Secretary of the Senate and the Clerk of the
4045 House of Representatives. The audit shall be made and completed
4046 as soon as practical after the close of the fiscal year of the
4047 municipality, and expenses of the audit shall be paid from the
4048 funds derived by the municipality pursuant to this section.

4049 (c) All provisions of the Mississippi Sales Tax Law
4050 applicable to filing of returns, discounts to the taxpayer,
4051 remittances to the Department of Revenue, enforced collection,
4052 rights of taxpayers, recovery of improper taxes, refunds of
4053 overpaid taxes or other provisions of law providing for imposition
4054 and collection of the state sales tax shall apply to the special
4055 sales tax authorized by this section, except where there is a
4056 conflict, in which case the provisions of this section shall
4057 control. Any damages, penalties or interest collected for the
4058 nonpayment of taxes imposed under this section, or for
4059 noncompliance with the provisions of this section, shall be paid
4060 to the municipality on the same basis and in the same manner as
4061 the tax proceeds. Any overpayment of tax for any reason that has



4062 been disbursed to a municipality or any payment of the tax to a
4063 municipality in error may be adjusted by the Department of Revenue
4064 on any subsequent payment to the municipality pursuant to the
4065 provisions of the Mississippi Sales Tax Law. The Department of
4066 Revenue may, from time to time, make such rules and regulations
4067 not inconsistent with this section as may be deemed necessary to
4068 carry out the provisions of this section, and such rules and
4069 regulations shall have the full force and effect of law.

4070 (6) If a municipality expands its corporate boundaries, the
4071 governing authorities of the municipality may not impose the
4072 special sales tax in the annexed area unless the tax is approved
4073 at an election conducted, as far as is practicable, in the manner
4074 provided in subsection (3) of this section, except that only
4075 qualified electors in the annexed area may vote in the election.

4076 (7) (a) Any municipality that levies the special sales tax
4077 authorized under this section shall establish a commission as
4078 provided for in this section. Expenditures of revenue from the
4079 special sales tax authorized by this section shall be in
4080 accordance with a master plan adopted by the commission pursuant
4081 to this subsection.

4082 (b) The commission shall be composed of ten (10) voting
4083 members who shall be known as commissioners appointed as follows:

4084 (i) Four (4) members representing the business
4085 community in the municipality appointed by the local chamber of
4086 commerce for initial terms of one (1), two (2), four (4) and five



4087 (5) years respectively. The members appointed pursuant to this
4088 paragraph shall be persons who represent businesses located within
4089 the city limits of the municipality.

4090 (ii) Three (3) members shall be appointed at large
4091 by the mayor of the municipality, with the advice and consent of
4092 the legislative body of the municipality, for initial terms of two
4093 (2), three (3) and four (4) years respectively. All appointments
4094 made by the mayor pursuant to this paragraph shall be residents of
4095 the municipality.

4096 (iii) One (1) member shall be appointed at large
4097 by the Governor for an initial term of four (4) years. All
4098 appointments made by the Governor pursuant to this paragraph shall
4099 be residents of the municipality.

4100 (iv) One (1) member shall be appointed at large by
4101 the Lieutenant Governor for an initial term of four (4) years.
4102 All appointments made by the Lieutenant Governor pursuant to this
4103 paragraph shall be residents of the municipality.

4104 (v) One (1) member shall be appointed at large by
4105 the Speaker of the House of Representatives for a term of four (4)
4106 years. All appointments made by the Speaker of the House of
4107 Representatives pursuant to this paragraph shall be residents of
4108 the municipality.

4109 (c) The terms of all appointments made subsequent to
4110 the initial appointment shall be made for five (5) years. Any
4111 vacancy which may occur shall be filled in the same manner as the



4112 original appointment and shall be made for the unexpired term.
4113 Each member of the commission shall serve until his successor is
4114 appointed and qualified.

4115 (d) The mayor of the municipality shall designate a
4116 chairman of the commission from among the membership of the
4117 commission. The vice chairman and secretary shall be elected by
4118 the commission from among the membership of the commission for a
4119 term of two (2) years. The vice chairman and secretary may be
4120 reelected, and the chairman may be reappointed.

4121 (e) The commissioners shall serve without compensation.

4122 (f) Any commissioner shall be disqualified and shall be
4123 removed from office for either of the following reasons:

4124 (i) Conviction of a felony in any state court or
4125 in federal court; or

4126 (ii) Failure to attend three (3) consecutive
4127 meetings without just cause.

4128 If a commissioner is removed for any of the above reasons,
4129 the vacancy shall be filled in the manner prescribed in this
4130 section and shall be made for the unexpired term.

4131 (g) A quorum shall consist of six (6) voting members of
4132 the commission. The commission shall adopt such rules and
4133 regulations as may govern the time and place for holding meetings,
4134 regular and special.

4135 (h) The commission shall, with input from the
4136 municipality, establish a master plan for road and street repair,



4137 reconstruction and resurfacing projects based on traffic patterns,
4138 need and usage, and for water, sewer and drainage projects.
4139 Expenditures of the revenue from the tax authorized to be imposed
4140 pursuant to this section shall be made at the discretion of the
4141 governing authorities of the municipality if the expenditures
4142 comply with the master plan. The commission shall monitor the
4143 compliance of the municipality with the master plan.

4144 (8) The governing authorities of any municipality that
4145 levies the special sales tax authorized under this section are
4146 authorized to incur debt, including bonds, notes or other
4147 evidences of indebtedness, for the purpose of paying the costs of
4148 road and street repair, reconstruction and resurfacing projects
4149 based on traffic patterns, need and usage, and to pay the costs of
4150 water, sewer and drainage projects in accordance with a master
4151 plan adopted by the commission established pursuant to subsection
4152 (7) of this section. Any bonds or notes issued to pay such costs
4153 may be secured by the proceeds of the special sales tax levied
4154 pursuant to this section or may be general obligations of the
4155 municipality and shall satisfy the requirements for the issuance
4156 of debt provided by Sections 21-33-313 through 21-33-323.

4157 (9) This section shall stand repealed from and after July 1,
4158 2035.

4159 **SECTION 23.** Section 27-69-3, Mississippi Code of 1972, is
4160 amended as follows:

4161 27-69-3. When used in this chapter:



4162 (a) "State" means the State of Mississippi as
4163 geographically defined, and any and all waters under the
4164 jurisdiction of the State of Mississippi.

4165 (b) "State Auditor" means the Auditor of Public
4166 Accounts of the State of Mississippi, or his legally appointed
4167 deputy, clerk or agent.

4168 (c) "Commissioner" means the Commissioner of Revenue of
4169 the Department of Revenue, and his authorized agents and
4170 employees.

4171 (d) "Person" means any individual, company,
4172 corporation, partnership, association, joint venture, estate,
4173 trust, or any other group, or combination acting as a unit, and
4174 the plural as well as the singular, unless the intention to give a
4175 more limited meaning is disclosed by the context.

4176 (e) "Consumer" means a person who comes into possession
4177 of tobacco for the purpose of consuming it, giving it away, or
4178 disposing of it in any way by sale, barter or exchange.

4179 (f) "Tobacco" means any cigarettes, cigars, cheroots,
4180 stogies, smoking tobacco (including granulated, plug cut, crimp
4181 cut, ready rubbed, and other kinds and forms of tobacco, or
4182 substitutes therefor, prepared in such manner as to be suitable
4183 for smoking in a pipe or cigarette) and including plug and twist
4184 chewing tobacco and snuff, when such "tobacco" is manufactured and
4185 prepared for sale or personal consumption, or any other product
4186 containing, made of, or derived from tobacco or nicotine that is



4187 intended for human consumption or is likely to be consumed,
4188 whether inhaled, absorbed, or ingested by any means; any
4189 substances that may be aerosolized or vaporized by any device,
4190 including any component, part, or accessory thereof, whether or
4191 not any of these contain tobacco or nicotine, including, but not
4192 limited to, filters, rolling papers, blunt or hemp wraps, and
4193 pipes. The term "tobacco" also means and includes alternative
4194 nicotine products and electronic cigarettes as defined in Section
4195 97-32-51. All words used herein shall be given the meaning as
4196 defined in the regulations of the Treasury Department of the
4197 United States of America.

4198 (g) "First sale" means and includes the first sale, or
4199 distribution of such tobacco in intrastate commerce, or the first
4200 use or consumption of such tobacco within this state.

4201 (h) "Drop shipment" means and includes any delivery of
4202 tobacco received by any person within this state, when payment for
4203 such tobacco is made to the shipper, or seller by or through a
4204 person other than a consignee.

4205 (i) "Distributor" includes every person, except
4206 retailers as defined herein, in the state who manufactures or
4207 produces tobacco or who ships, transports, or imports into this
4208 state, or in any manner acquires or possesses tobacco, and makes a
4209 first sale of the same in the state.

4210 (j) "Wholesaler" includes dealers, whose principal
4211 business is that of a wholesale dealer or jobber, who is known to



4212 the retail trade as such, and whose place of business is located
4213 in Mississippi or in a state which affords reciprocity to
4214 wholesalers domiciled in Mississippi, who shall sell any taxable
4215 tobacco to retail dealers only for the purpose of resale.

4216 (k) "Retailer" includes every person, other than a
4217 wholesale dealer, as defined above, whose principal business is
4218 that of selling merchandise at retail, who shall sell, or offer
4219 for sale tobacco to the consumer. The sale of tobacco in quantity
4220 lots by retailers to other retailers, transient vendors, or other
4221 persons, shall not be construed as wholesale and shall not qualify
4222 such retailer for a permit as a wholesaler.

4223 (l) "Dealer" includes every person, firm, corporation
4224 or association of persons, except retailers as defined herein, who
4225 manufacture tobacco for distribution, for sale, for use or for
4226 consumption in the State of Mississippi.

4227 The word "dealer" is further defined to mean any person,
4228 firm, corporation or association of persons, except retailers as
4229 defined herein, who imports tobacco from any state or foreign
4230 country for distribution, sale, use, or consumption in the State
4231 of Mississippi.

4232 (m) "Distributing agent" includes every person in the
4233 state who acts as an agent of any person outside the State of
4234 Mississippi, by receiving tobacco in interstate commerce, and
4235 storing such tobacco in this state subject to distribution, or



4236 delivery upon order from the person outside the state to
4237 distributors, wholesalers, retailers and dealers.

4238 (n) "Transient vendor" means and includes every person
4239 commonly and generally termed "peddlers" and every person acting
4240 for himself, or as an agent, employee, salesman, or in any
4241 capacity for another, whether as owner, bailee, or other custodian
4242 of tobacco, and going from person to person, dealer to dealer,
4243 house to house, or place to place, and selling or offering for
4244 sale at retail or wholesale tobacco, and every person who does not
4245 keep a regular place of business open at all times in regular
4246 hours, and every person who goes from person to person, dealer to
4247 dealer, house to house, or place to place, and sells or offers for
4248 sale tobacco which he carries with him, and who delivers the same
4249 at the time of, or immediately after the sale, or without
4250 returning to the place of business operations (a permanent place
4251 of business within the state) between the taking of the order and
4252 the delivery of the tobacco, or

4253 All persons who go from person to person, house to house,
4254 place to place, or dealer to dealer, soliciting orders by
4255 exhibiting samples, or taking orders, and thereafter making
4256 delivery of tobacco, or filling the order without carrying or
4257 sending the order to the permanent place of business, and
4258 thereafter making delivery of the tobacco pursuant to the terms of
4259 the order, or



4260 All persons who go from person to person, place to place,
4261 house to house, or dealer to dealer, carrying samples and selling
4262 tobacco from samples, and afterwards making delivery without
4263 taking and sending an order therefor to a permanent place of
4264 business for the filling of the order, and delivery of the
4265 tobacco, or the exchange of tobacco having become damaged or
4266 unsalable, or the purchase by tobacco of advertising space, or

4267 All persons who have in their possession, or under their
4268 control, any tobacco offered, or to be offered for sale or to be
4269 delivered, unless the sale or delivery thereof is to be made in
4270 pursuance of a bona fide order for the tobacco, to be sold or
4271 delivered, the order to be evidenced by an invoice or memorandum.

4272 (o) "Contraband tobacco" means all tobacco found in the
4273 possession of any person whose permit to engage in dealing in
4274 tobacco has been revoked by the commissioner; and any cigarettes
4275 found in the possession of any person to which the proper tax
4276 stamps have not been affixed; and any cigarettes improperly
4277 stamped when found in the possession of any person; and all other
4278 tobacco upon which the excise tax has not been paid.

4279 (p) "Sale" means an exchange for money or goods, giving
4280 away, or distributing any tobacco as defined in this chapter.

4281 (q) "Forty-eight (48) hours" and "seventy-two (72)
4282 hours" means two (2) calendar days and three (3) calendar days,
4283 respectively, excluding Sundays and legal holidays.



4284 (r) "Stamp" or "stamping," or the import of such word,
4285 when used in this chapter, means any manner of stamp or impression
4286 permitted by the commissioner that carries out the purposes of the
4287 chapter in clearly indicating upon the packages of cigarettes
4288 taxed the due payment of the tax and clearly identifying, by
4289 serial number or otherwise, the permittee who affixed the stamp to
4290 the particular package.

4291 (s) "Manufacturer's list price" means the full sales
4292 price at which tobacco is sold or offered for sale by a
4293 manufacturer to the wholesaler or distributor in this state
4294 without any deduction for freight, trade discount, cash discounts,
4295 special discounts or deals, cash rebates, or any other reduction
4296 from the regular selling price. In the event freight charges on
4297 shipments to wholesalers or distributors are not paid by the
4298 manufacturer, then such freight charges required to be paid by the
4299 wholesalers and distributors shall be added to the amount paid to
4300 the manufacturer in order to determine "manufacturer's list
4301 price." In the case of a wholesaler or distributor whose place of
4302 business is located outside this state, the "manufacturer's list
4303 price" for tobacco sold in this state by such wholesaler or
4304 distributor shall in all cases be considered to be the same as
4305 that of a wholesaler or distributor located within this state.

4306 **SECTION 24.** Section 27-69-13, Mississippi Code of 1972, is
4307 amended as follows:



4308 27-69-13. There is hereby imposed, levied and assessed, to
4309 be collected and paid as hereinafter provided in this chapter, an
4310 excise tax on each person or dealer in cigarettes, cigars,
4311 stogies, snuff, chewing tobacco, and smoking tobacco, or
4312 substitutes therefor, upon the sale, use, consumption, handling or
4313 distribution in the State of Mississippi, as follows:

4314 (a) On cigarettes, the rate of tax shall be * * * Five
4315 and nine-tenths Cents (5.9¢) on each cigarette sold with a maximum
4316 length of one hundred twenty (120) millimeters; any cigarette in
4317 excess of this length shall be taxed as if it were two (2) or more
4318 cigarettes. Provided, however, if the federal tax rate on
4319 cigarettes in effect on June 1, 1985, is reduced, then the rate as
4320 provided herein shall be increased by the amount of the federal
4321 tax reduction. Such tax increase shall take effect on the first
4322 day of the month following the effective date of such reduction in
4323 the federal tax rate.

4324 (b) On cigars, cheroots, stogies, snuff, chewing and
4325 smoking tobacco and all other tobacco products except cigarettes,
4326 the rate of tax shall be * * * twenty-five percent (25%) of the
4327 manufacturer's list price.

4328 No stamp evidencing the tax herein levied on cigarettes shall
4329 be of a denomination of less than One Cent (1¢), and whenever the
4330 tax computed at the rates herein prescribed on cigarettes shall be
4331 a specified amount, plus a fractional part of One Cent (1¢), the
4332 package shall be stamped for the next full cent; however, the



4333 additional face value of stamps purchased to comply with taxes
4334 imposed by this section after June 1, 1985, shall be subject to a
4335 four percent (4%) discount or compensation to dealers for their
4336 services rather than the eight percent (8%) discount or
4337 compensation allowed by Section 27-69-31.

4338 Every wholesaler shall purchase stamps as provided in this
4339 chapter, and affix the same to all packages of cigarettes handled
4340 by him as herein provided.

4341 The above tax is levied upon the sale, use, gift, possession
4342 or consumption of tobacco within the State of Mississippi, and the
4343 impact of the tax levied by this chapter is hereby declared to be
4344 on the vendee, user, consumer or possessor of tobacco in this
4345 state; and when said tax is paid by any other person, such payment
4346 shall be considered as an advance payment and shall thereafter be
4347 added to the price of the tobacco and recovered from the ultimate
4348 consumer or user.

4349 **SECTION 25.** Section 27-69-75, Mississippi Code of 1972, is
4350 amended as follows:

4351 27-69-75. All taxes levied by this chapter shall be payable
4352 to the commissioner in cash, or by personal check, cashier's
4353 check, bank exchange, post office money order or express money
4354 order, and shall be deposited by the commissioner in the State
4355 Treasury on the same day collected. No remittance other than cash
4356 shall be a final discharge of liability for the tax herein



4357 assessed and levied, unless and until it has been paid in cash to
4358 the commissioner.

4359 Except as otherwise provided in this section, all tobacco
4360 taxes collected, including tobacco license taxes, shall be
4361 deposited into the State Treasury to the credit of the General
4362 Fund. On or before September 15, 2021, and each succeeding month
4363 thereafter through February 15, 2022, tobacco taxes collected
4364 during the preceding month under the provisions of this chapter
4365 from the increases to tax rates under Section 27-69-13 and as a
4366 result of the amendment to Section 27-69-3, as provided in Senate
4367 Bill No. 2971, 2021 Regular Session, shall be deposited, without
4368 diversion, into the Budget Stabilization Fund created in Section
4369 26 of this act.

4370 Wholesalers who are entitled to purchase stamps at a
4371 discount, as provided by Section 27-69-31, may have consigned to
4372 them, without advance payment, such stamps, if and when such
4373 wholesaler shall give to the commissioner a good and sufficient
4374 bond executed by some surety company authorized to do business in
4375 this state, conditioned to secure the payment for the stamps so
4376 consigned. The commissioner shall require payment for such stamps
4377 not later than thirty (30) days from the date the stamps were
4378 consigned.

4379 **SECTION 26.** There is hereby created in the State Treasury a
4380 special fund to be designated as the "Budget Stabilization Fund,"
4381 which shall consist of funds made available by the Legislature in



4382 any manner and funds from any other source designated for deposit
4383 into such fund. Unexpended amounts remaining in the fund at the
4384 end of a fiscal year shall not lapse into the State General Fund,
4385 and any investment earnings or interest earned on amounts in the
4386 fund shall be deposited to the credit of the fund. Monies in the
4387 fund shall only be appropriated by the Legislature to further the
4388 purposes of Sections 1 through 69 of this act.

4389 **SECTION 27.** Section 27-70-5, Mississippi Code of 1972, is
4390 amended as follows:

4391 27-70-5. (1) (a) In addition to the tax imposed under
4392 Section 27-69-13, and except as provided by subsection (2) of this
4393 section, there is imposed a tobacco equity tax in the amount of
4394 * * * Three and Nine One-Hundredths Cents (3.09¢) per cigarette
4395 on all cigarettes subject to the tax imposed under Section
4396 27-69-13.

4397 (b) On July 1 of each year, the tax prescribed by
4398 subsection (1) of this section shall increase by the greater of:

4399 (i) Three percent (3%); or

4400 (ii) The percentage increase in the most recent
4401 annual revised Consumer Price Index for all Urban Consumers, as
4402 published by the Federal Bureau of Labor Statistics of the United
4403 States Department of Labor.

4404 (c) The revenue collected from the tax imposed by this
4405 section shall be deposited into the State General Fund.



4406 (d) The cigarettes manufactured by any manufacturer
4407 which is a party to the tobacco settlement agreement shall be
4408 exempt from the imposition of the tobacco equity tax provided for
4409 herein.

4410 (2) The tax imposed by this chapter does not apply to
4411 cigarettes that are sold, purchased or otherwise distributed in
4412 this state for sale outside of this state. A person may not
4413 transport or cause to be transported from this state such
4414 cigarettes for retail sale in another state without first affixing
4415 to the cigarettes the stamp required by the state in which the
4416 cigarettes are to be sold or by paying any other excise tax on the
4417 cigarettes imposed by the state in which the cigarettes are to be
4418 sold; however, a person shall not be required to affix a tax stamp
4419 of another state or pay the excise tax of another state prior to
4420 transporting the cigarettes out of this state if the other state
4421 prohibits that action or if the cigarettes are being sold to a
4422 wholesaler licensed by that state.

4423 (3) The tax imposed by this chapter is in addition to any
4424 other privilege, license, fee, assessment or tax required or
4425 imposed by state law, including, but not limited to, the taxes
4426 levied by Section 27-69-13.

4427 (4) The tax imposed by this chapter is imposed, levied and
4428 assessed on each distributor of cigarettes. The tax shall be due
4429 and payable on or before the fifteenth day of the month next
4430 succeeding the month in which the stamp is required to be affixed



4431 to the cigarettes under the Tobacco Tax Law. The distributor
4432 shall make a return showing the number of such cigarettes, the
4433 brand family, and the manufacturer. The return shall also include
4434 the quantity of cigarettes, by brand family, transported or caused
4435 to be transported outside of Mississippi in the preceding month as
4436 well as the name and address of the recipient of the cigarettes
4437 transported outside of Mississippi.

4438 (5) The distributor is eligible for a credit if cigarettes
4439 for which the distributor had previously paid the tax under this
4440 chapter were returned to the distributor.

4441 **SECTION 28.** Section 27-7-5, Mississippi Code of 1972, is
4442 amended as follows:

4443 **[Until January 1 of the next succeeding year after the date**
4444 **that the Commissioner of Revenue certifies that the reduction in**
4445 **revenue mandated by Section 27-7-21(p) (i) equals or exceeds the**
4446 **remaining revenue produced by the individual income tax, this**
4447 **section shall read as follows:]**

4448 27-7-5. (1) There is hereby assessed and levied, to be
4449 collected and paid as hereinafter provided, for the calendar year
4450 1983 and fiscal years ending during the calendar year 1983 and all
4451 taxable years thereafter, upon the entire net income of every
4452 resident individual, corporation, association, trust or estate, in
4453 excess of the credits provided, a tax at the following rates:



4454 (a) (i) Through calendar year 2017, on the first Five
4455 Thousand Dollars (\$5,000.00) of taxable income, or any part
4456 thereof, the rate shall be three percent (3%);

4457 (ii) For calendar year 2018, on the first One
4458 Thousand Dollars (\$1,000.00) of taxable income there shall be no
4459 tax levied, and on the next Four Thousand Dollars (\$4,000.00) of
4460 taxable income, or any part thereof, the rate shall be three
4461 percent (3%);

4462 (iii) For calendar year 2019, on the first Two
4463 Thousand Dollars (\$2,000.00) of taxable income there shall be no
4464 tax levied, and on the next Three Thousand Dollars (\$3,000.00) of
4465 taxable income, or any part thereof, the rate shall be three
4466 percent (3%);

4467 (iv) For calendar year 2020, on the first Three
4468 Thousand Dollars (\$3,000.00) of taxable income there shall be no
4469 tax levied, and on the next Two Thousand Dollars (\$2,000.00) of
4470 taxable income, or any part thereof, the rate shall be three
4471 percent (3%);

4472 (v) For calendar year 2021, on the first Four
4473 Thousand Dollars (\$4,000.00) of taxable income there shall be no
4474 tax levied, and on the next One Thousand Dollars (\$1,000.00) of
4475 taxable income, or any part thereof, the rate shall be three
4476 percent (3%);



4477 (vi) For calendar year 2022 and all taxable years
4478 thereafter, there shall be no tax levied on the first Five
4479 Thousand Dollars (\$5,000.00) of taxable income;

4480 (b) On taxable income in excess of Five Thousand
4481 Dollars (\$5,000.00) up to and including Ten Thousand Dollars
4482 (\$10,000.00), or any part thereof, the rate shall be four percent
4483 (4%); and

4484 (c) On all taxable income in excess of Ten Thousand
4485 Dollars (\$10,000.00), the rate shall be five percent (5%).

4486 (2) An S corporation, as defined in Section 27-8-3(1) (g),
4487 shall not be subject to the income tax imposed under this section.

4488 (3) A like tax is hereby imposed to be assessed, collected
4489 and paid annually, except as hereinafter provided, at the rate
4490 specified in this section and as hereinafter provided, upon and
4491 with respect to the entire net income, from all property owned or
4492 sold, and from every business, trade or occupation carried on in
4493 this state by individuals, corporations, partnerships, trusts or
4494 estates, not residents of the State of Mississippi.

4495 (4) In the case of taxpayers having a fiscal year beginning
4496 in a calendar year with a rate in effect that is different than
4497 the rate in effect for the next calendar year and ending in the
4498 next calendar year, the tax due for that taxable year shall be
4499 determined by:



4500 (a) Computing for the full fiscal year the amount of
4501 tax that would be due under the rates in effect for the calendar
4502 year in which the fiscal year begins; and

4503 (b) Computing for the full fiscal year the amount of
4504 tax that would be due under the rates in effect for the calendar
4505 year in which the fiscal year ends; and

4506 (c) Applying to the tax computed under paragraph (a)
4507 the ratio which the number of months falling within the earlier
4508 calendar year bears to the total number of months in the fiscal
4509 year; and

4510 (d) Applying to the tax computed under paragraph (b)
4511 the ratio which the number of months falling within the later
4512 calendar year bears to the total number of months within the
4513 fiscal year; and

4514 (e) Adding to the tax determined under paragraph (c)
4515 the tax determined under paragraph (d) the sum of which shall be
4516 the amount of tax due for the fiscal year.

4517 **[From and after January 1 of the next succeeding year after**
4518 **the date that the Commissioner of Revenue certifies that the**
4519 **reduction in revenue mandated by Section 27-7-21(p) (i) equals or**
4520 **exceeds the remaining revenue produced by the individual income**
4521 **tax, the individual income tax shall stand repealed and this**
4522 **section shall read as follows:]**

4523 27-7-5. (1) There is hereby assessed and levied, to be
4524 collected and paid as hereinafter provided, for the calendar year



4525 1983 and fiscal years ending during the calendar year 1983 and all
4526 taxable years thereafter, upon the entire net income of every
4527 resident * * * corporation * * * or association, * * * in excess
4528 of the credits provided, a tax at the following rates:

4529 (a) (i) Through calendar year 2017, on the first Five
4530 Thousand Dollars (\$5,000.00) of taxable income, or any part
4531 thereof, the rate shall be three percent (3%);

4532 (ii) For calendar year 2018, on the first One
4533 Thousand Dollars (\$1,000.00) of taxable income there shall be no
4534 tax levied, and on the next Four Thousand Dollars (\$4,000.00) of
4535 taxable income, or any part thereof, the rate shall be three
4536 percent (3%);

4537 (iii) For calendar year 2019, on the first Two
4538 Thousand Dollars (\$2,000.00) of taxable income there shall be no
4539 tax levied, and on the next Three Thousand Dollars (\$3,000.00) of
4540 taxable income, or any part thereof, the rate shall be three
4541 percent (3%);

4542 (iv) For calendar year 2020, on the first Three
4543 Thousand Dollars (\$3,000.00) of taxable income there shall be no
4544 tax levied, and on the next Two Thousand Dollars (\$2,000.00) of
4545 taxable income, or any part thereof, the rate shall be three
4546 percent (3%);

4547 (v) For calendar year 2021, on the first Four
4548 Thousand Dollars (\$4,000.00) of taxable income there shall be no
4549 tax levied, and on the next One Thousand Dollars (\$1,000.00) of



4550 taxable income, or any part thereof, the rate shall be three
4551 percent (3%);

4552 (vi) For calendar year 2022 and all taxable years
4553 thereafter, there shall be no tax levied on the first Five
4554 Thousand Dollars (\$5,000.00) of taxable income;

4555 (b) On taxable income in excess of Five Thousand
4556 Dollars (\$5,000.00) up to and including Ten Thousand Dollars
4557 (\$10,000.00), or any part thereof, the rate shall be four percent
4558 (4%); and

4559 (c) On all taxable income in excess of Ten Thousand
4560 Dollars (\$10,000.00), the rate shall be five percent (5%).

4561 (2) An S corporation, as defined in Section 27-8-3(1) (g),
4562 shall not be subject to the income tax imposed under this section.

4563 (3) A like tax is hereby imposed to be assessed, collected
4564 and paid annually, except as hereinafter provided, at the rate
4565 specified in this section and as hereinafter provided, upon and
4566 with respect to the entire net income, from all property owned or
4567 sold, and from every business, trade or occupation carried on in
4568 this state by * * * corporations, * * * not residents of the State
4569 of Mississippi.

4570 (4) In the case of taxpayers having a fiscal year beginning
4571 in a calendar year with a rate in effect that is different than
4572 the rate in effect for the next calendar year and ending in the
4573 next calendar year, the tax due for that taxable year shall be
4574 determined by:



4575 (a) Computing for the full fiscal year the amount of
4576 tax that would be due under the rates in effect for the calendar
4577 year in which the fiscal year begins; and

4578 (b) Computing for the full fiscal year the amount of
4579 tax that would be due under the rates in effect for the calendar
4580 year in which the fiscal year ends; and

4581 (c) Applying to the tax computed under paragraph (a)
4582 the ratio which the number of months falling within the earlier
4583 calendar year bears to the total number of months in the fiscal
4584 year; and

4585 (d) Applying to the tax computed under paragraph (b)
4586 the ratio which the number of months falling within the later
4587 calendar year bears to the total number of months within the
4588 fiscal year; and

4589 (e) Adding to the tax determined under paragraph (c)
4590 the tax determined under paragraph (d) the sum of which shall be
4591 the amount of tax due for the fiscal year.

4592 **SECTION 29.** Section 27-7-3, Mississippi Code of 1972, is
4593 brought forward as follows:

4594 27-7-3. When used in this article:

4595 (a) "Taxpayer" includes any individual, partnership,
4596 corporation, association, trust or estate, subject to a tax
4597 imposed hereunder, or whose income is, in whole or in part,
4598 subject to a tax imposed hereunder.



4599 (b) "Domestic," when applied to any corporation or
4600 association, including partnerships, means created or organized in
4601 the State of Mississippi.

4602 (c) "Foreign," when applied to any corporation or
4603 association, including partnerships, means created or organized
4604 outside the State of Mississippi.

4605 (d) "Fiduciary" means a guardian, trustee, executor,
4606 administrator, receiver, conservator, or any person, whether
4607 individual or corporate, acting in any fiduciary capacity, for any
4608 person, trust, or estate.

4609 (e) "Resident" means a natural person and includes, for
4610 the purpose of determining liability for the tax imposed by this
4611 article upon or with reference to the income of any taxable year,
4612 any person domiciled in the State of Mississippi and any other
4613 person who maintains a legal or actual residence within the state.

4614 (f) "Nonresident," when used in connection with this
4615 article, shall apply to any natural person whose domicile and
4616 place of abode is without the State of Mississippi.

4617 (g) "Foreign country" or "foreign government" means any
4618 jurisdiction other than the one embraced within the United States.
4619 The words "United States" includes the states, the District of
4620 Columbia, and the territorial possessions of the United States.

4621 (h) "State Tax Commission" or "Tax Commission" means
4622 the Department of Revenue. "Commission" or "department" also



4623 means the Department of Revenue except where such words are
4624 specifically given other meanings.

4625 (i) "Commissioner," "Chairman of the Mississippi State
4626 Tax Commission," "Chairman of the State Tax Commission," "chairman
4627 of the commission" or "chairman" means the Commissioner of Revenue
4628 of the Department of Revenue.

4629 (j) "Taxable year" means the calendar year, or fiscal
4630 year ending during such calendar year, upon the basis of which the
4631 net income is computed hereunder. "Fiscal year" means an
4632 accounting period of twelve (12) months, ending on the last day of
4633 any month other than December.

4634 (k) "Paid or accrued" means paid or accrued, or paid or
4635 incurred, and these terms, "paid or incurred" or "paid or
4636 accrued," shall be construed according to the method of accounting
4637 or the basis on which the net income is computed. The term
4638 "received for the purpose of computation of net income" means
4639 received or accrued, and the term "received or accrued" shall be
4640 construed according to the method of accounting or the basis on
4641 which the net income is computed.

4642 (l) "Dividend" means any distribution made by a
4643 corporation, association, trust or estate, to its shareholders or
4644 members, whether in cash, other property, or its own stock.

4645 **SECTION 30.** Section 27-7-27, Mississippi Code of 1972, is
4646 brought forward as follows:



4647 27-7-27. (1) The tax imposed under the income tax laws of
4648 the State of Mississippi shall apply to the income of estates of
4649 any kind or property held in trust except:

4650 (a) That a trust forming part of a pension plan, stock
4651 bonus plan, disability or death benefit plan or profit-sharing
4652 plan of an employer for the exclusive benefit of some or all of
4653 his or its employees, or their beneficiaries, to which
4654 contributions are made by such employer, or employees, or both,
4655 for the purpose of distributing to such employees, or their
4656 beneficiaries, the earnings and principal of the fund accumulated
4657 by the trust in accordance with such plan, shall not be taxable
4658 under the income tax laws of the State of Mississippi provided
4659 that the trust is irrevocable and no part of the trust corpus or
4660 income can be used for purposes other than for the exclusive
4661 benefit of employees, or their beneficiaries; but any amount
4662 actually distributed or made available to any distributee shall be
4663 taxable to him in the year in which so distributed or made
4664 available to the extent that it exceeds amounts paid in by him.

4665 (b) That all trusts of real or personal property, or
4666 real and personal property combined, created under a retirement
4667 plan for which provision has been made under the laws of the
4668 United States of America exempting such trust from federal income
4669 tax, shall be exempt from income taxation by the State of
4670 Mississippi.



4671 (2) Notwithstanding the provisions of subsection (1) of this
4672 section, a taxpayer shall include any Mississippi unrelated
4673 business taxable income in computing its taxable income under this
4674 chapter. As used in this subsection "Mississippi unrelated
4675 business taxable income" includes:

4676 (a) "Unrelated business taxable income" as defined
4677 under the provisions of the Internal Revenue Code, as amended, and
4678 not otherwise inconsistent with other provisions of this chapter,
4679 and

4680 (b) Any income attributable to an ownership interest in
4681 an S corporation.

4682 (3) A trust required to include the activity of a
4683 disregarded entity for federal income tax purposes shall do
4684 likewise for the purpose of computing income for this state.

4685 (4) Except as otherwise provided in this section, the gross
4686 and net income shall be determined in the same manner as is
4687 provided by law for any other taxpayer.

4688 **SECTION 31.** Section 27-7-22.5, Mississippi Code of 1972, is
4689 brought forward as follows:

4690 27-7-22.5. (1) For any manufacturer, distributor, wholesale
4691 or retail merchant who pays to a county, municipality, school
4692 district, levee district or any other taxing authority of the
4693 state or a political subdivision thereof, ad valorem taxes imposed
4694 on commodities, raw materials, works-in-process, products, goods,
4695 wares and merchandise held for resale, a credit against the income



4696 taxes imposed under this chapter shall be allowed for the portion
4697 of the ad valorem taxes so paid in the amounts prescribed in
4698 subsection (2).

4699 (2) The tax credit allowed by this section shall not exceed
4700 the amounts set forth in paragraphs (a) through (g) of this
4701 subsection; and may be claimed for each location where such
4702 commodities, raw material, works-in-process, products, goods,
4703 wares and merchandise are found and upon which the ad valorem
4704 taxes have been paid. Any tax credit claimed under this section
4705 but not used in any taxable year may be carried forward for five
4706 (5) consecutive years from the close of the tax year in which the
4707 credit was earned.

4708 (a) For the 1994 taxable year, the tax credit for each
4709 location of the taxpayer shall not exceed the lesser of Two
4710 Thousand Dollars (\$2,000.00) or the amount of income taxes due the
4711 State of Mississippi that are attributable to such location.

4712 (b) For the 1995 taxable year, the tax credit for each
4713 location of the taxpayer shall not exceed the lesser of Three
4714 Thousand Dollars (\$3,000.00) or the amount of income taxes due the
4715 State of Mississippi that are attributable to such location.

4716 (c) For the 1996 taxable year, the tax credit for each
4717 location of the taxpayer shall not exceed the lesser of Four
4718 Thousand Dollars (\$4,000.00) or the amount of income taxes due the
4719 State of Mississippi that are attributable to such location.



4720 (d) For the 1997 taxable year and each taxable year
4721 thereafter through taxable year 2013, the tax credit for each
4722 location of the taxpayer shall not exceed the lesser of Five
4723 Thousand Dollars (\$5,000.00) or the amount of income taxes due the
4724 State of Mississippi that are attributable to such location.

4725 (e) For the 2014 taxable year, the tax credit for each
4726 location of the taxpayer shall not exceed the lesser of Ten
4727 Thousand Dollars (\$10,000.00) or the amount of income taxes due
4728 the State of Mississippi that are attributable to such location.

4729 (f) For the 2015 taxable year, the tax credit for each
4730 location of the taxpayer shall not exceed the lesser of Fifteen
4731 Thousand Dollars (\$15,000.00) or the amount of income taxes due
4732 the State of Mississippi that are attributable to such location.

4733 (g) For the 2016 taxable year and each taxable year
4734 thereafter, the tax credit of the taxpayer shall be the lesser of
4735 the amount of the ad valorem taxes described in subsection (1)
4736 paid or the amount of income taxes due the State of Mississippi
4737 that are attributable to such location.

4738 (3) Any amount of ad valorem taxes paid by a taxpayer that
4739 is applied toward the tax credit allowed in this section may not
4740 be used as a deduction by the taxpayer for state income tax
4741 purposes. In the case of a taxpayer that is a partnership,
4742 limited liability company or S corporation, the credit may be
4743 applied only to the tax attributable to partnership, limited



4744 liability company or S corporation income derived from the
4745 taxpayer.

4746 **SECTION 32.** Section 27-7-22.15, Mississippi Code of 1972, is
4747 brought forward as follows:

4748 27-7-22.15. (1) As used in this section, the following
4749 words and phrases shall have the meanings ascribed to herein
4750 unless the context clearly indicates otherwise:

4751 (a) "Approved reforestation practices" means the
4752 following practices for establishing a crop of trees suitable for
4753 manufacturing into forest products:

4754 (i) "Pine and hardwood tree planting practices"
4755 including the cost of seedlings, planting by hand or machine, and
4756 site preparation.

4757 (ii) "Mixed-stand regeneration practices" to
4758 establish a mixed-crop of pine and hardwood trees by planting or
4759 direct seeding, or both, including the cost of seedlings,
4760 seed/acorns, planting, seeding and site preparation.

4761 (iii) "Direct seeding practices" to establish a
4762 crop of pine or oak trees by directly applying seed/acorns to the
4763 site including the cost of seed/acorns, seeding and site
4764 preparation.

4765 (iv) "Post-planting site preparation practices" to
4766 reduce or control undesirable competition within the first growing
4767 season of an established crop of trees.



4768 Approved reforestation practices shall not include the
4769 establishment of orchards, Christmas trees or ornamental trees.

4770 (b) "Eligible tree species" means pine and hardwood
4771 commercial tree species suitable for manufacturing into forest
4772 products.

4773 (c) "Cost-share assistance" means partial financial
4774 payment for approved reforestation practices from the state
4775 government as authorized under Sections 49-19-201 through
4776 49-19-227, or the federal government.

4777 (d) "Eligible owner" means a private individual, group
4778 or association, but the term shall not mean private corporations
4779 which manufacture products or provide public utility services of
4780 any type or any subsidiary of such corporations.

4781 (e) "Eligible lands" means nonindustrial private lands
4782 owned by a private individual, group or association, but shall not
4783 mean lands owned by private corporations which manufacture
4784 products or provide public utility services of any type or any
4785 subsidiary of such corporations.

4786 (f) "Reforestation prescription or plan" means a
4787 written description of the approved reforestation practices that
4788 the eligible owner plans to use and includes a legal description
4789 and map of the area to be reforested, a list of the tree seedling
4790 or seed species to be used in the reforestation and the site
4791 preparation practices that will be utilized.



4792 (2) Subject to the limitations provided in subsection (3) of
4793 this section, upon submission to the State Tax Commission of the
4794 written verification provided for in subsection (5) of this
4795 section and such other documentation as the State Tax Commission
4796 may require, any eligible owner who incurs costs for approved
4797 reforestation practices for eligible tree species on eligible
4798 lands shall be allowed a credit, in an amount equal to the lesser
4799 of fifty percent (50%) of the actual costs of the approved
4800 reforestation practices or fifty percent (50%) of the average cost
4801 of approved practices as established by the Mississippi Forestry
4802 Commission under Section 49-19-219, against the taxes imposed
4803 pursuant to this chapter for the tax year in which the costs are
4804 incurred.

4805 (3) The maximum amount of the credit provided for in
4806 subsection (2) of this section that may be utilized in any one (1)
4807 taxable year shall not exceed the lesser of Ten Thousand Dollars
4808 (\$10,000.00) or the amount of income tax imposed upon the eligible
4809 owner for the taxable year reduced by the sum of all other credits
4810 allowable to the eligible owner under this chapter, except credit
4811 for tax payments made by or on behalf of the eligible owner. Any
4812 unused portion of the credit may be carried forward for succeeding
4813 tax years. The maximum dollar amount of the credit provided for
4814 in subsection (2) of this section that an eligible owner may
4815 utilize during his lifetime shall be Seventy-five Thousand Dollars
4816 (\$75,000.00) in the aggregate.



4817 (4) If an eligible owner receives any state or federal cost
4818 share assistance funds to defray the cost of an approved
4819 reforestation practice, the cost of that practice on the same acre
4820 or acres within the same tax year is not eligible for the credit
4821 provided in this section unless the eligible owner's adjusted
4822 gross income is less than the federal earned income credit level.

4823 (5) To be eligible for the tax credit, an eligible owner
4824 must have a reforestation prescription or plan prepared for the
4825 eligible lands by a graduate forester of a college, school or
4826 university accredited by the Society of American Foresters or by a
4827 registered forester under the Foresters Registration Law of 1977.
4828 The forester must verify in writing that the reforestation
4829 practices were completed and that the reforestation prescription
4830 or plan was followed.

4831 **SECTION 33.** Section 27-7-22.21, Mississippi Code of 1972, is
4832 brought forward as follows:

4833 27-7-22.21. (1) As used in this section, the following
4834 words and phrases shall have the following meanings, unless the
4835 context clearly indicates otherwise:

4836 (a) "Eligible land" means nonindustrial private lands
4837 in the state that are adjacent to and along a stream which is
4838 fully nominated to the Mississippi Scenic Streams Stewardship
4839 Program, or nonindustrial private lands in the state which are
4840 considered to be priority sites for conservation under the
4841 Mississippi Natural Heritage Program.



4842 (b) "Eligible owner" means a private individual, group
4843 or association other than a private corporation, or any subsidiary
4844 thereof, which manufactures products or provides public utility
4845 services of any type.

4846 (c) "Interest in land" means any right in real
4847 property, including access thereto or improvements thereon, or
4848 water, including, but not limited to, a fee simple easement, a
4849 conservation easement, provided such interest complies with the
4850 requirements of the United States Internal Revenue Code Section
4851 170(h), partial interest, mineral right, remainder or future
4852 interest, or other interest or right in real property.

4853 (d) "Land" or "lands" means real property, with or
4854 without improvements thereon, rights-of-way, water and riparian
4855 rights, easements, privileges and all other rights or interests of
4856 any land or description in, relating to, or connected with real
4857 property.

4858 (e) "Allowable transaction costs" mean the costs of the
4859 appraisal of the lands or interests in lands, including
4860 conservation easements, that are being donated, of the baseline
4861 survey of the natural features, animals and plants present on the
4862 site, of engineering and surveying fees, of maintenance fees, of
4863 monitoring fees and of legal fees, including the costs of document
4864 preparation, title review and title insurance.

4865 (f) "Specified conservation purposes" mean the
4866 preservation of stream bank habitats and the stability of stream



4867 banks, or the protection of land necessary because of high
4868 biodiversity significance or high protection urgency due to the
4869 presence of exemplary natural communities or species of special
4870 concern, including threatened or endangered species.

4871 (2) For the taxable years beginning on or after January 1,
4872 2003, for any income taxpayer who is an eligible owner, a credit
4873 against the taxes imposed by this chapter shall be allowed in the
4874 amounts provided in this section upon the donation of land or an
4875 interest in land for specified conservation purposes.

4876 (3) The credit provided for in this section shall be fifty
4877 percent (50%) of the allowable transaction costs involved in the
4878 donation for the tax year in which the allowable transaction costs
4879 occur. The aggregate amount of the credit provided in this
4880 section for allowable transaction costs shall not exceed the
4881 lesser of Ten Thousand Dollars (\$10,000.00) or the amount of tax
4882 imposed upon the taxpayer for the taxable year reduced by the sum
4883 of all other credits allowable to such taxpayer under this
4884 chapter, except credit for tax payments made by or on behalf of
4885 the taxpayer. Any unused portion of the credit may be carried
4886 forward for ten (10) succeeding tax years. The maximum dollar
4887 amount of the credit provided for in this section that an eligible
4888 owner may utilize during his lifetime shall be Ten Thousand
4889 Dollars (\$10,000.00) in the aggregate.

4890 (4) To be eligible for the credit provided for in this
4891 section, an eligible owner must demonstrate that the donation



4892 qualifies as a conservation contribution under Section 170(h) of
4893 the United States Internal Revenue Code of 1986, by means of being
4894 a donation in perpetuity, for conservation purposes and made to a
4895 qualified holder or donee. A letter from the donee indicating
4896 acceptance and a completed copy of the appropriate United States
4897 Internal Revenue Service form shall constitute proof of
4898 acceptance. The eligible owner also must submit any other
4899 documentation that the State Tax Commission may require.

4900 **SECTION 34.** Section 27-7-22.22, Mississippi Code of 1972, is
4901 brought forward as follows:

4902 27-7-22.22. (1) A credit is allowed against the taxes
4903 imposed by this chapter to a taxpayer for allowing land owned by
4904 the taxpayer to be used as a natural area preserve, a wildlife
4905 refuge or habitat area, a wildlife management area, or for the
4906 purpose of providing public outdoor recreational opportunities, as
4907 authorized under Section 49-1-29, 49-5-71 or 49-5-155, subject to
4908 the following conditions and limitations:

4909 (a) The land may not be under lease to the Mississippi
4910 Commission on Wildlife, Fisheries and Parks, and the commission
4911 must approve the land as being suitable for the uses described in
4912 this section.

4913 (b) The amount of the tax credit allowed by this
4914 section shall be Five Dollars and Fifty Cents (\$5.50) per acre of
4915 land in each taxable year.



4916 (c) In no event shall the amount of the tax credits
4917 allowed by this section for a taxable year exceed the taxpayer's
4918 liability for those taxes. Any unused credit amount shall be
4919 allowed to be carried forward for five (5) years from the close of
4920 the taxable year in which the land was approved for such a use.
4921 No such credit shall be allowed the taxpayer against prior years'
4922 tax liability.

4923 (2) To claim a credit allowed by this section, the taxpayer
4924 shall provide any information required by the Mississippi
4925 Commission on Wildlife, Fisheries and Parks or the Mississippi
4926 Commissioner of Revenue. Every taxpayer claiming a credit under
4927 this section shall maintain and make available for inspection by
4928 the Mississippi Commission on Wildlife, Fisheries and Parks or the
4929 Mississippi Commissioner of Revenue any records that either entity
4930 considers necessary to determine and verify the amount of the
4931 credit to which the taxpayer is entitled. The burden of proving
4932 eligibility for a credit and the amount of the credit rests upon
4933 the taxpayer, and no credit may be allowed to a taxpayer that
4934 fails to maintain adequate records or to make them available for
4935 inspection.

4936 (3) Upon approval of the Commission on Wildlife, Fisheries
4937 and Parks under subsection (1) (a), a taxpayer seeking to claim any
4938 tax credit provided for under this section must submit an
4939 application to the Mississippi Commissioner of Revenue for
4940 approval of the tax credit. The Mississippi Commissioner of



4941 Revenue shall promulgate the rules and forms on which the
4942 application is to be submitted. The Mississippi Commissioner of
4943 Revenue shall review the application and may approve such
4944 application upon determining that it meets the requirements of
4945 this section within sixty (60) days after receiving the
4946 application.

4947 **SECTION 35.** Section 27-7-22.31, Mississippi Code of 1972, is
4948 brought forward as follows:

4949 27-7-22.31. (1) As used in this section:

4950 (a) "Certified historic structure" means a property
4951 located in Mississippi that has been:

4952 (i) Listed individually on the National Register
4953 of Historic Places; or

4954 (ii) Determined eligible for the National Register
4955 of Historic Places by the Secretary of the United States
4956 Department of the Interior and will be listed within thirty (30)
4957 months of claiming the credit authorized by this section; or

4958 (iii) Property designated a Mississippi Landmark
4959 by the Department of Archives and History pursuant to Section
4960 39-7-3 et seq.

4961 (b) "Eligible property" means property located in
4962 Mississippi and offered or used for residential or business
4963 purposes; however, the term "eligible property" shall not include
4964 a single-family dwelling unless:



4965 (i) A certificate evidencing the eligible credit
4966 has been issued to the taxpayer by the department prior to July 1,
4967 2016, that applies to such dwelling; or

4968 (ii) The dwelling is designated as a National
4969 Historic Landmark under the National Historic Landmarks Program.

4970 (c) "Structure in a certified historic district" means
4971 a structure (and its structural components) located in Mississippi
4972 which:

4973 (i) Is listed in the National Register of Historic
4974 Places; or

4975 (ii) Has been determined eligible for the National
4976 Register of Historic Places by the Secretary of the United States
4977 Department of the Interior and will be listed within thirty (30)
4978 months of claiming the credit authorized by this section; or

4979 (iii) Is located in a registered historic district
4980 listed on the National Register of Historic Places or located in a
4981 potential district that has been determined eligible for the
4982 National Register of Historic Places by the Secretary of the
4983 United States Department of the Interior and will be listed within
4984 thirty (30) months of claiming the credit authorized by this
4985 section, and is certified by the Secretary of the United States
4986 Department of the Interior as being of historic significance to
4987 the district; or



4988 (iv) Is certified by the Mississippi Department of
4989 Archives and History as contributing to the historic significance
4990 of:

4991 1. A certified historic district listed on
4992 the National Register of Historic Places; or

4993 2. A potential district that has been
4994 determined eligible for the National Register of Historic Places
4995 by the Secretary of the United States Department of the Interior
4996 and will be listed within thirty (30) months of claiming the
4997 credit authorized by this section; or

4998 3. A local district that has been certified
4999 by the United States Department of the Interior.

5000 (d) "Department" means the Department of Archives and
5001 History.

5002 (2) Any taxpayer incurring costs and expenses for the
5003 rehabilitation of eligible property, which is a certified historic
5004 structure or a structure in a certified historic district, shall
5005 be entitled to a credit against the taxes imposed pursuant to this
5006 chapter in an amount equal to twenty-five percent (25%) of the
5007 total costs and expenses of rehabilitation incurred after January
5008 1, 2006, which shall include, but not be limited to, qualified
5009 rehabilitation expenditures as defined under Section 47(c)(2)(A)
5010 of the Internal Revenue Code of 1986, as amended, and the related
5011 regulations thereunder:



5012 (a) If the costs and expenses associated with
5013 rehabilitation exceed:

5014 (i) Five Thousand Dollars (\$5,000.00) in the case
5015 of an owner-occupied dwelling; or

5016 (ii) Fifty percent (50%) of the total basis in the
5017 property in the case of all other properties; and

5018 (b) The rehabilitation is consistent with the standards
5019 of the Secretary of the United States Department of the Interior
5020 as determined by the department.

5021 (3) Any taxpayer eligible for the credit authorized by this
5022 section may claim the credit in phases if:

5023 (a) There is a written set of architectural plans and
5024 specifications for all phases of the rehabilitation (written plans
5025 outlining and describing all phases of the rehabilitation shall be
5026 accepted as written plans and specifications);

5027 (b) The written set of architectural plans and
5028 specifications are completed before the physical work on the
5029 rehabilitation begins; and

5030 (c) It can reasonably be expected that all phases of
5031 the rehabilitation will be completed.

5032 (4) (a) (i) If the amount of the tax credit established by
5033 this section exceeds the total state income tax liability for the
5034 year in which the rehabilitated property is placed in service, the
5035 amount that exceeds the total state income tax liability may be
5036 carried forward for the ten (10) succeeding tax years.



5037 (ii) The taxpayer may elect to claim a refund in
5038 the amount of seventy-five percent (75%) of the excess credit in
5039 lieu of the ten-year carryforward. The election must be made in
5040 the year in which the rehabilitated property is placed in service.
5041 Refunds will be paid in equal installments over a two-year period
5042 and shall be made from current collections.

5043 (iii) Refund requests shall be submitted to the
5044 Department of Revenue on forms prescribed by the department.
5045 Refunds shall be made from current tax collections.

5046 (b) Not-for-profit entities, including, but not limited
5047 to, nonprofit corporations organized under Section 79-11-101 et
5048 seq. shall be ineligible for the credit authorized by this
5049 section. Credits granted to a partnership, a limited liability
5050 company taxed as a partnership or multiple owners of property
5051 shall be passed through to the partners, members or owners on a
5052 pro rata basis or pursuant to an executed agreement among the
5053 partners, members or owners documenting an alternative
5054 distribution method. Partners, members or other owners of a
5055 pass-through entity are not eligible to elect a refund of excess
5056 credit in lieu of a carryforward of the credit. However, a
5057 partnership or limited liability company taxed as a partnership
5058 may elect to claim a refund of excess credit at the entity level
5059 on a form prescribed by the Department of Revenue. Additionally,
5060 excess tax credits that are attributable to rehabilitated property
5061 that was placed in service by a pass-through entity prior to



5062 January 1, 2011, and that have previously been allocated to and
5063 are held by another pass-through entity prior to January 1, 2011,
5064 may be refunded to such other pass-through entity.

5065 (5) (a) To claim the credit authorized pursuant to this
5066 section, the taxpayer shall apply to the department which shall
5067 determine the amount of eligible rehabilitation costs and expenses
5068 and whether the rehabilitation is consistent with the standards of
5069 the Secretary of the United States Department of the Interior.
5070 The department shall issue a certificate evidencing the eligible
5071 credit if the taxpayer is found to be eligible for the tax credit.
5072 The taxpayer shall attach the certificate to all income tax
5073 returns on which the credit is claimed. The department shall not
5074 issue certificates evidencing the eligible credit which, when
5075 combined with certificates of eligible credits issued prior to
5076 July 1, 2016, will result in credits being awarded in excess of
5077 Twelve Million Dollars (\$12,000,000.00) in any one (1) state
5078 fiscal year.

5079 (b) The aggregate amount of tax credits that may be
5080 awarded under this section shall not exceed One Hundred Eighty
5081 Million Dollars (\$180,000,000.00). A taxpayer who was issued a
5082 certificate evidencing the eligible credit by the department prior
5083 to July 1, 2020, but who was unable to be awarded the credit due
5084 to the limit on the aggregate amount of credits authorized under
5085 this section prior to July 1, 2020:



5086 (i) May be awarded the credit so long as the award
5087 does not cause the aggregate amount of tax credits awarded to
5088 exceed the amount authorized in this paragraph; and

5089 (ii) Shall be given priority for tax credits
5090 awarded after July 1, 2020.

5091 (6) (a) The credit received by a taxpayer pursuant to this
5092 section is subject to recapture if:

5093 (i) The property is one that has been determined
5094 eligible for the National Register of Historic Places but is not
5095 listed on the National Register of Historic Places within thirty
5096 (30) months of claiming the credit authorized by this section;

5097 (ii) The potential district in which the property
5098 is located is not listed on the National Register of Historic
5099 Places within thirty (30) months of claiming the credit authorized
5100 by this section; or

5101 (iii) The rehabilitation of the property for which
5102 the credit was granted is abandoned.

5103 (b) The taxpayer shall notify the department and the
5104 Department of Revenue if any of the situations that subject the
5105 credit to recapture occur.

5106 (7) (a) The board of trustees of the department shall
5107 establish fees to be charged for the services performed by the
5108 department under this section and shall publish the fee schedule.
5109 The fees contained in the schedule shall be in amounts reasonably
5110 calculated to recover the costs incurred by the department for the



5111 administration of this section. Any taxpayer desiring to
5112 participate in the tax credits authorized by this section shall
5113 pay the appropriate fee as contained in the fee schedule to the
5114 department, which shall be used by the department, without
5115 appropriation, to offset the administrative costs of the
5116 department associated with its duties under this section.

5117 (b) There is hereby created within the State Treasury a
5118 special fund into which shall be deposited all the fees collected
5119 by the department pursuant to this section. Money deposited into
5120 the fund shall not lapse at the end of any fiscal year and
5121 investment earnings on the proceeds in such special fund shall be
5122 deposited into such fund. Money from the fund shall be disbursed
5123 upon warrants issued by the State Fiscal Officer upon requisitions
5124 signed by the executive director of the department to assist the
5125 department in carrying out its duties under this section.

5126 (8) This section shall only apply to taxpayers:

5127 (a) Who have been issued a certificate evidencing the
5128 eligible credit before December 31, 2030; or

5129 (b) Who, before December 31, 2030, have received a
5130 determination in writing from the Mississippi Department of
5131 Archives and History, in accordance with the department's Historic
5132 Preservation Certificate Application, Part 2, that the
5133 rehabilitation is consistent with the historic character of the
5134 property and that the property meets the United States Secretary
5135 of the Interior's Standards for Rehabilitation, or will meet the



5136 standards if certain specified conditions are met, and, who are
5137 issued a certificate evidencing the eligible credit on or after
5138 December 31, 2030.

5139 **SECTION 36.** Section 27-7-22.32, Mississippi Code of 1972, is
5140 brought forward as follows:

5141 **[Through December 31, 2023, this section shall read as**
5142 **follows:]**

5143 27-7-22.32. (1) (a) There shall be allowed as a credit
5144 against the tax imposed by this chapter the amount of the
5145 qualified adoption expenses paid or incurred, not to exceed Two
5146 Thousand Five Hundred Dollars (\$2,500.00), for each dependent
5147 child legally adopted by a taxpayer under the laws of this state
5148 during calendar year 2006 or during any calendar year thereafter
5149 through calendar year 2017, and not to exceed Five Thousand
5150 Dollars (\$5,000.00) for each dependent child legally adopted by a
5151 taxpayer under the laws of this state during any calendar year
5152 thereafter. A taxpayer claiming a credit under this paragraph (a)
5153 may not claim a credit under paragraph (b) of this subsection for
5154 the adoption of the same child.

5155 (b) There shall be allowed as a credit against the tax
5156 imposed by this chapter the amount of Five Thousand Dollars
5157 (\$5,000.00) for each dependent child legally adopted by a taxpayer
5158 under the laws of this state through the Mississippi Department of
5159 Child Protection Services during calendar year 2018 or during any
5160 calendar year thereafter. A taxpayer claiming a credit under this



5161 paragraph (b) may not claim a credit under paragraph (a) of this
5162 subsection for the adoption of the same child.

5163 (2) The tax credit under this section may be claimed for the
5164 taxable year in which the adoption becomes final under the laws of
5165 this state. Any tax credit claimed under this section but not
5166 used in any taxable year may be carried forward for the five (5)
5167 succeeding tax years. A tax credit is allowed under this section
5168 for any child for which an exemption is claimed during the same
5169 taxable year under Section 27-7-21(e). For the purposes of this
5170 section, the term "qualified adoption expenses" means and has the
5171 same definition as that term has in 26 USCS 36C.

5172 **[From and after January 1, 2024, this section shall read as**
5173 **follows:]**

5174 27-7-22.32. There shall be allowed as a credit against the
5175 tax imposed by this chapter the amount of the qualified adoption
5176 expenses paid or incurred, not to exceed Two Thousand Five Hundred
5177 Dollars (\$2,500.00), for each dependent child legally adopted by a
5178 taxpayer under the laws of this state during calendar year 2006 or
5179 during any calendar year thereafter. The tax credit under this
5180 section may be claimed for the taxable year in which the adoption
5181 becomes final under the laws of this state. Any tax credit
5182 claimed under this section but not used in any taxable year may be
5183 carried forward for the three (3) succeeding tax years. A tax
5184 credit is allowed under this section for any child for which an
5185 exemption is claimed during the same taxable year under Section



5186 27-7-21(e). For the purposes of this section, the term "qualified
5187 adoption expenses" means and has the same definition as that term
5188 has in 26 USCS 36C.

5189 **SECTION 37.** Section 27-7-22.33, Mississippi Code of 1972, is
5190 brought forward as follows:

5191 27-7-22.33. (1) A taxpayer shall be allowed a credit
5192 against the income taxes imposed under this chapter in an amount
5193 equal to twenty-five percent (25%) of the premium costs paid
5194 during the taxable year for a qualified long-term care insurance
5195 policy as defined in Section 7702B of the Internal Revenue Code
5196 that offers coverage to either the individual, the individual's
5197 spouse, the individual's parent or parent-in-law, or the
5198 individual's dependent as defined in Section 152 of the Internal
5199 Revenue Code.

5200 (2) No taxpayer shall be entitled to the credit with respect
5201 to the same expended amounts for qualified long-term care
5202 insurance which are claimed by another taxpayer.

5203 (3) The credit allowed by this section shall not exceed Five
5204 Hundred Dollars (\$500.00) or the taxpayer's income tax liability,
5205 whichever is less, for each qualified long-term care insurance
5206 policy. Any unused tax credit shall not be allowed to be carried
5207 forward to apply to the taxpayer's succeeding year's tax
5208 liability.

5209 (4) No credit shall be allowed under this section with
5210 respect to any premium for qualified long-term care insurance



5211 either deducted or subtracted by the taxpayer in arriving at his
5212 net taxable income under this section or with respect to any
5213 premiums for qualified long-term care insurance which were
5214 excluded from his net taxable income.

5215 **SECTION 38.** Section 27-7-22.37, Mississippi Code of 1972, is
5216 brought forward as follows:

5217 27-7-22.37. (1) There shall be allowed as a credit against
5218 the tax imposed by Section 27-7-5 the amount of the qualified
5219 prekindergarten program support contributions paid to approved
5220 providers, lead partners or collaboratives, not to exceed One
5221 Million Dollars (\$1,000,000.00), by any individual, corporation or
5222 other entity having taxable income under the laws of this state
5223 during calendar year 2013 or during any calendar year thereafter.
5224 In order to qualify for a tax credit, such contributions may
5225 support the local match requirement of approved providers, lead
5226 partners or collaboratives as is necessary to match
5227 state-appropriated funds, and any such providers, lead partners or
5228 collaboratives shall be approved by the State Department of
5229 Education.

5230 (2) Any unused portion of the credit may be carried forward
5231 for three (3) tax years.

5232 (3) Any prekindergarten program support contribution shall
5233 be verified by submission to the Mississippi Department of Revenue
5234 of a copy of the receipt provided to the donor taxpayer by the



5235 prekindergarten program recipient or such other written
5236 verification as may be required by the Department of Revenue.

5237 (4) The maximum amount of donations accepted by the
5238 Department of Revenue in calendar year 2014 shall not exceed Eight
5239 Million Dollars (\$8,000,000.00), in calendar year 2015 shall not
5240 exceed Fifteen Million Dollars (\$15,000,000.00), and in calendar
5241 year 2016 and calendar years thereafter shall not exceed
5242 Thirty-two Million Dollars (\$32,000,000.00), or what is
5243 appropriated by the Legislature to fund Chapter 493, Laws of 2013
5244 each year.

5245 (5) The Mississippi Department of Revenue shall promulgate
5246 rules necessary to effectuate the purposes of Chapter 493, Laws of
5247 2013. Such rules shall include a means of informing the public of
5248 the existence of the prekindergarten support program and the
5249 application process for provider, lead partner and collaborative
5250 candidates.

5251 **SECTION 39.** Section 27-7-22.39, Mississippi Code of 1972, is
5252 brought forward as follows:

5253 27-7-22.39. (1) As used in this section:

5254 (a) "Low-income residents" means persons whose
5255 household income is less than one hundred fifty percent (150%) of
5256 the federal poverty level.

5257 (b) "Qualifying charitable organization" means a
5258 charitable organization that is exempt from federal income
5259 taxation under Section 501(c)(3) of the Internal Revenue Code or



5260 is a designated community action agency that receives community
5261 services block grant program monies pursuant to 42 USC 9901. The
5262 organization must spend at least fifty percent (50%) of its budget
5263 on services to residents of this state who receive temporary
5264 assistance for needy families benefits or low-income residents of
5265 this state and their households or to children who have a chronic
5266 illness or physical, intellectual, developmental or emotional
5267 disability who are residents of this state. A charitable
5268 organization that is exempt from federal income tax under Section
5269 501(c)(3) of the Internal Revenue Code and that meets all other
5270 requirements of this paragraph except that it does not spend at
5271 least fifty percent (50%) of its overall budget in Mississippi may
5272 be a qualifying charitable organization if it spends at least
5273 fifty percent (50%) of its Mississippi budget on services to
5274 qualified individuals in Mississippi and it certifies to the
5275 department that one hundred percent (100%) of the voluntary cash
5276 contributions from the taxpayer will be spent on services to
5277 qualified individuals in Mississippi. Taxpayers choosing to make
5278 donations through an umbrella charitable organization that
5279 collects donations on behalf of member charities shall designate
5280 that the donation be directed to a member charitable organization
5281 that would qualify under this section on a stand-alone basis.
5282 Qualifying charitable organization does not include any entity
5283 that provides, pays for or provides coverage of abortions or that



5284 financially supports any other entity that provides, pays for or
5285 provides coverage of abortions.

5286 (c) "Qualifying foster care charitable organization"
5287 means a qualifying charitable organization that each operating
5288 year provides services to at least one hundred (100) qualified
5289 individuals in this state and spends at least fifty percent (50%)
5290 of its budget on services to qualified individuals in this state.
5291 A charitable organization that is exempt from federal income tax
5292 under Section 501(c)(3) of the Internal Revenue Code and that
5293 meets all other requirements of this paragraph except that it does
5294 not spend at least fifty percent (50%) of its overall budget in
5295 Mississippi may be a qualifying foster care charitable
5296 organization if it spends at least fifty percent (50%) of its
5297 Mississippi budget on services to qualified individuals in
5298 Mississippi and it certifies to the department that one hundred
5299 percent (100%) of the voluntary cash contributions from the
5300 taxpayer will be spent on services to qualified individuals in
5301 Mississippi. For the purposes of this paragraph, "qualified
5302 individual" means a child in a foster care placement program
5303 established by the Department of Child Protection Services, a
5304 child placed under the Safe Families for Children model, or a
5305 child at significant risk of entering a foster care placement
5306 program established by the Department of Child Protection
5307 Services.

5308 (d) "Services" means:



5309 (i) Cash assistance, medical care, child care,
5310 food, clothing, shelter, and job-placement services or any other
5311 assistance that is reasonably necessary to meet immediate basic
5312 needs and that is provided and used in this state;

5313 (ii) Job-training or education services or funding
5314 for parents, foster parents or guardians; or

5315 (iii) Job-training or education services or
5316 funding provided as part of a foster care independent living
5317 program.

5318 (2) Except as provided in subsections (3) and (4) of this
5319 section, a credit is allowed against the taxes imposed by this
5320 chapter for voluntary cash contributions by the taxpayer during
5321 the taxable year to a qualifying charitable organization, other
5322 than a qualifying foster care charitable organization, not to
5323 exceed:

5324 (a) The lesser of Four Hundred Dollars (\$400.00) or the
5325 amount of the contribution in any taxable year for a single
5326 individual or a head of household.

5327 (b) The lesser of Eight Hundred Dollars (\$800.00) or
5328 the amount of the contribution in any taxable year for a married
5329 couple filing a joint return.

5330 (3) A separate credit is allowed against the taxes imposed
5331 by this chapter for voluntary cash contributions during the
5332 taxable year to a qualifying foster care charitable organization.
5333 A contribution to a qualifying foster care charitable organization



5334 does not qualify for, and shall not be included in, any credit
5335 amount under subsection (2) of this section. If the voluntary
5336 cash contribution by the taxpayer is to a qualifying foster care
5337 charitable organization, the credit shall not exceed:

5338 (a) The lesser of Five Hundred Dollars (\$500.00) or the
5339 amount of the contribution in any taxable year for a single
5340 individual or a head of household.

5341 (b) The lesser of One Thousand Dollars (\$1,000.00) or
5342 the amount of the contribution in any taxable year for a married
5343 couple filing a joint return.

5344 (4) Subsections (2) and (3) of this section provide separate
5345 credits against taxes imposed by this chapter depending on the
5346 recipients of the contributions. A taxpayer, including a married
5347 couple filing a joint return, in the same taxable year, may either
5348 or both:

5349 (a) Contribute to a qualifying charitable organization,
5350 other than a qualifying foster care charitable organization, and
5351 claim a credit under subsection (2) of this section.

5352 (b) Contribute to a qualifying foster care charitable
5353 organization and claim a credit under subsection (3) of this
5354 section.

5355 (5) A husband and wife who file separate returns for a
5356 taxable year in which they could have filed a joint return may
5357 each claim only one-half (1/2) of the tax credit that would have
5358 been allowed for a joint return.



5359 (6) If the allowable tax credit exceeds the taxes otherwise
5360 due under this chapter on the claimant's income, or if there are
5361 no taxes due under this chapter, the taxpayer may carry forward
5362 the amount of the claim not used to offset the taxes under this
5363 chapter for not more than five (5) consecutive taxable years'
5364 income tax liability.

5365 (7) The credit allowed by this section is in lieu of a
5366 deduction pursuant to Section 170 of the Internal Revenue Code and
5367 taken for state tax purposes.

5368 (8) Taxpayers taking a credit authorized by this section
5369 shall provide the name of the qualifying charitable organization
5370 and the amount of the contribution to the department on forms
5371 provided by the department.

5372 (9) A qualifying charitable organization shall provide the
5373 department with a written certification that it meets all criteria
5374 to be considered a qualifying charitable organization. The
5375 organization shall also notify the department of any changes that
5376 may affect the qualifications under this section.

5377 (10) The charitable organization's written certification
5378 must be signed by an officer of the organization under penalty of
5379 perjury. The written certification shall include the following:

5380 (a) Verification of the organization's status under
5381 Section 501(c)(3) of the Internal Revenue Code or verification
5382 that the organization is a designated community action agency that



5383 receives community services block grant program monies pursuant to
5384 42 USC 9901.

5385 (b) Financial data indicating the organization's budget
5386 for the organization's prior operating year and the amount of that
5387 budget spent on services to residents of this state who either:

5388 (i) Receive temporary assistance for needy
5389 families benefits;

5390 (ii) Are low-income residents of this state;

5391 (iii) Are children who have a chronic illness or
5392 physical, intellectual, developmental or emotional disability; or

5393 (iv) Are children in a foster care placement
5394 program established by the Department of Child Protection
5395 Services, children placed under the Safe Families for Children
5396 model or children at significant risk of entering a foster care
5397 placement program established by the Department of Child
5398 Protection Services.

5399 (c) A statement that the organization plans to continue
5400 spending at least fifty percent (50%) of its budget on services to
5401 residents of this state who receive temporary assistance for needy
5402 families benefits, who are low-income residents of this state, who
5403 are children who have a chronic illness or physical, intellectual,
5404 developmental or emotional disability or who are children in a
5405 foster care placement program established by the Department of
5406 Child Protection Services, children placed under the Safe Families
5407 for Children model or children at significant risk of entering a



5408 foster care placement program established by the Department of
5409 Child Protection Services. A charitable organization that is
5410 exempt from federal income tax under Section 501(c)(3) of the
5411 Internal Revenue Code and that meets all other requirements for a
5412 qualifying charitable organization or qualifying foster care
5413 charitable organization except that it does not spend at least
5414 fifty percent (50%) of its overall budget in Mississippi shall
5415 submit a statement that it spends at least fifty percent (50%) of
5416 its Mississippi budget on services to qualified individuals in
5417 Mississippi and that one hundred percent (100%) of the voluntary
5418 cash contributions it receives from Mississippi taxpayers will be
5419 spent on services to qualified individuals in Mississippi.

5420 (d) In the case of a foster care charitable
5421 organization, a statement that each operating year it provides
5422 services to at least one hundred (100) qualified individuals in
5423 this state.

5424 (e) A statement that the organization does not provide,
5425 pay for or provide coverage of abortions and does not financially
5426 support any other entity that provides, pays for or provides
5427 coverage of abortions.

5428 (f) Any other information that the department requires
5429 to administer this section.

5430 (11) The department shall review each written certification
5431 and determine whether the organization meets all the criteria to
5432 be considered a qualifying charitable organization and notify the



5433 organization of its determination. The department may also
5434 periodically request recertification from the organization. The
5435 department shall compile and make available to the public a list
5436 of the qualifying charitable organizations.

5437 (12) The aggregate amount of tax credits that may be awarded
5438 under this section in any calendar year shall not exceed Three
5439 Million Dollars (\$3,000,000.00). However, for calendar year 2021,
5440 and for each calendar year thereafter, the aggregate amount of tax
5441 credits that may be awarded under this section in any calendar
5442 year shall not exceed One Million Dollars (\$1,000,000.00). In
5443 addition, any tax credits not awarded under this section before
5444 June 1, 2020, may be allocated during calendar year 2020 under
5445 Section 27-7-22.41 for contributions by taxpayers to eligible
5446 charitable organizations described in Section
5447 27-7-22.41(1)(b)(ii) as provided under such section,
5448 notwithstanding any limitation on the percentage of tax credits
5449 that may be allocated for such contributions.

5450 (13) A taxpayer shall apply for credits with the department
5451 on forms prescribed by the department. In the application the
5452 taxpayer shall certify to the department the dollar amount of the
5453 contributions made or to be made during the calendar year. Within
5454 thirty (30) days after the receipt of an application, the
5455 department shall allocate credits based on the dollar amount of
5456 contributions as certified in the application. However, if the
5457 department cannot allocate the full amount of credits certified in



5458 the application due to the limit on the aggregate amount of
5459 credits that may be awarded under this section in a calendar year,
5460 the department shall so notify the applicant within thirty (30)
5461 days with the amount of credits, if any, that may be allocated to
5462 the applicant in the calendar year. Once the department has
5463 allocated credits to a taxpayer, if the contribution for which a
5464 credit is allocated has not been made as of the date of the
5465 allocation, then the contribution must be made not later than
5466 sixty (60) days from the date of the allocation. If the
5467 contribution is not made within such time period, the allocation
5468 shall be cancelled and returned to the department for
5469 reallocation. Upon final documentation of the contributions, if
5470 the actual dollar amount of the contributions is lower than the
5471 amount estimated, the department shall adjust the tax credit
5472 allowed under this section.

5473 (14) This section shall be repealed from and after January
5474 1, 2025.

5475 **SECTION 40.** Section 27-7-22.41, Mississippi Code of 1972, is
5476 brought forward as follows:

5477 27-7-22.41. (1) For the purposes of this section, the
5478 following words and phrases shall have the meanings ascribed in
5479 this section unless the context clearly indicates otherwise:

5480 (a) "Department" means the Department of Revenue.



5481 (b) "Eligible charitable organization" means an
5482 organization that is exempt from federal income taxation under
5483 Section 501(c)(3) of the Internal Revenue Code and is:

5484 (i) Licensed by or under contract or agreement
5485 with the Department of Child Protection Services and provides
5486 services for:

5487 1. The prevention and diversion of children
5488 from custody with the Department of Child Protection Services,

5489 2. The safety, care and well-being of
5490 children in custody with the Department of Child Protection
5491 Services, or

5492 3. The express purpose of creating permanency
5493 for children through adoption; or

5494 (ii) Certified by the department as a job
5495 training, workforce development or educational services charitable
5496 organization and provides services to:

5497 1. Children in a foster care placement
5498 program established by the Department of Child Protection
5499 Services, children placed under the Safe Families for Children
5500 model, or children at significant risk of entering a foster care
5501 placement program established by the Department of Child
5502 Protection Services,

5503 2. Children who have a chronic illness or
5504 physical, intellectual, developmental or emotional disability, or



5505 3. Children eligible for free or reduced
5506 price meals programs under Section 37-11-7, or selected for
5507 participation in the Promise Neighborhoods Program sponsored by
5508 the U.S. Department of Education.

5509 (2) (a) The tax credit authorized in this section shall be
5510 available only to a taxpayer who is a business enterprise engaged
5511 in commercial, industrial or professional activities and operating
5512 as a corporation, limited liability company, partnership or sole
5513 proprietorship. Except as otherwise provided in this section, a
5514 credit is allowed against the taxes imposed by Sections 27-7-5,
5515 27-15-103, 27-15-109 and 27-15-123, for voluntary cash
5516 contributions made by a taxpayer during the taxable year to an
5517 eligible charitable organization. The amount of credit that may
5518 be utilized by a taxpayer in a taxable year shall be limited to an
5519 amount not to exceed fifty percent (50%) of the total tax
5520 liability of the taxpayer for the taxes imposed by such sections
5521 of law. Any tax credit claimed under this section but not used in
5522 any taxable year may be carried forward for five (5) consecutive
5523 years from the close of the tax year in which the credits were
5524 earned.

5525 (b) A contribution to an eligible charitable
5526 organization for which a credit is claimed under this section does
5527 not qualify for and shall not be included in any credit that may
5528 be claimed under Section 27-7-22.39.



5529 (c) A contribution for which a credit is claimed under
5530 this section may not be used as a deduction by the taxpayer for
5531 state income tax purposes.

5532 (3) Taxpayers taking a credit authorized by this section
5533 shall provide the name of the eligible charitable organization and
5534 the amount of the contribution to the department on forms provided
5535 by the department.

5536 (4) An eligible charitable organization shall provide the
5537 department with a written certification that it meets all criteria
5538 to be considered an eligible charitable organization. The
5539 organization shall also notify the department of any changes that
5540 may affect eligibility under this section.

5541 (5) The eligible charitable organization's written
5542 certification must be signed by an officer of the organization
5543 under penalty of perjury. The written certification shall include
5544 the following:

5545 (a) Verification of the organization's status under
5546 Section 501(c)(3) of the Internal Revenue Code;

5547 (b) A statement that the organization does not provide,
5548 pay for or provide coverage of abortions and does not financially
5549 support any other entity that provides, pays for or provides
5550 coverage of abortions;

5551 (c) Any other information that the department requires
5552 to administer this section.



5553 (6) The department shall review each written certification
5554 and determine whether the organization meets all the criteria to
5555 be considered an eligible charitable organization and notify the
5556 organization of its determination. The department may also
5557 periodically request recertification from the organization. The
5558 department shall compile and make available to the public a list
5559 of eligible charitable organizations.

5560 (7) Tax credits authorized by this section that are earned
5561 by a partnership, limited liability company, S corporation or
5562 other similar pass-through entity, shall be allocated among all
5563 partners, members or shareholders, respectively, either in
5564 proportion to their ownership interest in such entity or as the
5565 partners, members or shareholders mutually agree as provided in an
5566 executed document.

5567 (8) (a) A taxpayer shall apply for credits with the
5568 department on forms prescribed by the department. In the
5569 application the taxpayer shall certify to the department the
5570 dollar amount of the contributions made or to be made during the
5571 calendar year. Within thirty (30) days after the receipt of an
5572 application, the department shall allocate credits based on the
5573 dollar amount of contributions as certified in the application.
5574 However, if the department cannot allocate the full amount of
5575 credits certified in the application due to the limit on the
5576 aggregate amount of credits that may be awarded under this section
5577 in a calendar year, the department shall so notify the applicant



5578 within thirty (30) days with the amount of credits, if any, that
5579 may be allocated to the applicant in the calendar year. Once the
5580 department has allocated credits to a taxpayer, if the
5581 contribution for which a credit is allocated has not been made as
5582 of the date of the allocation, then the contribution must be made
5583 not later than sixty (60) days from the date of the allocation.
5584 If the contribution is not made within such time period, the
5585 allocation shall be cancelled and returned to the department for
5586 reallocation. Upon final documentation of the contributions, if
5587 the actual dollar amount of the contributions is lower than the
5588 amount estimated, the department shall adjust the tax credit
5589 allowed under this section.

5590 (b) A taxpayer who applied for a tax credit under this
5591 section during calendar year 2020, but who was unable to be
5592 awarded the credit due to the limit on the aggregate amount of
5593 credits authorized for calendar year 2020, shall be given priority
5594 for tax credits authorized to be allocated to taxpayers under this
5595 section by Section 27-7-22.39.

5596 (9) The aggregate amount of tax credits that may be
5597 allocated by the department under this section during a calendar
5598 year shall not exceed Five Million Dollars (\$5,000,000.00), and
5599 not more than fifty percent (50%) of tax credits allocated during
5600 a calendar year may be allocated for contributions to eligible
5601 charitable organizations described in subsection (1)(b)(ii) of
5602 this section. However, for calendar year 2021, and for each



5603 calendar year thereafter, the aggregate amount of tax credits that
5604 may be allocated by the department under this section during a
5605 calendar year shall not exceed Ten Million Dollars
5606 (\$10,000,000.00). For calendar year 2021, and for each calendar
5607 year thereafter, fifty percent (50%) of the tax credits allocated
5608 during a calendar year shall be allocated for contributions to
5609 eligible charitable organizations described in subsection
5610 (1)(b)(i) of this section and fifty percent (50%) of the tax
5611 credits allocated during a calendar year shall be allocated for
5612 contributions to eligible charitable organizations described in
5613 subsection (1)(b)(ii) of this section. For calendar year 2021,
5614 and for each calendar year thereafter, for credits allocated
5615 during a calendar year for contributions to eligible charitable
5616 organizations described in subsection (1)(b)(i) of this section,
5617 no more than twenty-five percent (25%) of such credits may be
5618 allocated for contributions to a single eligible charitable
5619 organization. For calendar year 2021, and for each calendar year
5620 thereafter, for credits allocated during a calendar year for
5621 contributions to eligible charitable organizations described in
5622 subsection (1)(b)(ii) of this section, no more than five percent
5623 (5%) of such credits may be allocated for contributions to a
5624 single eligible charitable organization.

5625 **SECTION 41.** Section 27-7-207, Mississippi Code of 1972, is
5626 brought forward as follows:



5627 27-7-207. (1) Subject to the limitations provided for in
5628 this section, through calendar year 2023 a taxpayer shall be
5629 allowed a credit against the tax imposed by Chapter 7, Title 27,
5630 in an amount equal to twenty-five percent (25%) of a qualified
5631 contribution to an endowed fund at a qualified community
5632 foundation, subject to the following:

5633 (a) The minimum amount of a qualified contribution
5634 shall be One Thousand Dollars (\$1,000.00).

5635 (b) The maximum amount of a qualified contribution
5636 shall be Two Hundred Thousand Dollars (\$200,000.00).

5637 (c) The total qualified contributions from any
5638 qualified taxpayer eligible for the tax credit authorized under
5639 this section shall be Two Hundred Thousand Dollars (\$200,000.00)
5640 per year.

5641 (2) Except as otherwise provided in this subsection, the
5642 aggregate amount of tax credits authorized under this article
5643 shall not exceed Five Hundred Thousand Dollars (\$500,000.00) in
5644 any one (1) calendar year. The credits shall be awarded on a
5645 first-come, first-served basis. If the tax credits authorized for
5646 used in any calendar year are not utilized, the amount not
5647 utilized may be awarded or carried forward in up to five (5)
5648 subsequent calendar years from the year in which such credits are
5649 made available.

5650 (3) If the amount allowable as a credit exceeds the tax
5651 imposed by Chapter 7, Title 27, the amount of such excess may be



5652 carried forward for not more than five (5) subsequent taxable
5653 years.

5654 (4) From and after January 1, 2024, no additional credits
5655 shall be authorized under this section; however, any tax credits
5656 authorized prior to January 1, 2024, and not used, may be carried
5657 forward for not more than five (5) taxable years subsequent to
5658 calendar year 2023.

5659 **SECTION 42.** Section 27-7-312, Mississippi Code of 1972, is
5660 brought forward as follows:

5661 27-7-312. (1) Of the revenue collected under the provisions
5662 of this article from the new direct jobs of a qualified business
5663 or industry as defined in Section 57-62-5 of the Mississippi
5664 Advantage Jobs Act, an amount equal to the estimated amount of the
5665 quarterly incentive payment for which such qualified business or
5666 industry is eligible shall be deposited into the Mississippi
5667 Advantage Jobs Incentive Payment Fund created pursuant to Section
5668 57-62-1 et seq., on or before the twentieth day of the month
5669 following the close of each calendar quarter.

5670 (2) Of the revenue collected under the provisions of this
5671 article from the qualified jobs of a qualified business or
5672 industry as defined in Section 57-99-1, an amount equal to the
5673 estimated amount of the quarterly incentive payment for which such
5674 qualified business or industry is eligible shall be deposited into
5675 the MMEIA Withholding Rebate Fund created pursuant to Section



5676 57-99-5, on or before the twentieth day of the month following the
5677 close of each calendar quarter.

5678 (3) Of the revenue collected under the provisions of this
5679 article from the qualified jobs of a qualified business or
5680 industry as defined in Section 57-100-1, an amount equal to the
5681 estimated amount of the quarterly incentive payment for which such
5682 qualified business or industry is eligible shall be deposited into
5683 the Existing Industry Withholding Rebate Fund created pursuant to
5684 Section 57-100-5, on or before the twentieth day of the month
5685 following the close of each calendar quarter.

5686 (4) Of the revenue collected under the provisions of this
5687 article from the qualified jobs of a qualified business or
5688 industry as defined in Section 57-99-21, an amount equal to the
5689 estimated amount of the quarterly incentive payment for which such
5690 qualified business or industry is eligible shall be deposited into
5691 the MMEIA Rebate Fund created pursuant to Section 57-99-25, on or
5692 before the twentieth day of the month following the close of each
5693 calendar quarter.

5694 **SECTION 43.** Section 57-62-5, Mississippi Code of 1972, is
5695 brought forward as follows:

5696 **[For businesses or industries that received or applied for**
5697 **incentive payments prior to July 1, 2005, this section shall read**
5698 **as follows:]**



5699 57-62-5. As used in this chapter, the following words and
5700 phrases shall have the meanings ascribed in this section unless
5701 the context clearly indicates otherwise:

5702 (a) "Qualified business or industry" means any
5703 corporation, limited liability company, partnership, sole
5704 proprietorship, business trust or other legal entity and subunits
5705 or affiliates thereof, pursuant to rules and regulations of the
5706 MDA, which provides an average annual salary, excluding benefits
5707 which are not subject to Mississippi income taxes, of at least one
5708 hundred twenty-five percent (125%) of the most recently published
5709 state average annual wage or the most recently published average
5710 annual wage of the county in which the qualified business or
5711 industry is located as determined by the Mississippi Department of
5712 Employment Security, whichever is the lesser. An establishment
5713 shall not be considered to be a qualified business or industry
5714 unless it offers, or will offer within one hundred eighty (180)
5715 days of the date it receives the first incentive payment pursuant
5716 to the provisions of this chapter, a basic health benefits plan to
5717 the individuals it employs in new direct jobs in this state which
5718 is approved by the MDA. Qualified business or industry does not
5719 include retail business or gaming business;

5720 (b) "New direct job" means full-time employment in this
5721 state in a qualified business or industry that has qualified to
5722 receive an incentive payment pursuant to this chapter, which
5723 employment did not exist in this state before the date of approval



5724 by the MDA of the application of the qualified business or
5725 industry pursuant to the provisions of this chapter. "New direct
5726 job" shall include full-time employment in this state of employees
5727 who are employed by an entity other than the establishment that
5728 has qualified to receive an incentive payment and who are leased
5729 to the qualified business or industry, if such employment did not
5730 exist in this state before the date of approval by the MDA of the
5731 application of the establishment;

5732 (c) "Full-time job" means a job of at least thirty-five
5733 (35) hours per week;

5734 (d) "Estimated direct state benefits" means the tax
5735 revenues projected by the MDA to accrue to the state as a result
5736 of the qualified business or industry;

5737 (e) "Estimated direct state costs" means the costs
5738 projected by the MDA to accrue to the state as a result of the
5739 qualified business or industry;

5740 (f) "Estimated net direct state benefits" means the
5741 estimated direct state benefits less the estimated direct state
5742 costs;

5743 (g) "Net benefit rate" means the estimated net direct
5744 state benefits computed as a percentage of gross payroll, provided
5745 that:

5746 (i) Except as otherwise provided in this paragraph
5747 (g), the net benefit rate may be variable and shall not exceed



5748 four percent (4%) of the gross payroll; and shall be set in the
5749 sole discretion of the MDA;

5750 (ii) In no event shall incentive payments,
5751 cumulatively, exceed the estimated net direct state benefits;

5752 (h) "Gross payroll" means wages for new direct jobs of
5753 the qualified business or industry; and

5754 (i) "MDA" means the Mississippi Development Authority.

5755 **[For businesses or industries that received or applied for**
5756 **incentive payments from and after July 1, 2005, but prior to July**
5757 **1, 2010, this section shall read as follows:]**

5758 57-62-5. As used in this chapter, the following words and
5759 phrases shall have the meanings ascribed in this section unless
5760 the context clearly indicates otherwise:

5761 (a) "Qualified business or industry" means any
5762 corporation, limited liability company, partnership, sole
5763 proprietorship, business trust or other legal entity and subunits
5764 or affiliates thereof, pursuant to rules and regulations of the
5765 MDA, which:

5766 (i) Is a data/information processing enterprise
5767 meeting minimum criteria established by the MDA that provides an
5768 average annual salary, excluding benefits which are not subject to
5769 Mississippi income taxes, of at least one hundred percent (100%)
5770 of the most recently published state average annual wage or the
5771 most recently published average annual wage of the county in which
5772 the qualified business or industry is located as determined by the



5773 Mississippi Department of Employment Security, whichever is the
5774 lesser, and creates not less than two hundred (200) new direct
5775 jobs if the enterprise is located in a Tier One or Tier Two area
5776 (as such areas are designated in accordance with Section
5777 57-73-21), or which creates not less than one hundred (100) new
5778 jobs if the enterprise is located in a Tier Three area (as such
5779 areas are designated in accordance with Section 57-73-21);

5780 (ii) Is a manufacturing or distribution enterprise
5781 meeting minimum criteria established by the MDA that provides an
5782 average annual salary, excluding benefits which are not subject to
5783 Mississippi income taxes, of at least one hundred ten percent
5784 (110%) of the most recently published state average annual wage or
5785 the most recently published average annual wage of the county in
5786 which the qualified business or industry is located as determined
5787 by the Mississippi Department of Employment Security, whichever is
5788 the lesser, invests not less than Twenty Million Dollars
5789 (\$20,000,000.00) in land, buildings and equipment, and creates not
5790 less than fifty (50) new direct jobs if the enterprise is located
5791 in a Tier One or Tier Two area (as such areas are designated in
5792 accordance with Section 57-73-21), or which creates not less than
5793 twenty (20) new jobs if the enterprise is located in a Tier Three
5794 area (as such areas are designated in accordance with Section
5795 57-73-21);

5796 (iii) Is a corporation, limited liability company,
5797 partnership, sole proprietorship, business trust or other legal



5798 entity and subunits or affiliates thereof, pursuant to rules and
5799 regulations of the MDA, which provides an average annual salary,
5800 excluding benefits which are not subject to Mississippi income
5801 taxes, of at least one hundred twenty-five percent (125%) of the
5802 most recently published state average annual wage or the most
5803 recently published average annual wage of the county in which the
5804 qualified business or industry is located as determined by the
5805 Mississippi Department of Employment Security, whichever is the
5806 lesser, and creates not less than twenty-five (25) new direct jobs
5807 if the enterprise is located in a Tier One or Tier Two area (as
5808 such areas are designated in accordance with Section 57-73-21), or
5809 which creates not less than ten (10) new jobs if the enterprise is
5810 located in a Tier Three area (as such areas are designated in
5811 accordance with Section 57-73-21). An establishment shall not be
5812 considered to be a qualified business or industry unless it
5813 offers, or will offer within one hundred eighty (180) days of the
5814 date it receives the first incentive payment pursuant to the
5815 provisions of this chapter, a basic health benefits plan to the
5816 individuals it employs in new direct jobs in this state which is
5817 approved by the MDA. Qualified business or industry does not
5818 include retail business or gaming business; or

5819 (iv) Is a research and development or a technology
5820 intensive enterprise meeting minimum criteria established by the
5821 MDA that provides an average annual salary, excluding benefits
5822 which are not subject to Mississippi income taxes, of at least one



5823 hundred fifty percent (150%) of the most recently published state
5824 average annual wage or the most recently published average annual
5825 wage of the county in which the qualified business or industry is
5826 located as determined by the Mississippi Department of Employment
5827 Security, whichever is the lesser, and creates not less than ten
5828 (10) new direct jobs.

5829 An establishment shall not be considered to be a qualified
5830 business or industry unless it offers, or will offer within one
5831 hundred eighty (180) days of the date it receives the first
5832 incentive payment pursuant to the provisions of this chapter, a
5833 basic health benefits plan to the individuals it employs in new
5834 direct jobs in this state which is approved by the MDA. Qualified
5835 business or industry does not include retail business or gaming
5836 business.

5837 (b) "New direct job" means full-time employment in this
5838 state in a qualified business or industry that has qualified to
5839 receive an incentive payment pursuant to this chapter, which
5840 employment did not exist in this state before the date of approval
5841 by the MDA of the application of the qualified business or
5842 industry pursuant to the provisions of this chapter. "New direct
5843 job" shall include full-time employment in this state of employees
5844 who are employed by an entity other than the establishment that
5845 has qualified to receive an incentive payment and who are leased
5846 to the qualified business or industry, if such employment did not



5847 exist in this state before the date of approval by the MDA of the
5848 application of the establishment.

5849 (c) "Full-time job" or "full-time employment" means a
5850 job of at least thirty-five (35) hours per week.

5851 (d) "Estimated direct state benefits" means the tax
5852 revenues projected by the MDA to accrue to the state as a result
5853 of the qualified business or industry.

5854 (e) "Estimated direct state costs" means the costs
5855 projected by the MDA to accrue to the state as a result of the
5856 qualified business or industry.

5857 (f) "Estimated net direct state benefits" means the
5858 estimated direct state benefits less the estimated direct state
5859 costs.

5860 (g) "Net benefit rate" means the estimated net direct
5861 state benefits computed as a percentage of gross payroll, provided
5862 that:

5863 (i) Except as otherwise provided in this paragraph
5864 (g), the net benefit rate may be variable and shall not exceed
5865 four percent (4%) of the gross payroll; and shall be set in the
5866 sole discretion of the MDA;

5867 (ii) In no event shall incentive payments,
5868 cumulatively, exceed the estimated net direct state benefits.

5869 (h) "Gross payroll" means wages for new direct jobs of
5870 the qualified business or industry.

5871 (i) "MDA" means the Mississippi Development Authority.



5872 **[For businesses or industries that apply for incentive**
5873 **payments from and after July 1, 2010, this section shall read as**
5874 **follows:]**

5875 57-62-5. As used in this chapter, the following words and
5876 phrases shall have the meanings ascribed in this section unless
5877 the context clearly indicates otherwise:

5878 (a) "Qualified business or industry" means any
5879 corporation, limited liability company, partnership, sole
5880 proprietorship, business trust or other legal entity and subunits
5881 or affiliates thereof, pursuant to rules and regulations of the
5882 MDA, which:

5883 (i) Is a data/information processing enterprise
5884 meeting minimum criteria established by the MDA that provides an
5885 average annual salary, excluding benefits which are not subject to
5886 Mississippi income taxes, of at least one hundred percent (100%)
5887 of the most recently published state average annual wage or the
5888 most recently published average annual wage of the county in which
5889 the qualified business or industry is located as determined by the
5890 Mississippi Department of Employment Security, whichever is the
5891 lesser, and creates not less than two hundred (200) new direct
5892 jobs;

5893 (ii) Is a corporation, limited liability company,
5894 partnership, sole proprietorship, business trust or other legal
5895 entity and subunits or affiliates thereof, pursuant to rules and
5896 regulations of the MDA, which provides an average annual salary,



5897 excluding benefits which are not subject to Mississippi income
5898 taxes, of at least one hundred ten percent (110%) of the most
5899 recently published state average annual wage or the most recently
5900 published average annual wage of the county in which the qualified
5901 business or industry is located as determined by the Mississippi
5902 Department of Employment Security, whichever is the lesser, and
5903 creates not less than twenty-five (25) new direct jobs; or

5904 (iii) Is a corporation, limited liability company,
5905 partnership, sole proprietorship, business trust or other legal
5906 entity and subunits or affiliates thereof, pursuant to rules and
5907 regulations of the MDA, which is a manufacturer that:

5908 1. Provides an average annual salary,
5909 excluding benefits which are not subject to Mississippi income
5910 taxes, of at least one hundred ten percent (110%) of the most
5911 recently published state average annual wage or the most recently
5912 published average annual wage of the county in which the qualified
5913 business or industry is located as determined by the Mississippi
5914 Department of Employment Security, whichever is the lesser;

5915 2. Has a minimum of five thousand (5,000)
5916 existing employees as of the last day of the previous calendar
5917 year; and

5918 3. MDA determines will create not less than
5919 three thousand (3,000) new direct jobs within forty-eight (48)
5920 months of the date the MDA determines that the applicant is
5921 qualified to receive incentive payments.



5922 An establishment shall not be considered to be a qualified
5923 business or industry unless it offers, or will offer within one
5924 hundred eighty (180) days of the date it receives the first
5925 incentive payment pursuant to the provisions of this chapter, a
5926 basic health benefits plan to the individuals it employs in new
5927 direct jobs in this state which is approved by the MDA. Qualified
5928 business or industry does not include retail business or gaming
5929 business.

5930 (b) "New direct job" means full-time employment in this
5931 state in a qualified business or industry that has qualified to
5932 receive an incentive payment pursuant to this chapter, which
5933 employment did not exist in this state before the date of approval
5934 by the MDA of the application of the qualified business or
5935 industry pursuant to the provisions of this chapter. "New direct
5936 job" shall include full-time employment in this state of employees
5937 who are employed by an entity other than the establishment that
5938 has qualified to receive an incentive payment and who are leased
5939 to the qualified business or industry, if such employment did not
5940 exist in this state before the date of approval by the MDA of the
5941 application of the establishment.

5942 (c) "Full-time job" or "full-time employment" means a
5943 job of at least thirty-five (35) hours per week.

5944 (d) "Gross payroll" means wages for new direct jobs of
5945 the qualified business or industry.

5946 (e) "MDA" means the Mississippi Development Authority.



5947 **SECTION 44.** Section 57-62-9, Mississippi Code of 1972, is
5948 brought forward as follows:

5949 **[For businesses or industries that received or applied for**
5950 **incentive payments prior to July 1, 2005, this section shall read**
5951 **as follows:]**

5952 57-62-9. (1) Except as otherwise provided in this section,
5953 a qualified business or industry that meets the qualifications
5954 specified in this chapter may receive quarterly incentive payments
5955 for a period not to exceed ten (10) years from the Department of
5956 Revenue pursuant to the provisions of this chapter in an amount
5957 which shall be equal to the net benefit rate multiplied by the
5958 actual gross payroll of new direct jobs for a calendar quarter as
5959 verified by the Mississippi Department of Employment Security, but
5960 not to exceed the amount of money previously paid into the fund by
5961 the employer. A qualified business or industry that is a project
5962 as defined in Section 57-75-5(f)(iv)1 may elect the date upon
5963 which the ten-year period will begin. Such date may not be later
5964 than sixty (60) months after the date the business or industry
5965 applied for incentive payments.

5966 (2) (a) A qualified business or industry that is a project
5967 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to
5968 receive incentive payments for an additional period not to exceed
5969 five (5) years beyond the expiration date of the initial ten-year
5970 period if:



5971 (i) The qualified business or industry creates at
5972 least three thousand (3,000) new direct jobs within five (5) years
5973 after the date the business or industry commences commercial
5974 production;

5975 (ii) Within five (5) years after the date the
5976 business or industry commences commercial production, the average
5977 annual wage of the jobs is at least one hundred fifty percent
5978 (150%) of the most recently published state average annual wage or
5979 the most recently published average annual wage of the county in
5980 which the qualified business or industry is located as determined
5981 by the Mississippi Department of Employment Security, whichever is
5982 the lesser. The criteria for the average annual wage requirement
5983 shall be based upon the state average annual wage or the average
5984 annual wage of the county whichever is appropriate, at the time of
5985 creation of the minimum number of jobs, and the threshold
5986 established at that time will remain constant for the duration of
5987 the additional period; and

5988 (iii) The qualified business or industry meets and
5989 maintains the job and wage requirements of subparagraphs (i) and
5990 (ii) of this paragraph (a) for four (4) consecutive calendar
5991 quarters.

5992 (b) A qualified business or industry that is a project
5993 as defined in Section 57-75-5(f)(iv)1 and qualified to receive
5994 incentive payments for the additional period provided in paragraph
5995 (a) of this subsection (2) may apply to the MDA to receive



5996 incentive payments for an additional period not to exceed ten (10)
5997 years beyond the expiration date of the additional period provided
5998 in paragraph (a) of this subsection (2) if:

5999 (i) The qualified business or industry creates at
6000 least four thousand (4,000) new direct jobs after qualifying for
6001 the additional incentive period provided in paragraph (a) of this
6002 subsection (2) but before the expiration of the additional period.
6003 For purposes of determining whether the business or industry meets
6004 the minimum jobs requirement of this subparagraph (i), the number
6005 of jobs the business or industry created in order to meet the
6006 minimum jobs requirement of paragraph (a) of this subsection (2)
6007 shall be subtracted from the minimum jobs requirement of this
6008 subparagraph (i);

6009 (ii) The average annual wage of the jobs is at
6010 least one hundred fifty percent (150%) of the most recently
6011 published state average annual wage or the most recently published
6012 average annual wage of the county in which the qualified business
6013 or industry is located as determined by the Mississippi Department
6014 of Employment Security, whichever is the lesser. The criteria for
6015 the average annual wage requirement shall be based upon the state
6016 average annual wage or the average annual wage of the county
6017 whichever is appropriate, at the time of creation of the minimum
6018 number of jobs, and the threshold established at that time will
6019 remain constant for the duration of the additional period; and



6020 (iii) The qualified business or industry meets and
6021 maintains the job and wage requirements of subparagraphs (i) and
6022 (ii) of this paragraph (b) for four (4) consecutive calendar
6023 quarters.

6024 (3) In order to receive incentive payments, an establishment
6025 shall apply to the MDA. The application shall be on a form
6026 prescribed by the MDA and shall contain such information as may be
6027 required by the MDA to determine if the applicant is qualified.

6028 (4) In order to qualify to receive such payments, the
6029 establishment applying shall be required to:

6030 (a) Be engaged in a qualified business or industry;

6031 (b) Provide an average salary, excluding benefits which
6032 are not subject to Mississippi income taxes, of at least one
6033 hundred twenty-five percent (125%) of the most recently published
6034 state average annual wage or the most recently published average
6035 annual wage of the county in which the qualified business or
6036 industry is located as determined by the Mississippi Department of
6037 Employment Security, whichever is the lesser. The criteria for
6038 this requirement shall be based upon the state average annual wage
6039 or the average annual wage of the county whichever is appropriate,
6040 at the time of application, and the threshold established upon
6041 application will remain constant for the duration of the project;

6042 (c) The business or industry must create and maintain a
6043 minimum of ten (10) full-time jobs in counties that have an
6044 average unemployment rate over the previous twelve-month period



6045 which is at least one hundred fifty percent (150%) of the most
6046 recently published state unemployment rate, as determined by the
6047 Mississippi Department of Employment Security or in Tier Three
6048 counties as determined under Section 57-73-21. In all other
6049 counties, the business or industry must create and maintain a
6050 minimum of twenty-five (25) full-time jobs. The criteria for this
6051 requirement shall be based on the designation of the county at the
6052 time of the application. The threshold established upon the
6053 application will remain constant for the duration of the project.
6054 The business or industry must meet its job creation commitment
6055 within twenty-four (24) months of the application approval.
6056 However, if the qualified business or industry is applying for
6057 incentive payments for an additional period under subsection (2)
6058 of this section, the business or industry must comply with the
6059 applicable job and wage requirements of subsection (2) of this
6060 section.

6061 (5) The MDA shall determine if the applicant is qualified to
6062 receive incentive payments. If the applicant is determined to be
6063 qualified by the MDA, the MDA shall conduct a cost/benefit
6064 analysis to determine the estimated net direct state benefits and
6065 the net benefit rate applicable for a period not to exceed ten
6066 (10) years and to estimate the amount of gross payroll for the
6067 period. If the applicant is determined to be qualified to receive
6068 incentive payments for an additional period under subsection (2)
6069 of this section, the MDA shall conduct a cost/benefit analysis to



6070 determine the estimated net direct state benefits and the net
6071 benefit rate applicable for the appropriate additional period and
6072 to estimate the amount of gross payroll for the additional period.
6073 In conducting such cost/benefit analysis, the MDA shall consider
6074 quantitative factors, such as the anticipated level of new tax
6075 revenues to the state along with the cost to the state of the
6076 qualified business or industry, and such other criteria as deemed
6077 appropriate by the MDA, including the adequacy of retirement
6078 benefits that the business or industry provides to individuals it
6079 employs in new direct jobs in this state. In no event shall
6080 incentive payments, cumulatively, exceed the estimated net direct
6081 state benefits. Once the qualified business or industry is
6082 approved by the MDA, an agreement shall be deemed to exist between
6083 the qualified business or industry and the State of Mississippi,
6084 requiring the continued incentive payment to be made as long as
6085 the qualified business or industry retains its eligibility.

6086 (6) Upon approval of such an application, the MDA shall
6087 notify the Department of Revenue and shall provide it with a copy
6088 of the approved application and the estimated net direct state
6089 benefits. The Department of Revenue may require the qualified
6090 business or industry to submit such additional information as may
6091 be necessary to administer the provisions of this chapter. The
6092 qualified business or industry shall report to the Department of
6093 Revenue periodically to show its continued eligibility for
6094 incentive payments. The qualified business or industry may be



6095 audited by the Department of Revenue to verify such eligibility.
6096 In addition, the State Auditor may conduct performance and
6097 compliance audits under this chapter according to Section
6098 7-7-211(o) and may bill the oversight agency.

6099 (7) If the qualified business or industry is located in an
6100 area that has been declared by the Governor to be a disaster area
6101 and as a result of the disaster the business or industry is unable
6102 to create or maintain the full-time jobs required by this section:

6103 (a) The Commissioner of Revenue may extend the period
6104 of time that the business or industry may receive incentive
6105 payments for a period of time not to exceed two (2) years;

6106 (b) The Commissioner of Revenue may waive the
6107 requirement that a certain number of jobs be maintained for a
6108 period of time not to exceed twenty-four (24) months; and

6109 (c) The MDA may extend the period of time within which
6110 the jobs must be created for a period of time not to exceed
6111 twenty-four (24) months.

6112 **[For businesses or industries that received or applied for**
6113 **incentive payments from and after July 1, 2005, but prior to July**
6114 **1, 2010, this section shall read as follows:]**

6115 57-62-9. (1) (a) Except as otherwise provided in this
6116 section, a qualified business or industry that meets the
6117 qualifications specified in this chapter may receive quarterly
6118 incentive payments for a period not to exceed ten (10) years from
6119 the Department of Revenue pursuant to the provisions of this



6120 chapter in an amount which shall be equal to the net benefit rate
6121 multiplied by the actual gross payroll of new direct jobs for a
6122 calendar quarter as verified by the Mississippi Department of
6123 Employment Security, but not to exceed:

6124 (i) Ninety percent (90%) of the amount of money
6125 previously paid into the fund by the employer if the employer
6126 provides an average annual salary, excluding benefits which are
6127 not subject to Mississippi income taxes, of at least one hundred
6128 seventy-five percent (175%) of the most recently published state
6129 average annual wage or the most recently published average annual
6130 wage of the county in which the qualified business or industry is
6131 located as determined by the Mississippi Department of Employment
6132 Security, whichever is the lesser;

6133 (ii) Eighty percent (80%) of the amount of money
6134 previously paid into the fund by the employer if the employer
6135 provides an average annual salary, excluding benefits which are
6136 not subject to Mississippi income taxes, of at least one hundred
6137 twenty-five percent (125%) but less than one hundred seventy-five
6138 percent (175%) of the most recently published state average annual
6139 wage or the most recently published average annual wage of the
6140 county in which the qualified business or industry is located as
6141 determined by the Mississippi Department of Employment Security,
6142 whichever is the lesser; or

6143 (iii) Seventy percent (70%) of the amount of money
6144 previously paid into the fund by the employer if the employer



6145 provides an average annual salary, excluding benefits which are
6146 not subject to Mississippi income taxes, of less than one hundred
6147 twenty-five percent (125%) of the most recently published state
6148 average annual wage or the most recently published average annual
6149 wage of the county in which the qualified business or industry is
6150 located as determined by the Mississippi Department of Employment
6151 Security, whichever is the lesser.

6152 (b) A qualified business or industry that is a project
6153 as defined in Section 57-75-5(f)(iv)1 may elect the date upon
6154 which the ten-year period will begin. Such date may not be later
6155 than sixty (60) months after the date the business or industry
6156 applied for incentive payments.

6157 (2) (a) A qualified business or industry that is a project
6158 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to
6159 receive incentive payments for an additional period not to exceed
6160 five (5) years beyond the expiration date of the initial ten-year
6161 period if:

6162 (i) The qualified business or industry creates at
6163 least three thousand (3,000) new direct jobs within five (5) years
6164 after the date the business or industry commences commercial
6165 production;

6166 (ii) Within five (5) years after the date the
6167 business or industry commences commercial production, the average
6168 annual wage of the jobs is at least one hundred fifty percent
6169 (150%) of the most recently published state average annual wage or



6170 the most recently published average annual wage of the county in
6171 which the qualified business or industry is located as determined
6172 by the Mississippi Department of Employment Security, whichever is
6173 the lesser. The criteria for the average annual wage requirement
6174 shall be based upon the state average annual wage or the average
6175 annual wage of the county whichever is appropriate, at the time of
6176 creation of the minimum number of jobs, and the threshold
6177 established at that time will remain constant for the duration of
6178 the additional period; and

6179 (iii) The qualified business or industry meets and
6180 maintains the job and wage requirements of subparagraphs (i) and
6181 (ii) of this paragraph (a) for four (4) consecutive calendar
6182 quarters.

6183 (b) A qualified business or industry that is a project
6184 as defined in Section 57-75-5(f)(iv)1 and qualified to receive
6185 incentive payments for the additional period provided in paragraph
6186 (a) of this subsection (2) may apply to the MDA to receive
6187 incentive payments for an additional period not to exceed ten (10)
6188 years beyond the expiration date of the additional period provided
6189 in paragraph (a) of this subsection (2) if:

6190 (i) The qualified business or industry creates at
6191 least four thousand (4,000) new direct jobs after qualifying for
6192 the additional incentive period provided in paragraph (a) of this
6193 subsection (2) but before the expiration of the additional period.
6194 For purposes of determining whether the business or industry meets



6195 the minimum jobs requirement of this subparagraph (i), the number
6196 of jobs the business or industry created in order to meet the
6197 minimum jobs requirement of paragraph (a) of this subsection (2)
6198 shall be subtracted from the minimum jobs requirement of this
6199 subparagraph (i);

6200 (ii) The average annual wage of the jobs is at
6201 least one hundred fifty percent (150%) of the most recently
6202 published state average annual wage or the most recently published
6203 average annual wage of the county in which the qualified business
6204 or industry is located as determined by the Mississippi Department
6205 of Employment Security, whichever is the lesser. The criteria for
6206 the average annual wage requirement shall be based upon the state
6207 average annual wage or the average annual wage of the county
6208 whichever is appropriate, at the time of creation of the minimum
6209 number of jobs, and the threshold established at that time will
6210 remain constant for the duration of the additional period; and

6211 (iii) The qualified business or industry meets and
6212 maintains the job and wage requirements of subparagraphs (i) and
6213 (ii) of this paragraph (b) for four (4) consecutive calendar
6214 quarters.

6215 (3) In order to receive incentive payments, an establishment
6216 shall apply to the MDA. The application shall be on a form
6217 prescribed by the MDA and shall contain such information as may be
6218 required by the MDA to determine if the applicant is qualified.



6219 (4) (a) In order to qualify to receive such payments, the
6220 establishment applying shall be required to meet the definition of
6221 the term "qualified business or industry";

6222 (b) The criteria for the average annual salary
6223 requirement shall be based upon the state average annual wage or
6224 the average annual wage of the county whichever is appropriate, at
6225 the time of application, and the threshold established upon
6226 application will remain constant for the duration of the project;

6227 (c) The business or industry must meet its job creation
6228 commitment within twenty-four (24) months of the application
6229 approval. However, if the qualified business or industry is
6230 applying for incentive payments for an additional period under
6231 subsection (2) of this section, the business or industry must
6232 comply with the applicable job and wage requirements of subsection
6233 (2) of this section.

6234 (5) (a) The MDA shall determine if the applicant is
6235 qualified to receive incentive payments.

6236 (b) If the applicant is determined to be qualified to
6237 receive incentive payments for an additional period under
6238 subsection (2) of this section, the MDA shall conduct a
6239 cost/benefit analysis to determine the estimated net direct state
6240 benefits and the net benefit rate applicable for the appropriate
6241 additional period and to estimate the amount of gross payroll for
6242 the additional period. In conducting such cost/benefit analysis,
6243 the MDA shall consider quantitative factors, such as the



6244 anticipated level of new tax revenues to the state along with the
6245 cost to the state of the qualified business or industry, and such
6246 other criteria as deemed appropriate by the MDA, including the
6247 adequacy of retirement benefits that the business or industry
6248 provides to individuals it employs in new direct jobs in this
6249 state. In no event shall incentive payments, cumulatively, exceed
6250 the estimated net direct state benefits. Once the qualified
6251 business or industry is approved by the MDA, an agreement shall be
6252 deemed to exist between the qualified business or industry and the
6253 State of Mississippi, requiring the continued incentive payment to
6254 be made as long as the qualified business or industry retains its
6255 eligibility.

6256 (6) Upon approval of such an application, the MDA shall
6257 notify the Department of Revenue and shall provide it with a copy
6258 of the approved application and the estimated net direct state
6259 benefits. The Department of Revenue may require the qualified
6260 business or industry to submit such additional information as may
6261 be necessary to administer the provisions of this chapter. The
6262 qualified business or industry shall report to the Department of
6263 Revenue periodically to show its continued eligibility for
6264 incentive payments. The qualified business or industry may be
6265 audited by the Department of Revenue to verify such eligibility.
6266 In addition, the State Auditor may conduct performance and
6267 compliance audits under this chapter according to Section
6268 7-7-211(o) and may bill the oversight agency.



6269 (7) If the qualified business or industry is located in an
6270 area that has been declared by the Governor to be a disaster area
6271 and as a result of the disaster the business or industry is unable
6272 to create or maintain the full-time jobs required by this section:

6273 (a) The Commissioner of Revenue may extend the period
6274 of time that the business or industry may receive incentive
6275 payments for a period of time not to exceed two (2) years;

6276 (b) The Commissioner of Revenue may waive the
6277 requirement that a certain number of jobs be maintained for a
6278 period of time not to exceed twenty-four (24) months; and

6279 (c) The MDA may extend the period of time within which
6280 the jobs must be created for a period of time not to exceed
6281 twenty-four (24) months.

6282 **[For businesses or industries that apply for incentive**
6283 **payments from and after July 1, 2010, this section shall read as**
6284 **follows:]**

6285 57-62-9. (1) (a) Except as otherwise provided in this
6286 section, a qualified business or industry that meets the
6287 qualifications specified in this chapter may receive quarterly
6288 incentive payments for a period not to exceed ten (10) years from
6289 the Department of Revenue pursuant to the provisions of this
6290 chapter in an amount which shall be equal to ninety percent (90%)
6291 of the amount of actual income tax withheld for employees with new
6292 direct jobs, but in no event more than four percent (4%) of the
6293 total annual salary paid for new direct jobs during such period,



6294 excluding benefits which are not subject to Mississippi income
6295 taxes.

6296 (b) A qualified business or industry that is a project
6297 as defined in Section 57-75-5(f)(iv)1 may elect the date upon
6298 which the ten-year period will begin. Such date may not be later
6299 than sixty (60) months after the date the business or industry
6300 applied for incentive payments.

6301 (c) A qualified business or industry as defined in
6302 Section 57-62-5(a)(iii) may elect the date upon which the ten-year
6303 period will begin and may elect to begin receiving incentive
6304 payments as early as the second quarter after that date.

6305 Incentive payments will be calculated on all jobs above the
6306 existing number of jobs as of the date the MDA determines that the
6307 applicant is qualified to receive incentive payments. In the
6308 event that the qualified business or industry falls below the
6309 number of existing jobs at the time of determination that the
6310 applicant is qualified to receive the incentive payment, the
6311 incentive payment shall cease until the qualified business or
6312 industry once again exceeds that number. If after forty-eight
6313 (48) months, the qualified business or industry has failed to
6314 create at least three thousand (3,000) new direct jobs, incentive
6315 payments shall cease and the qualified business or industry shall
6316 not be qualified to receive further incentive payments.

6317 (2) (a) A qualified business or industry that is a project
6318 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to



6319 receive incentive payments for an additional period not to exceed
6320 five (5) years beyond the expiration date of the initial ten-year
6321 period if:

6322 (i) The qualified business or industry creates at
6323 least three thousand (3,000) new direct jobs within five (5) years
6324 after the date the business or industry commences commercial
6325 production;

6326 (ii) Within five (5) years after the date the
6327 business or industry commences commercial production, the average
6328 annual wage of the jobs is at least one hundred fifty percent
6329 (150%) of the most recently published state average annual wage or
6330 the most recently published average annual wage of the county in
6331 which the qualified business or industry is located as determined
6332 by the Mississippi Department of Employment Security, whichever is
6333 the lesser. The criteria for the average annual wage requirement
6334 shall be based upon the state average annual wage or the average
6335 annual wage of the county whichever is appropriate, at the time of
6336 creation of the minimum number of jobs, and the threshold
6337 established at that time will remain constant for the duration of
6338 the additional period; and

6339 (iii) The qualified business or industry meets and
6340 maintains the job and wage requirements of subparagraphs (i) and
6341 (ii) of this paragraph (a) for four (4) consecutive calendar
6342 quarters.



6343 (b) A qualified business or industry that is a project
6344 as defined in Section 57-75-5(f)(iv)1 and qualified to receive
6345 incentive payments for the additional period provided in paragraph
6346 (a) of this subsection (2) may apply to the MDA to receive
6347 incentive payments for an additional period not to exceed ten (10)
6348 years beyond the expiration date of the additional period provided
6349 in paragraph (a) of this subsection (2) if:

6350 (i) The qualified business or industry creates at
6351 least four thousand (4,000) new direct jobs after qualifying for
6352 the additional incentive period provided in paragraph (a) of this
6353 subsection (2) but before the expiration of the additional period.
6354 For purposes of determining whether the business or industry meets
6355 the minimum jobs requirement of this subparagraph (i), the number
6356 of jobs the business or industry created in order to meet the
6357 minimum jobs requirement of paragraph (a) of this subsection (2)
6358 shall be subtracted from the minimum jobs requirement of this
6359 subparagraph (i);

6360 (ii) The average annual wage of the jobs is at
6361 least one hundred fifty percent (150%) of the most recently
6362 published state average annual wage or the most recently published
6363 average annual wage of the county in which the qualified business
6364 or industry is located as determined by the Mississippi Department
6365 of Employment Security, whichever is the lesser. The criteria for
6366 the average annual wage requirement shall be based upon the state
6367 average annual wage or the average annual wage of the county



6368 whichever is appropriate, at the time of creation of the minimum
6369 number of jobs, and the threshold established at that time will
6370 remain constant for the duration of the additional period; and

6371 (iii) The qualified business or industry meets and
6372 maintains the job and wage requirements of subparagraphs (i) and
6373 (ii) of this paragraph (b) for four (4) consecutive calendar
6374 quarters.

6375 (3) In order to receive incentive payments, an establishment
6376 shall apply to the MDA. The application shall be on a form
6377 prescribed by the MDA and shall contain such information as may be
6378 required by the MDA to determine if the applicant is qualified.

6379 (4) (a) In order to qualify to receive such payments, the
6380 establishment applying shall be required to meet the definition of
6381 the term "qualified business or industry";

6382 (b) The criteria for the average annual salary
6383 requirement shall be based upon the state average annual wage or
6384 the average annual wage of the county whichever is appropriate, at
6385 the time of application, and the threshold established upon
6386 application will remain constant for the duration of the project;

6387 (c) Except as otherwise provided for a qualified
6388 business or industry as defined in Section 57-62-5(a)(iii), the
6389 business or industry must meet its job creation commitment within
6390 twenty-four (24) months of the application approval. However, if
6391 the qualified business or industry is applying for incentive
6392 payments for an additional period under subsection (2) of this



6393 section, the business or industry must comply with the applicable
6394 job and wage requirements of subsection (2) of this section.

6395 (5) (a) The MDA shall determine if the applicant is
6396 qualified to receive incentive payments.

6397 (b) If the applicant is determined to be qualified to
6398 receive incentive payments for an additional period under
6399 subsection (2) of this section, the MDA shall conduct an analysis
6400 to estimate the amount of gross payroll for the appropriate
6401 additional period. Incentive payments, cumulatively, shall not
6402 exceed ninety percent (90%) of the amount of actual income tax
6403 withheld for employees with new direct jobs, but in no event more
6404 than four percent (4%) of the total annual salary paid for new
6405 direct jobs during the additional period, excluding benefits which
6406 are not subject to Mississippi income taxes. Once the qualified
6407 business or industry is approved by the MDA, an agreement shall be
6408 deemed to exist between the qualified business or industry and the
6409 State of Mississippi, requiring the continued incentive payment to
6410 be made as long as the qualified business or industry retains its
6411 eligibility.

6412 (6) Upon approval of such an application, the MDA shall
6413 notify the Department of Revenue and shall provide it with a copy
6414 of the approved application and the minimum job and salary
6415 requirements. The Department of Revenue may require the qualified
6416 business or industry to submit such additional information as may
6417 be necessary to administer the provisions of this chapter. The



6418 qualified business or industry shall report to the Department of
6419 Revenue periodically to show its continued eligibility for
6420 incentive payments. The qualified business or industry may be
6421 audited by the Department of Revenue to verify such eligibility.
6422 In addition, the State Auditor may conduct performance and
6423 compliance audits under this chapter according to Section
6424 7-7-211(o) and may bill the oversight agency.

6425 (7) If the qualified business or industry is located in an
6426 area that has been declared by the Governor to be a disaster area
6427 and as a result of the disaster the business or industry is unable
6428 to create or maintain the full-time jobs required by this section:

6429 (a) The Commissioner of Revenue may extend the period
6430 of time that the business or industry may receive incentive
6431 payments for a period of time not to exceed two (2) years;

6432 (b) The Commissioner of Revenue may waive the
6433 requirement that a certain number of jobs be maintained for a
6434 period of time not to exceed twenty-four (24) months; and

6435 (c) The MDA may extend the period of time within which
6436 the jobs must be created for a period of time not to exceed
6437 twenty-four (24) months.

6438 **SECTION 45.** Section 57-62-11, Mississippi Code of 1972, is
6439 brought forward as follows:

6440 57-62-11. (1) There is created in the State Treasury a
6441 special fund to be known as the Mississippi Advantage Jobs
6442 Incentive Payment Fund, into which shall be deposited withholding



6443 tax revenue required to be deposited into such fund pursuant to
6444 Section 27-7-312. The money in the fund shall be used for the
6445 purpose of making the incentive payments authorized under this
6446 chapter.

6447 (2) The Mississippi Advantage Jobs Incentive Payment Fund
6448 shall be administered by the Department of Revenue, and monies in
6449 the fund, less three percent (3%) to be retained by the Department
6450 of Revenue to pay the reasonable and necessary expenses of the
6451 Department of Revenue in administering its duties under this
6452 chapter, shall be expended pursuant to the approved application.
6453 Amounts in the fund at the end of any fiscal year that are not
6454 necessary to make future incentive payments shall be paid into the
6455 General Fund.

6456 (3) The liability of the State of Mississippi to make the
6457 incentive payments authorized under this chapter shall be limited
6458 to the balance contained in the fund.

6459 **SECTION 46.** Section 57-62-13, Mississippi Code of 1972, is
6460 brought forward as follows:

6461 57-62-13. (1) As soon as practicable after the end of a
6462 calendar quarter for which a qualified business or industry has
6463 qualified to receive an incentive payment, the qualified business
6464 or industry shall file a claim for the payment with the Department
6465 of Revenue and shall specify the actual number of new direct jobs
6466 created and maintained by the business or industry for the
6467 calendar quarter and the gross payroll thereof. The Department of



6468 Revenue shall verify the actual number of new direct jobs created
6469 and maintained by the business or industry and compliance with the
6470 average annual wage requirements for such business or industry
6471 under this chapter. If the qualified business or industry files a
6472 claim for an incentive payment during an additional incentive
6473 period provided under Section 57-62-9(2), the Department of
6474 Revenue shall verify the actual number of new direct jobs created
6475 and maintained by the business or industry and compliance with the
6476 average annual wage requirements for such business or industry
6477 under this chapter. If the Department of Revenue is not able to
6478 provide such verification utilizing all available resources, the
6479 Department of Revenue may request such additional information from
6480 the business or industry as may be necessary.

6481 (2) (a) Except as otherwise provided in this chapter, the
6482 business or industry must meet the salary and job requirements of
6483 this chapter for four (4) consecutive calendar quarters prior to
6484 payment of the first incentive payment. Except as otherwise
6485 provided in Section 57-62-9, if the business or industry does not
6486 maintain the salary or job requirements of this chapter at any
6487 other time during the ten-year period after the date the first
6488 payment was made, the incentive payments shall not be made and
6489 shall not be resumed until such time as the actual verified number
6490 of new direct jobs created and maintained by the business or
6491 industry equals or exceeds the requirements of this chapter for
6492 one (1) calendar quarter.



6493 (b) If the business or industry is qualified to receive
6494 incentive payments for an additional period provided under Section
6495 57-62-9(2), the business or industry must meet the wage and job
6496 requirements of Section 57-62-9(2), for four (4) consecutive
6497 calendar quarters prior to payment of the first incentive payment.
6498 If the business or industry does not maintain the wage or job
6499 requirements of Section 57-62-9(2), at any other time during the
6500 appropriate additional period after the date the first payment was
6501 made, the incentive payments shall not be made and shall not be
6502 resumed until such time as the actual verified number of new
6503 direct jobs created and maintained by the business or industry
6504 equals or exceeds the amounts specified in Section 57-62-9(2), for
6505 one (1) calendar quarter.

6506 (3) An establishment that has qualified pursuant to this
6507 chapter may receive payments only in accordance with the provision
6508 under which it initially applied and was approved. If an
6509 establishment that is receiving incentive payments expands, it may
6510 apply for additional incentive payments based on the new gross
6511 payroll for new direct jobs anticipated from the expansion only,
6512 pursuant to this chapter.

6513 (4) As soon as practicable after verification of the
6514 qualified business or industry meeting the requirements of this
6515 chapter and all rules and regulations, the Department of Finance
6516 and Administration, upon requisition of the Department of Revenue,
6517 shall issue a warrant drawn on the Mississippi Advantage Jobs



6518 Incentive Payment Fund to the establishment in the amount of the
6519 incentive payment as determined pursuant to subsection (1) of this
6520 section for the calendar quarter.

6521 **SECTION 47.** Section 57-89-3, Mississippi Code of 1972, is
6522 brought forward as follows:

6523 57-89-3. As used in this chapter, the following terms shall
6524 have the meanings ascribed in this section unless the context
6525 clearly indicates otherwise:

6526 (a) "Base investment" means the actual investment made
6527 and expended in Mississippi by a motion picture production company
6528 in connection with the production of a state-certified production
6529 in the state. The term "base investment" includes amounts
6530 expended in Mississippi by a motion picture production company as
6531 per diem and housing allowances in connection with the production
6532 of a state-certified production in the state. The term "base
6533 investment" shall not include payroll. However, in the case of a
6534 motion picture production company, or its owner, principal,
6535 member, production partner, independent contractor director or
6536 producer, or subsidiary company that (i) is designated and
6537 pre-qualified by the Mississippi Development Authority as
6538 Mississippi-based or a Mississippi resident; (ii) has filed income
6539 taxes in the State of Mississippi during each of the previous
6540 three (3) years; and (iii) has engaged in activities related to
6541 the production of at least two (2) motion pictures in Mississippi
6542 during the past ten (10) years, base investment may include



6543 payroll and fringes paid for any employee who is not a resident
6544 and whose wages are subject to the Mississippi Income Tax
6545 Withholding Law of 1968, if so requested by the motion picture
6546 production company. A motion picture production company must
6547 submit such a request to the Mississippi Development Authority at
6548 the time the company submits an application for approval as a
6549 state-certified production. In addition, if base investment
6550 includes payroll and fringes, and the payroll and fringes paid for
6551 an employee exceeds Five Million Dollars (\$5,000,000.00), then
6552 only the first Five Million Dollars (\$5,000,000.00) of such
6553 payroll and fringes may be included in base investment.

6554 (b) "Employee" means an individual directly involved in
6555 the physical production and/or post-production of a motion picture
6556 produced in the state and who is employed by a:

6557 (i) Motion picture production company that is
6558 directly involved in the physical production and/or
6559 post-production of a motion picture in the state;

6560 (ii) Personal service corporation retained by a
6561 motion picture production company to provide persons used directly
6562 in the physical production and/or post-production of a motion
6563 picture in the state; or

6564 (iii) Payroll service or loan-out company that is
6565 retained by a motion picture production company to provide
6566 employees who work directly in the physical production and/or
6567 post-production of a motion picture in the state.



6568 (c) "Fringes" means costs paid by a motion picture
6569 production company on or after September 1, 2013, for employee
6570 benefits that are not subject to state income tax. Fringes may
6571 include, but are not limited to, payments by an employer for
6572 unemployment insurance, Federal Insurance Contribution Act (FICA),
6573 workers' compensation insurance, pension and welfare benefits and
6574 health insurance premiums.

6575 (d) "Motion picture" means a nationally distributed
6576 feature-length film, video, DVD, television program or series,
6577 commercial, or computer or video game made in Mississippi, in
6578 whole or in part, for theatrical or DVD release or television
6579 viewing or as a television pilot or viewing through streaming
6580 video or internet delivery, or for playing on a video game
6581 console, personal computer or handheld device. The term "motion
6582 picture" shall not include the production of television coverage
6583 of news and athletic events, or a film, video, DVD, television
6584 program, series, or commercial that contains any material or
6585 performance defined in Section 97-29-103.

6586 (e) "Motion picture production company" means a company
6587 engaged in the business of producing nationally distributed motion
6588 pictures, videos, DVDs, television programs or series,
6589 commercials, or computer or video games intended for a theatrical
6590 release, for television viewing or for playing on a video game
6591 console, personal computer or handheld device. The term "motion
6592 picture production company" includes a company engaged in the



6593 business of making such productions through the use of animation,
6594 interactive media, preproduction and post-production 3D
6595 applications, video game cinematics, virtual production, visual
6596 effects, and motion capture within the fields of feature film,
6597 television, commercials and games. The term "motion picture
6598 production company" shall not mean or include any company owned,
6599 affiliated, or controlled, in whole or in part, by any company or
6600 person which is in default on a loan made by the state or a loan
6601 guaranteed by the state, or any company or person who has ever
6602 declared bankruptcy under which an obligation of the company or
6603 person to pay or repay public funds or monies was discharged as a
6604 part of such bankruptcy.

6605 (f) "Payroll" means salary, wages or other compensation
6606 including related benefits paid to employees upon which
6607 Mississippi income tax is due and has been withheld.

6608 (g) "Resident" or "resident of Mississippi" means a
6609 natural person, and for the purpose of determining eligibility for
6610 the rebate provided by Section 57-89-7, any person domiciled in
6611 the State of Mississippi and any other person who maintains a
6612 permanent place of abode within the state and spends in the
6613 aggregate more than six (6) months of each year within the state.

6614 (h) "State" means the State of Mississippi.

6615 (i) "State-certified production" means a motion picture
6616 approved by the Mississippi Development Authority produced by a
6617 motion picture production company in the state. An application



6618 for approval as a state-certified production must be submitted to
6619 the Mississippi Development Authority before production of the
6620 project begins.

6621 **SECTION 48.** Section 57-89-7, Mississippi Code of 1972, is
6622 brought forward as follows:

6623 57-89-7. (1) (a) A motion picture production company that
6624 expends at least Fifty Thousand Dollars (\$50,000.00) in base
6625 investment, payroll and/or fringes, in the state shall be entitled
6626 to a rebate of a portion of the base investment made by the motion
6627 picture production company. Subject to the provisions of this
6628 section, the amount of the rebate shall be equal to twenty-five
6629 percent (25%) of the base investment made by the motion picture
6630 production company.

6631 (b) In addition to the rebates authorized under
6632 paragraphs (a), (c) and (d) of this subsection, a motion picture
6633 production company may receive a rebate equal to twenty-five
6634 percent (25%) of payroll and fringes paid for any employee who is
6635 not a resident and whose wages are subject to the Mississippi
6636 Income Tax Withholding Law of 1968. However, if the payroll and
6637 fringes paid for an employee exceeds Five Million Dollars
6638 (\$5,000,000.00), then the rebate is authorized only for the first
6639 Five Million Dollars (\$5,000,000.00) of such payroll and fringes.

6640 (c) In addition to the rebates authorized under
6641 paragraphs (a), (b) and (d) of this subsection, a motion picture
6642 production company may receive a rebate equal to thirty percent



6643 (30%) of payroll and fringes paid for any employee who is a
6644 resident and whose wages are subject to the Mississippi Income Tax
6645 Withholding Law of 1968. However, if the payroll and fringes paid
6646 for an employee exceeds Five Million Dollars (\$5,000,000.00), then
6647 the rebate is authorized only for the first Five Million Dollars
6648 (\$5,000,000.00) of such payroll and fringes.

6649 (d) In addition to the rebates authorized in paragraphs
6650 (a), (b) and (c) of this subsection, a motion picture production
6651 company may receive an additional rebate equal to five percent
6652 (5%) of the payroll and fringes paid for any employee who is an
6653 honorably discharged veteran of the United States Armed Forces and
6654 whose wages are subject to the Mississippi Income Tax Withholding
6655 Law of 1968.

6656 (e) If a motion picture has physical production
6657 activities and/or post-production activities both inside and
6658 outside the state, then the motion picture production company
6659 shall be required to provide an itemized accounting for each
6660 employee regarding such activities inside and outside the state
6661 for the purposes of proration of eligible payroll based on the
6662 percentage of activities performed in the state.

6663 (f) The total amount of rebates authorized for a motion
6664 picture project shall not exceed Ten Million Dollars
6665 (\$10,000,000.00) in the aggregate.



6666 (g) The total amount of rebates authorized in any
6667 fiscal year shall not exceed Twenty Million Dollars
6668 (\$20,000,000.00) in the aggregate.

6669 (2) A motion picture production company desiring a rebate
6670 under this section must submit a rebate request to the Department
6671 of Revenue upon completion of the project. The request must
6672 include a detailed accounting of the base investment made by the
6673 motion picture production company and any other information
6674 required by the Department of Revenue. Rebates made by the
6675 Department of Revenue under this section shall be made from
6676 current income tax collections. The Department of Revenue shall
6677 not approve any application for a rebate under subsection (1) (b)
6678 of this section after July 1, 2017.

6679 (3) The Department of Revenue shall have all powers
6680 necessary to implement and administer the provisions of this
6681 section, and the Department of Revenue shall promulgate rules and
6682 regulations, in accordance with the Mississippi Administrative
6683 Procedures Law, necessary for the implementation of this section.

6684 (4) The State Auditor may conduct performance and compliance
6685 audits under this chapter according to Section 7-7-211(o) and may
6686 bill the oversight agency.

6687 **SECTION 49.** Section 57-99-1, Mississippi Code of 1972, is
6688 brought forward as follows:



6689 57-99-1. As used in Sections 57-99-1 through 57-99-9, the
6690 following words and phrases shall have the meanings ascribed in
6691 this section unless the context clearly indicates otherwise:

6692 (a) "Qualified business or industry" means any company
6693 and affiliates thereof, pursuant to rules and regulations of the
6694 MDA, which is:

6695 (i) A project that has been certified by the MMEIA
6696 as a project defined in Section 57-75-5(f)(xxi) and creates at
6697 least one thousand five hundred (1,500) jobs within sixty (60)
6698 months of the beginning of the project;

6699 (ii) A project that has been certified by the
6700 MMEIA as a project defined in Section 57-75-5(f)(xxii) and creates
6701 at least five hundred (500) jobs within seventy-two (72) months of
6702 the beginning of the project;

6703 (iii) A project:

6704 1. That has been certified by the MMEIA as a
6705 project defined in Section 57-75-5(f)(xxviii);

6706 2. Creates at least twenty-five (25) jobs
6707 within sixty (60) months of the beginning of the project; and

6708 3. In which the average annual wages and
6709 taxable benefits of the jobs created by such project are at least
6710 one hundred ten percent (110%) of the most recently published
6711 average annual wage of the state or the most recently published
6712 average annual wage of the county in which the project is located,



6713 as determined by the Mississippi Department of Employment
6714 Security, whichever is the lesser; or

6715 (iv) A project:

6716 1. That has been certified by the MMEIA as a
6717 project defined in Section 57-75-5(f) (xxix);

6718 2. That creates at least twenty-five (25)
6719 jobs within sixty (60) months following the date required by the
6720 MMEIA and prescribed by written agreement between the MMEIA and
6721 the enterprise establishing the project described in item 1 of
6722 this subparagraph (iv); and

6723 3. In which the average annual wages of the
6724 jobs created by such project are at least one hundred ten percent
6725 (110%) of the most recently published average annual wage of the
6726 state, as determined by the Mississippi Department of Employment
6727 Security.

6728 (b) "Qualified job" means full-time employment in this
6729 state within the project site of a qualified business or industry
6730 that has qualified to receive an incentive payment pursuant to
6731 Sections 57-99-1 through 57-99-9, which employment did not exist
6732 in this state before the date of approval by the MDA of the
6733 application of the qualified business or industry pursuant to the
6734 provisions of Sections 57-99-1 through 57-99-9. "Qualified job"
6735 also shall include full-time employment in this state of employees
6736 who are employed by an entity other than the establishment that
6737 has qualified to receive an incentive payment such as employees



6738 who are leased to and managed by the qualified business or
6739 industry, if such employment did not exist in this state before
6740 the date of approval by the MDA of the application of the
6741 establishment; provided, however, that in order for a qualified
6742 business or industry to receive incentive payments for such
6743 employees, the actual employer of the employees must agree to such
6744 payments being made to the qualified business or industry.

6745 (c) "Full-time employment" means a job of at least
6746 thirty-five (35) hours per week.

6747 (d) "Rebate amount" means the amount of Mississippi
6748 income taxes withheld from employees in qualified jobs that is
6749 available for rebate to the qualified business or industry,
6750 provided that:

6751 (i) Except as otherwise provided in this paragraph
6752 (d), the rebate amount shall be three and one-half percent
6753 (3-1/2%) of the wages and taxable benefits for qualified jobs; and

6754 (ii) In no event shall incentive payments exceed
6755 the actual Mississippi income taxes withheld from employees in
6756 qualified jobs that are available for rebate to the qualified
6757 business or industry.

6758 (e) "MDA" means the Mississippi Development Authority.

6759 (f) "MMEIA" means the Mississippi Major Economic Impact
6760 Authority.

6761 **SECTION 50.** Section 57-99-3, Mississippi Code of 1972, is
6762 brought forward as follows:



6763 57-99-3. (1) Except as otherwise provided in this section,
6764 a qualified business or industry that meets the qualifications
6765 specified in Sections 57-99-1 through 57-99-9 may receive
6766 quarterly incentive payments for a period not to exceed
6767 twenty-five (25) years from the Department of Revenue pursuant to
6768 the provisions of Sections 57-99-1 through 57-99-9 in an amount
6769 which shall be equal to the lesser of three and one-half percent
6770 (3-1/2%) of the wages and taxable benefits for qualified jobs or
6771 the actual amount of Mississippi income tax withheld by the
6772 employer for the qualified jobs. A qualified business or industry
6773 may elect the date upon which the incentive rebate period will
6774 begin. Such date may not be later than sixty (60) months after
6775 the date the business or industry applied for incentive payments;
6776 however, in the case of a qualified business or industry described
6777 in Section 57-99-1(a) (ii), such date may not be later than
6778 seventy-two (72) months after the date the business or industry
6779 applied for incentive payments, or for a qualified business or
6780 industry described in Section 57-99-1(a) (iv), such date may not be
6781 later than the date that is sixty (60) months after the earlier
6782 of:

6783 (a) The date the qualified business or industry applied
6784 for incentive payments; or

6785 (b) The start of commercial production as defined in a
6786 definitive agreement between such qualified business or industry
6787 and the MDA.



6788 (2) In order to receive incentive payments, an establishment
6789 shall apply to the MDA. The application shall be on a form
6790 prescribed by the MDA and shall contain such information as may be
6791 required by the MDA to determine if the applicant is qualified.

6792 (3) In order to qualify to receive such payments, the
6793 establishment applying shall be required to:

6794 (a) Be engaged in a qualified business or industry; and

6795 (b) The business or industry must create and maintain
6796 the minimum number of qualified jobs as set forth in Section
6797 57-99-1. Establishments that are approved as a qualified business
6798 or industry under Sections 57-99-1 through 57-99-9 may not receive
6799 incentive payments under Section 57-62-1 et seq.

6800 (4) 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. The Department of Revenue may
6803 require the qualified business or industry to submit such
6804 additional information as may be necessary to administer the
6805 provisions of Sections 57-99-1 through 57-99-9. The qualified
6806 business or industry shall report to the Department of Revenue
6807 periodically to show its continued eligibility for incentive
6808 payments. The qualified business or industry may be audited by
6809 the Department of Revenue to verify such eligibility.

6810 **SECTION 51.** Section 57-99-5, Mississippi Code of 1972, is
6811 brought forward as follows:



6812 57-99-5. (1) There is created in the State Treasury a
6813 special fund to be known as the "MMEIA Withholding Rebate Fund,"
6814 into which shall be deposited withholding tax revenue required to
6815 be deposited into such fund pursuant to Section 27-7-312. The
6816 money in the fund shall be used for the purpose of making the
6817 incentive payments authorized under Sections 57-99-1 through
6818 57-99-9.

6819 (2) The liability of the State of Mississippi to make the
6820 incentive payments authorized under Sections 57-99-1 through
6821 57-99-9 shall be limited to the balance contained in the fund.

6822 **SECTION 52.** Section 57-99-7, Mississippi Code of 1972, is
6823 brought forward as follows:

6824 57-99-7. (1) As soon as practicable after the end of a
6825 calendar quarter for which a qualified business or industry has
6826 qualified to receive an incentive payment, the qualified business
6827 or industry shall file a claim for the payment with the State Tax
6828 Commission and shall specify the actual number of qualified jobs
6829 created and maintained by the business or industry for the
6830 calendar quarter and the wages and taxable benefits thereof. The
6831 State Tax Commission shall verify the actual number of qualified
6832 jobs created and maintained by the business or industry. If the
6833 State Tax Commission is not able to provide such verification
6834 utilizing all available resources, the State Tax Commission may
6835 request such additional information from the business or industry
6836 as may be necessary.



6837 (2) (a) The business or industry must meet the job
6838 requirements of Sections 57-99-1 through 57-99-9 for four (4)
6839 consecutive calendar quarters prior to payment of the first
6840 incentive payment. If the business or industry does not maintain
6841 the job requirements of Sections 57-99-1 through 57-99-9 at any
6842 other time during the twenty-five-year period after the date the
6843 first payment was made, the incentive payments shall not be made
6844 and shall not be resumed until such time as the actual verified
6845 number of qualified jobs created and maintained by the business or
6846 industry equals or exceeds the requirements of Sections 57-99-1
6847 through 57-99-9 for one (1) calendar quarter.

6848 (3) An establishment that has qualified pursuant to Sections
6849 57-99-1 through 57-99-9 may receive payments only in accordance
6850 with the provision under which it initially applied and was
6851 approved. If an establishment that is receiving incentive
6852 payments expands, it may apply for additional incentive payments
6853 based on the wages and taxable benefits for qualified jobs
6854 anticipated from the expansion only, pursuant to Sections 57-99-1
6855 through 57-99-9.

6856 (4) As soon as practicable after verification of the
6857 qualified business or industry meeting the requirements of
6858 Sections 57-99-1 through 57-99-9 and all rules and regulations,
6859 the Department of Finance and Administration, upon requisition of
6860 the State Tax Commission, shall issue a warrant drawn on the MMEIA
6861 Withholding Rebate Fund to the establishment in the amount of the



6862 rebate as determined pursuant to subsection (1) of this section
6863 for the calendar quarter.

6864 **SECTION 53.** Section 57-99-21, Mississippi Code of 1972, is
6865 brought forward as follows:

6866 57-99-21. As used in Sections 57-99-21 through 57-99-29, the
6867 following words and phrases shall have the meanings ascribed in
6868 this section unless the context clearly indicates otherwise:

6869 (a) "Qualified business or industry" means any
6870 enterprise which is a project that has been certified by the
6871 Mississippi Major Economic Impact Authority (MMEIA) as a project
6872 defined in Section 57-75-5(f)(xxiv).

6873 (b) "Qualified job" means full-time employment at the
6874 location of the manufacturing plant in this state of a qualified
6875 business or industry that has qualified to receive an incentive
6876 payment pursuant to Sections 57-99-21 through 57-99-29, which
6877 employment existed in this state at the location of the
6878 manufacturing plant on July 1, 2009.

6879 (c) "Full-time employment" means a job of at least
6880 thirty-five (35) hours per week.

6881 (d) "Rebate amount" means the amount of Mississippi
6882 income taxes withheld from employees in qualified jobs that is
6883 available for rebate to the qualified business or industry,
6884 provided that:



6885 (i) Except as otherwise provided in this paragraph
6886 (d), the rebate amount shall be one percent (1%) of the wages and
6887 taxable benefits for qualified jobs;

6888 (ii) In no event shall incentive payments exceed
6889 the actual Mississippi income taxes withheld from employees in
6890 qualified jobs that are available for rebate to the qualified
6891 business or industry; and

6892 (iii) In no event shall the aggregate amount of
6893 incentive payments authorized under Sections 57-99-21 through
6894 57-99-29 exceed Six Million Dollars (\$6,000,000.00).

6895 (e) "MDA" means the Mississippi Development Authority.

6896 **SECTION 54.** Section 57-99-23, Mississippi Code of 1972, is
6897 brought forward as follows:

6898 57-99-23. (1) Except as otherwise provided in this section,
6899 a qualified business or industry that meets the qualifications
6900 specified in Sections 57-99-21 through 57-99-29 may receive
6901 quarterly incentive payments for a period not to exceed ten (10)
6902 years from the State Tax Commission pursuant to the provisions of
6903 Sections 57-99-21 through 57-99-29 in an amount which shall be
6904 equal to the lesser of one percent (1%) of the wages and taxable
6905 benefits for qualified jobs or the actual amount of Mississippi
6906 income tax withheld by the employer for the qualified jobs.

6907 (2) In order to receive incentive payments, an establishment
6908 shall apply to the MDA by not later than July 1, 2010. The
6909 application shall be on a form prescribed by the MDA and shall



6910 contain such information as may be required by the MDA to
6911 determine if the applicant is qualified.

6912 (3) In order to qualify to receive such payments, the
6913 establishment applying shall be required to:

6914 (a) Be engaged in a qualified business or industry; and

6915 (b) The business or industry must maintain a minimum of
6916 one thousand two hundred (1,200) qualified jobs.

6917 (4) Upon approval of such an application, the MDA shall
6918 notify the State Tax Commission and shall provide it with a copy
6919 of the approved application. The State Tax Commission may require
6920 the qualified business or industry to submit such additional
6921 information as may be necessary to administer the provisions of
6922 Sections 57-99-21 through 57-99-29. The qualified business or
6923 industry shall report to the State Tax Commission periodically to
6924 show its continued eligibility for incentive payments. The
6925 qualified business or industry may be audited by the State Tax
6926 Commission to verify such eligibility.

6927 **SECTION 55.** Section 57-99-25, Mississippi Code of 1972, is
6928 brought forward as follows:

6929 57-99-25. (1) There is created in the State Treasury a
6930 special fund to be known as the "MMEIA Rebate Fund" into which
6931 shall be deposited withholding tax revenue required to be
6932 deposited into such fund pursuant to Section 27-7-312. The money
6933 in the fund shall be used for the purpose of making the incentive
6934 payments authorized under Sections 57-99-21 through 57-99-29.



6935 (2) The liability of the State of Mississippi to make the
6936 incentive payments authorized under Sections 57-99-21 through
6937 57-99-29 shall be limited to the balance contained in the fund.

6938 **SECTION 56.** Section 57-99-27, Mississippi Code of 1972, is
6939 brought forward as follows:

6940 57-99-27. (1) As soon as practicable after the end of a
6941 calendar quarter for which a qualified business or industry has
6942 qualified to receive an incentive payment, the qualified business
6943 or industry shall file a claim for the payment with the State Tax
6944 Commission and shall specify the actual number of qualified jobs
6945 created and maintained by the business or industry for the
6946 calendar quarter and the wages and taxable benefits thereof. The
6947 State Tax Commission shall verify the actual number of qualified
6948 jobs maintained by the business or industry. If the State Tax
6949 Commission is not able to provide such verification utilizing all
6950 available resources, the State Tax Commission may request such
6951 additional information from the business or industry as may be
6952 necessary.

6953 (2) If the business or industry does not maintain the job
6954 requirements of Sections 57-99-21 through 57-99-29 at any other
6955 time during the ten-year period after the date the first payment
6956 was made, the incentive payments shall not be made and shall not
6957 be resumed until such time as the actual verified number of
6958 qualified jobs created and maintained by the business or industry



6959 equals or exceeds the requirements of Sections 57-99-21 through
6960 57-99-29 for one (1) calendar quarter.

6961 (3) An establishment that has qualified pursuant to Sections
6962 57-99-21 through 57-99-29 may receive payments only in accordance
6963 with the provision under which it initially applied and was
6964 approved.

6965 (4) As soon as practicable after verification of the
6966 qualified business or industry meeting the requirements of
6967 Sections 57-99-21 through 57-99-29 and all rules and regulations,
6968 the Department of Finance and Administration, upon requisition of
6969 the State Tax Commission, shall issue a warrant drawn on the MMEIA
6970 Withholding Rebate Fund to the establishment in the amount of the
6971 rebate as determined pursuant to subsection (1) of this section
6972 for the calendar quarter.

6973 **SECTION 57.** Section 37-148-3, Mississippi Code of 1972, is
6974 brought forward as follows:

6975 37-148-3. As used in this act, the following words and
6976 phrases have the meanings ascribed in this section unless the
6977 context clearly indicates otherwise:

6978 (a) "College" means the state institutions of higher
6979 learning in Mississippi which are accredited by the Southern
6980 Association of Colleges and Schools.

6981 (b) "Investor" means a natural person, partnership,
6982 limited liability company, association, corporation, business
6983 trust or other business entity, not formed for the specific



6984 purpose of acquiring the rebate offered, which is subject to
6985 Mississippi income tax or franchise tax.

6986 (c) "Qualified research" means the systematic
6987 investigative process that is undertaken for the purpose of
6988 discovering information. The term "qualified research" does not
6989 include research conducted outside the State of Mississippi or
6990 research to the extent funded by any grant, contract or otherwise
6991 by another person or governmental entity.

6992 (d) "Research agreement" means a written contract,
6993 grant or cooperative agreement entered into between a person and a
6994 college or research corporation for the performance of qualified
6995 research; however, all qualified research costs generating a
6996 rebate must be spent by the college or research corporation on
6997 qualified research undertaken according to a research agreement.

6998 (e) "Research corporation" means any research
6999 corporation formed under Section 37-147-15 if the corporation is
7000 wholly owned by a college and all income and profits of the
7001 corporation inure to the benefit of the college.

7002 (f) "Qualified research costs" means costs paid or
7003 incurred by an investor to a college or research corporation for
7004 qualified research undertaken according to a research agreement.

7005 (g) "State" means the State of Mississippi or a
7006 governmental entity of the State of Mississippi.

7007 (h) "IHL" means the Board of Trustees of State
7008 Institutions of Higher Learning in Mississippi.



7009 (i) "SMART Business" means Strengthening Mississippi
7010 Academic Research Through Business.

7011 **SECTION 58.** Section 37-148-5, Mississippi Code of 1972, is
7012 brought forward as follows:

7013 37-148-5. (1) (a) Subject to the provisions of this
7014 chapter, an investor incurring qualified research costs subject to
7015 a research agreement is eligible for a rebate equal to twenty-five
7016 percent (25%) of the investor's qualified research costs.

7017 (b) An investor incurring research costs may not claim
7018 a rebate pursuant to this chapter greater than One Million Dollars
7019 (\$1,000,000.00) in any fiscal year.

7020 (c) The total amount of rebates issued under this
7021 chapter by the state in any fiscal year may not exceed Five
7022 Million Dollars (\$5,000,000.00).

7023 (2) Investors desiring to apply for the rebate authorized by
7024 this chapter shall submit an application to IHL which must
7025 contain, at a minimum, the following:

7026 (a) A description of the qualified research to be
7027 conducted by the college or research corporation;

7028 (b) A proposed budget;

7029 (c) An estimated date for completion of the qualified
7030 research; and

7031 (d) Such additional information as may be requested by
7032 IHL.



7033 (3) IHL shall review each application to determine if the
7034 investor has satisfied all of the requirements of this section.

7035 (4) Within sixty (60) days of receiving an application, IHL
7036 shall issue or refuse to issue a SMART Business certificate. The
7037 SMART Business certificate must include the amount of the rebate
7038 the investor is eligible to claim, subject to subsection (1) of
7039 this section. IHL must notify the Department of Revenue when a
7040 SMART Business certificate is issued.

7041 (5) To claim a rebate, the investor must submit a rebate
7042 allocation claim to the Department of Revenue. The rebate
7043 allocation claim must include, at a minimum, the SMART Business
7044 certificate issued by IHL and proof of payment to the college or
7045 research corporation for qualified research conducted according to
7046 the research agreement.

7047 (6) The Department of Revenue may request an audit from the
7048 investor submitting a rebate allocation claim, at the investor's
7049 expense, to verify the investor has satisfied the requirements of
7050 this chapter.

7051 (7) The Department of Revenue shall issue rebates available
7052 under this section from current income tax collections.

7053 (8) Rebates must be allocated to investors by the Department
7054 of Revenue in the order that SMART Business certificates are
7055 issued by IHL.

7056 **SECTION 59.** Section 57-105-1, Mississippi Code of 1972, is
7057 brought forward as follows:



7058 57-105-1. (1) As used in this section:

7059 (a) "Adjusted purchase price" means the investment in
7060 the qualified community development entity for the qualified
7061 equity investment, substantially all of the proceeds of which are
7062 used to make qualified low-income community investments in
7063 Mississippi.

7064 For the purposes of calculating the amount of qualified
7065 low-income community investments held by a qualified community
7066 development entity, an investment will be considered held by a
7067 qualified community development entity even if the investment has
7068 been sold or repaid; provided that the qualified community
7069 development entity reinvests an amount equal to the capital
7070 returned to or recovered by the qualified community development
7071 entity from the original investment, exclusive of any profits
7072 realized, in another qualified low-income community investment in
7073 Mississippi, including any federal Indian reservation located
7074 within the geographical boundary of Mississippi within twelve (12)
7075 months of the receipt of such capital. A qualified community
7076 development entity will not be required to reinvest capital
7077 returned from the qualified low-income community investments after
7078 the sixth anniversary of the issuance of the qualified equity
7079 investment, the proceeds of which were used to make the qualified
7080 low-income community investment, and the qualified low-income
7081 community investment will be considered held by the qualified



7082 community development entity through the seventh anniversary of
7083 the qualified equity investment's issuance.

7084 (b) "Applicable percentage" means:

7085 (i) For any equity investment issued prior to July
7086 1, 2008, four percent (4%) for each of the second through seventh
7087 credit allowance dates for purposes of the taxes imposed by
7088 Section 27-7-5 and one and one-third percent (1-1/3%) for each of
7089 the second through seventh credit allowance dates for purposes of
7090 the taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123.

7091 (ii) For any equity investment issued from and
7092 after July 1, 2008, eight percent (8%) for each of the first
7093 through third credit allowance dates for purposes of the taxes
7094 imposed by Section 27-7-5 or the taxes imposed by Sections
7095 27-15-103, 27-15-109 and 27-15-123.

7096 (c) "Credit allowance date" means, with respect to any
7097 qualified equity investment:

7098 (i) The later of:

7099 1. The date upon which the qualified equity
7100 investment is initially made; or

7101 2. The date upon which the Mississippi
7102 Development Authority issues a certificate under subsection (4) of
7103 this section; and

7104 (ii) 1. For equity investments issued prior to
7105 July 1, 2008, each of the subsequent six (6) anniversary dates of
7106 the date upon which the investment is initially made; or



7107 2. For equity investments issued from and
7108 after July 1, 2008, each of the subsequent two (2) anniversary
7109 dates of the date determined as provided for in subparagraph (i)
7110 of this paragraph.

7111 (d) "Qualified community development entity" shall have
7112 the meaning ascribed to such term in Section 45D of the Internal
7113 Revenue Code of 1986, as amended, if the entity has entered into
7114 an Allocation Agreement with the Community Development Financial
7115 Institutions Fund of the United States Department of the Treasury
7116 with respect to credits authorized by Section 45D of the Internal
7117 Revenue Code of 1986, as amended.

7118 (e) "Qualified active low-income community business"
7119 shall have the meaning ascribed to such term in Section 45D of the
7120 Internal Revenue Code of 1986, as amended.

7121 (f) "Qualified equity investment" shall have the
7122 meaning ascribed to such term in Section 45D of the Internal
7123 Revenue Code of 1986, as amended. The investment does not have to
7124 be designated as a qualified equity investment by the Community
7125 Development Financial Institutions Fund of the United States
7126 Treasury to be considered a qualified equity investment under this
7127 section but otherwise must meet the definition under the Internal
7128 Revenue Code. In addition to meeting the definition in Section
7129 45D of the Internal Revenue Code such investment must also:

7130 (i) Have been acquired after January 1, 2007, at
7131 its original issuance solely in exchange for cash; and



7132 (ii) Have been allocated by the Mississippi
7133 Development Authority.

7134 For the purposes of this section, such investment shall be
7135 deemed a qualified equity investment on the later of the date such
7136 qualified equity investment is made or the date on which the
7137 Mississippi Development Authority issues a certificate under
7138 subsection (4) of this section allocating credits based on such
7139 investment.

7140 (g) "Qualified low-income community investment" shall
7141 have the meaning ascribed to such term in Section 45D of the
7142 Internal Revenue Code of 1986, as amended; provided, however, that
7143 the maximum amount of qualified low-income community investments
7144 issued for a single qualified active low-income community
7145 business, on an aggregate basis with all of its affiliates, that
7146 may be included for purposes of allocating any credits under this
7147 section shall not exceed Ten Million Dollars (\$10,000,000.00), in
7148 the aggregate, whether issued by one (1) or several qualified
7149 community development entities.

7150 (2) A taxpayer that holds a qualified equity investment on
7151 the credit allowance date shall be entitled to a credit applicable
7152 against the taxes imposed by Sections 27-7-5, 27-15-103, 27-15-109
7153 and 27-15-123 during the taxable year that includes the credit
7154 allowance date. The amount of the credit shall be equal to the
7155 applicable percentage of the adjusted purchase price paid to the
7156 qualified community development entity for the qualified equity



7157 investment. The amount of the credit that may be utilized in any
7158 one (1) tax year shall be limited to an amount not greater than
7159 the total tax liability of the taxpayer for the taxes imposed by
7160 the above-referenced sections. The credit shall not be refundable
7161 or transferable. Any unused portion of the credit may be carried
7162 forward for seven (7) taxable years beyond the credit allowance
7163 date on which the credit was earned. The maximum aggregate amount
7164 of qualified equity investments that may be allocated by the
7165 Mississippi Development Authority may not exceed an amount that
7166 would result in taxpayers claiming in any one (1) state fiscal
7167 year credits in excess of Fifteen Million Dollars
7168 (\$15,000,000.00), exclusive of credits that might be carried
7169 forward from previous taxable years; however, a maximum of
7170 one-third (1/3) of this amount may be allocated as credits for
7171 taxes imposed by Sections 27-15-103, 27-15-109 and 27-15-123. Any
7172 taxpayer claiming a credit under this section against the taxes
7173 imposed by Sections 27-7-5, 27-15-103, 27-15-109 and 27-15-123
7174 shall not be required to pay any additional tax under Section
7175 27-15-123 as a result of claiming such credit. The Mississippi
7176 Development Authority shall allocate credits within this limit as
7177 provided for in subsection (4) of this section.

7178 (3) Tax credits authorized by this section that are earned
7179 by a partnership, limited liability company, S corporation or
7180 other similar pass-through entity, shall be allocated among all
7181 partners, members or shareholders, respectively, either in



7182 proportion to their ownership interest in such entity or as the
7183 partners, members or shareholders mutually agree as provided in an
7184 executed document. Such allocation shall be made each taxable
7185 year of such pass-through entity which contains a credit allowance
7186 date.

7187 (4) The qualified community development entity shall apply
7188 for credits with the Mississippi Development Authority on forms
7189 prescribed by the Mississippi Development Authority. The
7190 qualified community development entity must pay an application fee
7191 of One Thousand Dollars (\$1,000.00) to the Mississippi Development
7192 Authority at the time the application is submitted. In the
7193 application the qualified community development entity shall
7194 certify to the Mississippi Development Authority the dollar amount
7195 of the qualified equity investments made or to be made in this
7196 state, including in any federal Indian reservation located within
7197 the state's geographical boundary, during the first twelve-month
7198 period following the initial credit allowance date. The
7199 Mississippi Development Authority shall allocate credits based on
7200 the dollar amount of qualified equity investments as certified in
7201 the application. Once the Mississippi Development Authority has
7202 allocated credits to a qualified community development entity, if
7203 the corresponding qualified equity investment has not been issued
7204 as of the date of such allocation, then the corresponding
7205 qualified equity investment must be issued not later than one
7206 hundred twenty (120) days from the date of such allocation. If



7207 the qualified equity investment is not issued within such time
7208 period, the allocation shall be cancelled and returned to the
7209 Mississippi Development Authority for reallocation. Upon final
7210 documentation of the qualified low-income community investments,
7211 if the actual dollar amount of the investments is lower than the
7212 amount estimated, the Mississippi Development Authority shall
7213 adjust the tax credit allowed under this section. The Department
7214 of Revenue may recapture all of the credit allowed under this
7215 section if:

7216 (a) Any amount of federal tax credits available with
7217 respect to a qualified equity investment that is eligible for a
7218 tax credit under this section is recaptured under Section 45D of
7219 the Internal Revenue Code of 1986, as amended; or

7220 (b) The qualified community development entity redeems
7221 or makes any principal repayment with respect to a qualified
7222 equity investment prior to the seventh anniversary of the issuance
7223 of the qualified equity investment; or

7224 (c) The qualified community development entity fails to
7225 maintain at least eighty-five percent (85%) of the proceeds of the
7226 qualified equity investment in qualified low-income community
7227 investments in Mississippi at any time prior to the seventh
7228 anniversary of the issuance of the qualified equity investment.

7229 Any credits that are subject to recapture under this
7230 subsection shall be recaptured from the taxpayer that actually
7231 claimed the credit.



7232 The Mississippi Development Authority shall not allocate any
7233 credits under this section after July 1, 2021.

7234 (5) Each qualified community development entity that
7235 receives qualified equity investments to make qualified low-income
7236 community investments in Mississippi must annually report to the
7237 Mississippi Development Authority the North American Industry
7238 Classification System Code, the county, the dollars invested, the
7239 number of jobs assisted and the number of jobs assisted with wages
7240 over one hundred percent (100%) of the federal poverty level for a
7241 family of four (4) of each qualified low-income community
7242 investment.

7243 (6) The Mississippi Development Authority shall file an
7244 annual report on all qualified low-income community investments
7245 with the Governor, the Clerk of the House of Representatives, the
7246 Secretary of the Senate and the Secretary of State describing the
7247 North American Industry Classification System Code, the county,
7248 the dollars invested, the number of jobs assisted and the number
7249 of jobs assisted with wages over one hundred percent (100%) of the
7250 federal poverty level for a family of four (4) of each qualified
7251 low-income community investment. The annual report will be posted
7252 on the Mississippi Development Authority's internet website.

7253 (7) (a) The purpose of this subsection is to authorize the
7254 creation and establishment of public benefit corporations for
7255 financing arrangements regarding public property and facilities.

7256 (b) As used in this subsection:



7257 (i) "New Markets Tax Credit transaction" means any
7258 financing transaction which utilizes either this section or
7259 Section 45D of the Internal Revenue Code of 1986, as amended.

7260 (ii) "Public benefit corporation" means a
7261 nonprofit corporation formed or designated by a public entity to
7262 carry out the purposes of this subsection.

7263 (iii) "Public entity or public entities" includes
7264 utility districts, regional solid waste authorities, regional
7265 utility authorities, community hospitals, regional airport
7266 authorities, municipal airport authorities, community and junior
7267 colleges, educational building corporations established by or on
7268 behalf of the state institutions of higher learning, school
7269 districts, planning and development districts, county economic
7270 development districts, urban renewal agencies, any other regional
7271 or local economic development authority, agency or governmental
7272 entity, and any other regional or local industrial development
7273 authority, agency or governmental entity.

7274 (iv) "Public property or facilities" means any
7275 property or facilities owned or leased by a public entity or
7276 public benefit corporation.

7277 (c) Notwithstanding any other provision of law to the
7278 contrary, public entities are authorized pursuant to this
7279 subsection to create one or more public benefit corporations or
7280 designate an existing corporation as a public benefit corporation
7281 for the purpose of entering into financing agreements and engaging



7282 in New Markets Tax Credit transactions, which shall include,
7283 without limitation, arrangements to plan, acquire, renovate,
7284 construct, lease, sublease, manage, operate and/or improve new or
7285 existing public property or facilities located within the
7286 boundaries or service area of the public entity. Any financing
7287 arrangement authorized under this subsection shall further any
7288 purpose of the public entity and may include a term of up to fifty
7289 (50) years.

7290 (d) Notwithstanding any other provision of law to the
7291 contrary and in order to facilitate the acquisition, renovation,
7292 construction, leasing, subleasing, management, operating and/or
7293 improvement of new or existing public property or facilities to
7294 further any purpose of a public entity, public entities are
7295 authorized to enter into financing arrangements in order to
7296 transfer public property or facilities to and/or from public
7297 benefit corporations, including, without limitation, sales,
7298 sale-leasebacks, leases and lease-leasebacks, provided such
7299 transfer is related to any New Markets Tax Credit transaction
7300 furthering any purpose of the public entity. Any such transfer
7301 under this paragraph (d) and the public property or facilities
7302 transferred in connection therewith shall be exempted from any
7303 limitation or requirements with respect to leasing, acquiring,
7304 and/or constructing public property or facilities.

7305 (e) With respect to a New Markets Tax Credit
7306 transaction, public entities and public benefit corporations are



7307 authorized to enter into financing arrangements with any
7308 governmental, nonprofit or for-profit entity in order to leverage
7309 funds not otherwise available to public entities for the
7310 acquisition, construction and/or renovation of properties
7311 transferred to such public benefit corporations. The use of any
7312 funds loaned by or contributed by a public benefit corporation or
7313 borrowed by or otherwise made available to a public benefit
7314 corporation in such financing arrangement shall be dedicated
7315 solely to (i) the development of new properties or facilities
7316 and/or the renovation of existing properties or facilities or
7317 operation of properties or facilities, and/or (ii) the payment of
7318 costs and expenditures related to any such financing arrangements,
7319 including, but not limited to, funding any reserves required in
7320 connection therewith, the repayment of any indebtedness incurred
7321 in connection therewith, and the payment of fees and expenses
7322 incurred in connection with the closing, administration,
7323 accounting and/or compliance with respect to the New Markets Tax
7324 Credit transaction.

7325 (f) A public benefit corporation created pursuant to
7326 this subsection shall not be a political subdivision of the state
7327 but shall be a nonprofit corporation organized and governed under
7328 the provisions of the laws of this state and shall be a special
7329 purpose corporation established to facilitate New Markets Tax
7330 Credit transactions consistent with the requirements of this
7331 section.



7332 (g) Neither this subsection nor anything herein
7333 contained is or shall be construed as a restriction or limitation
7334 upon any powers which the public entity or public benefit
7335 corporation might otherwise have under any laws of this state, and
7336 this subsection is cumulative to any such powers. This subsection
7337 does and shall be construed to provide a complete additional and
7338 alternative method for the doing of the things authorized thereby
7339 and shall be regarded as supplemental and additional to powers
7340 conferred by other laws.

7341 (8) The Mississippi Development Authority shall promulgate
7342 rules and regulations to implement the provisions of this section.

7343 **SECTION 60.** Section 27-25-503, Mississippi Code of 1972, is
7344 brought forward as follows:

7345 27-25-503. (1) (a) Except as otherwise provided in this
7346 section, there is levied, to be collected as provided in this
7347 article, annual privilege taxes upon every person engaging or
7348 continuing within this state in the business of producing, or
7349 severing oil from the soil or water for sale, transport, storage,
7350 profit or for commercial use. The amount of the tax shall be
7351 measured by the value of the oil produced, and shall be levied and
7352 assessed at the rate of six percent (6%) of the value of the oil
7353 at the point of production.

7354 (b) The tax shall be levied and assessed at the rate of
7355 three percent (3%) of the value of the oil at the point of
7356 production on oil produced by an enhanced oil recovery method in



7357 which carbon dioxide is used; provided, that such carbon dioxide
7358 is transported by pipeline to the oil well site and on oil
7359 produced by any other enhanced oil recovery method approved and
7360 permitted by the State Oil and Gas Board on or after April 1,
7361 1994, pursuant to Section 53-3-101 et seq.

7362 (c) (i) The tax shall be levied and assessed at the
7363 rate of one and three-tenths percent (1.3%) of the value of the
7364 oil at the point of production on oil produced from a horizontally
7365 drilled well or from any horizontally drilled recompletion well
7366 from which production commences from and after July 1, 2013, for a
7367 period of thirty (30) months beginning on the date of first sale
7368 of production or until payout of the well cost is achieved,
7369 whichever first occurs. Thereafter, the tax shall be levied and
7370 assessed as provided for in paragraph (a) of this subsection.

7371 (ii) Payout of a horizontally drilled well or
7372 horizontally drilled recompletion well shall be deemed to have
7373 occurred the first day of the next month after gross revenues,
7374 less royalties and severance taxes, equal to the cost to drill and
7375 complete the well.

7376 (iii) Each operator must apply by letter to the
7377 State Oil and Gas Board for the reduced rate provided in this
7378 paragraph (c), and shall provide the board with the status of
7379 payout on a semiannual basis of any horizontally drilled well or
7380 horizontally drilled recompletion well by signed affidavit
7381 executed by a company representative.



7382 (iv) This paragraph (c) shall be repealed from and
7383 after July 1, 2023; however, any horizontally drilled well or
7384 horizontally drilled recompletion well from which production
7385 commences before July 1, 2023, shall be taxed as provided for in
7386 this paragraph (c) notwithstanding that the repeal of this
7387 paragraph (c) has become effective.

7388 (2) The tax is levied upon the entire production in this
7389 state regardless of the place of sale or to whom sold, or by whom
7390 used, or the fact that the delivery may be made to points outside
7391 the state, and the tax shall accrue at the time the oil is severed
7392 from the soil, or water, and in its natural, unrefined or
7393 unmanufactured state.

7394 (3) (a) Oil produced from a discovery well for which
7395 drilling or re-entry commenced on or after April 1, 1994, but
7396 before July 1, 1999, shall be exempt from the taxes levied under
7397 this section for a period of five (5) years beginning on the date
7398 of first sale of production from such well, provided that the
7399 average monthly sales price of such oil does not exceed
7400 Twenty-five Dollars (\$25.00) per barrel. The exemption for oil
7401 produced from a discovery well as described in this paragraph (a)
7402 shall be repealed from and after July 1, 2003, provided that any
7403 such production for which a permit was granted by the board before
7404 July 1, 2003, shall be exempt for an entire period of five (5)
7405 years, notwithstanding that the repeal of this provision has
7406 become effective. Oil produced from development wells or



7407 replacement wells drilled in connection with discovery wells for
7408 which drilling commenced on or after January 1, 1994, but before
7409 July 1, 1999, shall be assessed at the rate of three percent (3%)
7410 of the value of the oil at the point of production for a period of
7411 three (3) years. The reduced rate of assessment of oil produced
7412 from development wells or replacement wells as described in this
7413 paragraph (a) shall be repealed from and after January 1, 2003,
7414 provided that any such production for which drilling commenced
7415 before January 1, 2003, shall be assessed at the reduced rate for
7416 an entire period of three (3) years, notwithstanding that the
7417 repeal of this provision has become effective.

7418 (b) Oil produced from a discovery well for which
7419 drilling or re-entry commenced on or after July 1, 1999, shall be
7420 assessed at the rate of three percent (3%) of the value of the oil
7421 at the point of production for a period of five (5) years
7422 beginning on the date of first sale of production from such well,
7423 provided that the average monthly sales price of such oil does not
7424 exceed Twenty Dollars (\$20.00) per barrel. The reduced rate of
7425 assessment of oil produced from a discovery well as described in
7426 this paragraph (b) shall be repealed from and after July 1, 2003,
7427 provided that any such production for which a permit was granted
7428 by the board before July 1, 2003, shall be assessed at the reduced
7429 rate for an entire period of five (5) years, notwithstanding that
7430 the repeal of this provision has become effective. Oil produced
7431 from development wells or replacement wells drilled in connection



7432 with discovery wells for which drilling commenced on or after July
7433 1, 1999, shall be assessed at the rate of three percent (3%) of
7434 the value of the oil at the point of production for a period of
7435 three (3) years. The reduced rate of assessment of oil produced
7436 from development wells or replacement wells as described in this
7437 paragraph (b) shall be repealed from and after January 1, 2003,
7438 provided that any such production for which drilling commenced
7439 before July 1, 2003, shall be assessed at the reduced rate for an
7440 entire period of three (3) years, notwithstanding that the repeal
7441 of this provision has become effective.

7442 (4) (a) Oil produced from a development well for which
7443 drilling commenced on or after April 1, 1994, but before July 1,
7444 1999, and for which three-dimensional seismic was utilized in
7445 connection with the drilling of such well shall be assessed at the
7446 rate of three percent (3%) of the value of the oil at the point of
7447 production for a period of five (5) years, provided that the
7448 average monthly sales price of such oil does not exceed
7449 Twenty-five Dollars (\$25.00) per barrel. The reduced rate of
7450 assessment of oil produced from a development well as described in
7451 this paragraph (a) and for which three-dimensional seismic was
7452 utilized shall be repealed from and after July 1, 2003, provided
7453 that any such production for which a permit was granted by the
7454 board before July 1, 2003, shall be assessed at the reduced rate
7455 for an entire period of five (5) years, notwithstanding that the
7456 repeal of this provision has become effective.



7457 (b) Oil produced from a development well for which
7458 drilling commenced on or after July 1, 1999, and for which
7459 three-dimensional seismic was utilized in connection with the
7460 drilling of such well shall be assessed at the rate of three
7461 percent (3%) of the value of the oil at the point of production
7462 for a period of five (5) years, provided that the average monthly
7463 sales price of such oil does not exceed Twenty Dollars (\$20.00)
7464 per barrel. The reduced rate of assessment of oil produced from a
7465 development well as described in this paragraph (b) and for which
7466 three-dimensional seismic was utilized shall be repealed from and
7467 after July 1, 2003, provided that any such production for which a
7468 permit was granted by the board before July 1, 2003, shall be
7469 assessed at the reduced rate for an entire period of five (5)
7470 years, notwithstanding that the repeal of this provision has
7471 become effective.

7472 (5) (a) Oil produced before July 1, 1999, from a two-year
7473 inactive well as defined in Section 27-25-501 shall be exempt from
7474 the taxes levied under this section for a period of three (3)
7475 years beginning on the date of first sale of production from such
7476 well, provided that the average monthly sales price of such oil
7477 does not exceed Twenty-five Dollars (\$25.00) per barrel. The
7478 exemption for oil produced from an inactive well shall be repealed
7479 from and after July 1, 2003, provided that any such production
7480 which began before July 1, 2003, shall be exempt for an entire



7481 period of three (3) years, notwithstanding that the repeal of this
7482 provision has become effective.

7483 (b) Oil produced on or after July 1, 1999, from a
7484 two-year inactive well as defined in Section 27-25-501 shall be
7485 exempt from the taxes levied under this section for a period of
7486 three (3) years beginning on the date of first sale of production
7487 from such well, provided that the average monthly sales price of
7488 such oil does not exceed Twenty Dollars (\$20.00) per barrel. The
7489 exemption for oil produced from an inactive well shall be repealed
7490 from and after July 1, 2003, provided that any such production
7491 which began before July 1, 2003, shall be exempt for an entire
7492 period of three (3) years, notwithstanding that the repeal of this
7493 provision has become effective.

7494 (6) [Repealed]

7495 (7) The State Oil and Gas Board shall have the exclusive
7496 authority to determine the qualification of wells defined in
7497 paragraphs (n) through (t) of Section 27-25-501.

7498 **SECTION 61.** Section 27-25-505, Mississippi Code of 1972, is
7499 brought forward as follows:

7500 **[With regard to any county which is exempt from the**
7501 **provisions of Section 19-2-3, this section shall read as follows:]**

7502 27-25-505. (1) All taxes levied in this article and
7503 collected by the Department of Revenue shall be paid into the
7504 State Treasury on the same day collected.



7505 (2) Except as otherwise provided in this section, the
7506 commissioner shall apportion all the tax collections made pursuant
7507 to this article to the state and to the county in which the oil
7508 was produced, in accordance with the following schedule and so
7509 certify such apportionment to the State Treasurer at the end of
7510 each month:

7511 On the first Six Hundred Thousand Dollars (\$600,000.00) or
7512 any part thereof, sixty-six and two-thirds percent (66-2/3%) to
7513 the state and thirty-three and one-third percent (33-1/3%) to the
7514 county.

7515 Above and exceeding Six Hundred Thousand Dollars
7516 (\$600,000.00), or any part thereof, ninety percent (90%) to the
7517 state and ten percent (10%) to the county through June 30, 1989;
7518 eighty-five percent (85%) to the state and fifteen percent (15%)
7519 to the county from July 1, 1989, through June 30, 1990; eighty
7520 percent (80%) to the state and twenty percent (20%) to the county
7521 from July 1, 1990, through June 30, 2015; seventy-nine percent
7522 (79%) to the state and twenty-one percent (21%) to the county from
7523 July 1, 2015, through June 30, 2016; seventy-eight percent (78%)
7524 to the state and twenty-two percent (22%) to the county from July
7525 1, 2016, through June 30, 2017; seventy-seven percent (77%) to the
7526 state and twenty-three percent (23%) to the county from July 1,
7527 2017, through June 30, 2018; seventy-six percent (76%) to the
7528 state and twenty-four percent (24%) to the county from July 1,
7529 2018, through June 30, 2019; and seventy-four percent (74%) to the



7530 state and twenty-six percent (26%) to the county for each fiscal
7531 year thereafter.

7532 (3) The state's share of all oil severance taxes collected
7533 pursuant to this article shall be deposited as provided for in
7534 Section 27-25-506.

7535 (4) The commissioner shall apportion all the tax collections
7536 made pursuant to Section 27-25-503(1)(c) to the county in which
7537 the oil was produced.

7538 (5) The State Treasurer shall remit the county's share of
7539 taxes collected pursuant to this article on or before the
7540 twentieth day of the month next succeeding the month in which the
7541 collections were made, for division among the municipalities and
7542 taxing districts of the county. He shall accompany his remittance
7543 with a report to the county receiving the funds prepared by the
7544 commissioner showing from whom the tax was collected. Upon
7545 receipt of the funds, the board of supervisors of the county shall
7546 allocate the funds to the municipalities and to the various
7547 maintenance and bond and interest funds of the county, school
7548 districts, supervisors districts and road districts, as provided
7549 in this subsection.

7550 (6) Except as provided in subsection (8) of this section,
7551 when there are any oil producing properties within the corporate
7552 limits of any municipality, then the municipality shall
7553 participate in the division of the tax returned to the county in
7554 which the municipality is located, in the proportion which the tax



7555 on production of oil from any properties located within the
7556 municipal corporate limits bears to the tax on the total
7557 production of oil in the county. In no event, however, shall the
7558 amount allocated to municipalities exceed one-third (1/3) of the
7559 tax produced in the municipality and returned to the county. Any
7560 amount received by any municipality as a result of the allocation
7561 provided for in this subsection shall be used only for such
7562 purposes as are authorized by law.

7563 (7) Except as provided in subsection (8) of this section,
7564 the balance remaining of any amount of tax returned to the county
7565 after the allocation to municipalities shall be divided among the
7566 various maintenance and bond interest funds of the county, school
7567 districts, supervisors districts and road districts, in the
7568 discretion of the board of supervisors, and the board shall make
7569 the division in consideration of the needs of the various taxing
7570 districts. The funds so allocated shall be used only for purposes
7571 as are authorized by law.

7572 (8) Any amount above and exceeding Six Hundred Thousand
7573 Dollars (\$600,000.00) that is remitted to the county that is more
7574 than twenty percent (20%) of the taxes above and exceeding Six
7575 Hundred Thousand Dollars (\$600,000.00) collected on oil produced
7576 in the county, shall be utilized by the county for infrastructure
7577 repairs.



7578 **[With regard to any county which is required to operate on a**
7579 **countywide system of road administration as described in Section**
7580 **19-2-3, this section shall read as follows:]**

7581 27-25-505. (1) All taxes levied in this article and
7582 collected by the Department of Revenue shall be paid into the
7583 State Treasury on the same day collected.

7584 (2) Except as otherwise provided in this section, the
7585 commissioner shall apportion all the tax collections made pursuant
7586 to this article to the state and to the county in which the oil
7587 was produced, in accordance with the following schedule and so
7588 certify such apportionment to the State Treasurer at the end of
7589 each month:

7590 On the first Six Hundred Thousand Dollars (\$600,000.00) or
7591 any part thereof, sixty-six and two-thirds percent (66-2/3%) to
7592 the state and thirty-three and one-third percent (33-1/3%) to the
7593 county.

7594 Above and exceeding Six Hundred Thousand Dollars
7595 (\$600,000.00), or any part thereof, ninety percent (90%) to the
7596 state and ten percent (10%) to the county through June 30, 1989;
7597 eighty-five percent (85%) to the state and fifteen percent (15%)
7598 to the county from July 1, 1989, through June 30, 1990; eighty
7599 percent (80%) to the state and twenty percent (20%) to the county
7600 from July 1, 1990, through June 30, 2015; seventy-nine percent
7601 (79%) to the state and twenty-one percent (21%) to the county from
7602 July 1, 2015, through June 30, 2016; seventy-eight percent (78%)



7603 to the state and twenty-two percent (22%) to the county from July
7604 1, 2016, through June 30, 2017; seventy-seven percent (77%) to the
7605 state and twenty-three percent (23%) to the county from July 1,
7606 2017, through June 30, 2018; seventy-six percent (76%) to the
7607 state and twenty-four percent (24%) to the county from July 1,
7608 2018, through June 30, 2019; and seventy-four percent (74%) to the
7609 state and twenty-six percent (26%) to the county for each fiscal
7610 year thereafter.

7611 (3) The state's share of all oil severance taxes collected
7612 pursuant to this article shall be deposited as provided for in
7613 Section 27-25-506.

7614 (4) The commissioner shall apportion all the tax collections
7615 made pursuant to the tax levied in Section 27-25-503(1)(c) to the
7616 county in which the oil was produced.

7617 (5) The State Treasurer shall remit the county's share of
7618 the taxes collected pursuant to this article on or before the
7619 twentieth day of the month next succeeding the month in which the
7620 collections were made, for division among the municipalities and
7621 taxing districts of the county. He shall accompany his remittance
7622 with a report to the county receiving the funds prepared by the
7623 commissioner showing from whom the tax was collected. Upon
7624 receipt of the funds, the board of supervisors of the county shall
7625 allocate the funds to the municipalities and to the various
7626 maintenance and bond and interest funds of the county and school
7627 districts, as provided in this subsection.



7628 (6) Except as provided in subsection (8) of this section,
7629 when there are any oil producing properties within the corporate
7630 limits of any municipality, then the municipality shall
7631 participate in the division of the tax returned to the county in
7632 which the municipality is located, in the proportion which the tax
7633 on production of oil from any properties located within the
7634 municipal corporate limits bears to the tax on the total
7635 production of oil in the county. In no event, however, shall the
7636 amount allocated to municipalities exceed one-third (1/3) of the
7637 tax produced in the municipality and returned to the county. Any
7638 amount received by any municipality as a result of the allocation
7639 provided in this subsection shall be used only for such purposes
7640 as are authorized by law.

7641 (7) Except as provided in subsection (8) of this section,
7642 the balance remaining of any amount of tax returned to the county
7643 after the allocation to municipalities shall be divided among the
7644 various maintenance and bond interest funds of the county and
7645 school districts, in the discretion of the board of supervisors,
7646 and the board shall make the division in consideration of the
7647 needs of the various taxing districts. The funds so allocated
7648 shall be used only for purposes as are authorized by law.

7649 (8) Any amount above and exceeding Six Hundred Thousand
7650 Dollars (\$600,000.00) that is remitted to the county that is more
7651 than twenty percent (20%) of the taxes above and exceeding Six
7652 Hundred Thousand Dollars (\$600,000.00) collected on oil produced



7653 in the county, shall be utilized by the county for infrastructure
7654 repairs.

7655 **SECTION 62.** Section 27-25-703, Mississippi Code of 1972, is
7656 brought forward as follows:

7657 27-25-703. (1) (a) Except as otherwise provided in this
7658 section, there is hereby levied, to be collected as provided in
7659 this article, annual privilege taxes upon every person engaging or
7660 continuing within this state in the business of producing, or
7661 severing gas from below the soil or water for sale, transport,
7662 storage, profit or for commercial use. The amount of the tax
7663 shall be measured by the value of the gas produced and shall be
7664 levied and assessed at a rate of six percent (6%) of the value of
7665 the gas at the point of production, except as otherwise provided
7666 in subsection (4) of this section.

7667 (b) (i) The tax shall be levied and assessed at the
7668 rate of one and three-tenths percent (1.3%) of the value of the
7669 gas at the point of production on gas produced from a horizontally
7670 drilled well or from any horizontally drilled recompletion well
7671 from which production commences from and after July 1, 2013, for a
7672 period of thirty (30) months beginning on the date of first sale
7673 of production or until payout of the well cost is achieved,
7674 whichever first occurs. Thereafter, the tax shall be levied and
7675 assessed as provided for in paragraph (a) of this subsection.

7676 (ii) Payout of a horizontally drilled well or
7677 horizontally drilled recompletion well shall be deemed to have



7678 occurred the first day of the next month after gross revenues,
7679 less royalties and severance taxes, equal to the cost to drill and
7680 complete the well.

7681 (iii) Each operator must apply by letter to the
7682 State Oil and Gas Board for the reduced rate provided in this
7683 paragraph (b), and shall provide the board with the status of
7684 payout on a semiannual basis of any horizontally drilled well or
7685 horizontally drilled recompletion well by signed affidavit
7686 executed by a company representative.

7687 (iv) This paragraph (b) shall be repealed from and
7688 after July 1, 2023; however, any horizontally drilled well or
7689 horizontally drilled recompletion well from which production
7690 commences before July 1, 2023, shall be taxed as provided for in
7691 this paragraph (b) notwithstanding that the repeal of this
7692 paragraph (b) has become effective.

7693 (2) The tax is levied upon the entire production in this
7694 state, regardless of the place of sale or to whom sold or by whom
7695 used, or the fact that the delivery may be made to points outside
7696 the state, but not levied upon that gas, lawfully injected into
7697 the earth for cycling, repressuring, lifting or enhancing the
7698 recovery of oil, nor upon gas lawfully vented or flared in
7699 connection with the production of oil, nor upon gas condensed into
7700 liquids on which the oil severance tax of six percent (6%) is
7701 paid; however, if any gas so injected into the earth is sold for
7702 such purposes, then the gas so sold shall not be excluded in



7703 computing the tax. The tax shall accrue at the time the gas is
7704 produced or severed from the soil or water, and in its natural,
7705 unrefined or unmanufactured state.

7706 (3) Natural gas and condensate produced from any wells for
7707 which drilling is commenced after March 15, 1987, and before July
7708 1, 1990, shall be exempt from the tax levied under this section
7709 for a period of two (2) years beginning on the date of first sale
7710 of production from such wells.

7711 (4) (a) Any well which begins commercial production of
7712 occluded natural gas from coal seams on or after March 20, 1990,
7713 and before July 1, 1993, shall be taxed at the rate of three and
7714 one-half percent (3-1/2%) of the gross value of the occluded
7715 natural gas from coal seams at the point of production for a
7716 period of five (5) years after such well begins production.

7717 (b) Any well which begins commercial production of
7718 occluded natural gas from coal seams on or after July 1, 2004, and
7719 before July 1, 2007, shall be taxed at the rate of three percent
7720 (3%) of the gross value of the occluded natural gas from coal
7721 seams at the point of production for a period of five (5) years
7722 beginning on the date of the first sale of production from such
7723 well.

7724 (5) (a) Natural gas produced from discovery wells for which
7725 drilling or re-entry commenced on or after April 1, 1994, but
7726 before July 1, 1999, shall be exempt from the tax levied under
7727 this section for a period of five (5) years beginning on the



7728 earlier of one (1) year from completion of the well or the date of
7729 first sale from such well, provided that the average monthly sales
7730 price of such gas does not exceed Three Dollars and Fifty Cents
7731 (\$3.50) per one thousand (1,000) cubic feet. The exemption for
7732 natural gas produced from discovery wells as described in this
7733 paragraph (a) shall be repealed from and after July 1, 2003,
7734 provided that any such production for which a permit was granted
7735 by the board before July 1, 2003, shall be exempt for an entire
7736 period of five (5) years, notwithstanding that the repeal of this
7737 provision has become effective. Natural gas produced from
7738 development wells or replacement wells drilled in connection with
7739 discovery wells for which drilling commenced on or after January
7740 1, 1994, shall be assessed at a rate of three percent (3%) of the
7741 value thereof at the point of production for a period of three (3)
7742 years. The reduced rate of assessment of natural gas produced
7743 from development wells or replacement wells as described in this
7744 paragraph (a) shall be repealed from and after January 1, 2003,
7745 provided that any such production for which drilling commenced
7746 before January 1, 2003, shall be assessed at the reduced rate for
7747 an entire period of three (3) years, notwithstanding that the
7748 repeal of this provision has become effective.

7749 (b) Natural gas produced from discovery wells for which
7750 drilling or re-entry commenced on or after July 1, 1999, shall be
7751 assessed at a rate of three percent (3%) of the value thereof at
7752 the point of production for a period of five (5) years beginning



7753 on the earlier of one (1) year from completion of the well or the
7754 date of first sale from such well, provided that the average
7755 monthly sales price of such gas does not exceed Two Dollars and
7756 Fifty Cents (\$2.50) per one thousand (1,000) cubic feet. The
7757 reduced rate of assessment of natural gas produced from discovery
7758 wells as described in this paragraph (b) shall be repealed from
7759 and after July 1, 2003, provided that any such production for
7760 which a permit was granted by the board before July 1, 2003, shall
7761 be assessed at the reduced rate for an entire period of five (5)
7762 years, notwithstanding that the repeal of this provision has
7763 become effective. Natural gas produced from development wells or
7764 replacement wells drilled in connection with discovery wells for
7765 which drilling commenced on or after July 1, 1999, shall be
7766 assessed at a rate of three percent (3%) of the value thereof at
7767 the point of production for a period of three (3) years. The
7768 reduced rate of assessment of natural gas produced from
7769 development wells or replacement wells as described in this
7770 paragraph (b) shall be repealed from and after January 1, 2003,
7771 provided that any such production for which drilling commenced
7772 before January 1, 2003, shall be assessed at the reduced rate for
7773 an entire period of three (3) years, notwithstanding that the
7774 repeal of this provision has become effective.

7775 (6) (a) Gas produced from a development well for which
7776 drilling commenced on or after April 1, 1994, but before July 1,
7777 1999, and for which three-dimensional seismic was utilized in



7778 connection with the drilling of such well, shall be assessed at a
7779 rate of three percent (3%) of the value of the gas at the point of
7780 production for a period of five (5) years, provided that the
7781 average monthly sales price of such gas does not exceed Three
7782 Dollars and Fifty Cents (\$3.50) per one thousand (1,000) cubic
7783 feet. The reduced rate of assessment of gas produced from a
7784 development well as described in this subsection and for which
7785 three-dimensional seismic was utilized shall be repealed from and
7786 after July 1, 2003, provided that any such production for which a
7787 permit was granted by the board before July 1, 2003, shall be
7788 assessed at the reduced rate for an entire period of five (5)
7789 years, notwithstanding that the repeal of this provision has
7790 become effective.

7791 (b) Gas produced from a development well for which
7792 drilling commenced on or after July 1, 1999, and for which
7793 three-dimensional seismic was utilized in connection with the
7794 drilling of such well, shall be assessed at a rate of three
7795 percent (3%) of the value of the gas at the point of production
7796 for a period of five (5) years, provided that the average monthly
7797 sales price of such gas does not exceed Two Dollars and Fifty
7798 Cents (\$2.50) per one thousand (1,000) cubic feet. The reduced
7799 rate of assessment of gas produced from a development well as
7800 described in this paragraph (b) and for which three-dimensional
7801 seismic was utilized shall be repealed from and after July 1,
7802 2003, provided that any such production for which a permit was



7803 granted by the board before July 1, 2003, shall be assessed at the
7804 reduced rate for an entire period of five (5) years,
7805 notwithstanding that the repeal of this provision has become
7806 effective.

7807 (7) (a) Natural gas produced before July 1, 1999, from a
7808 two-year inactive well as defined in Section 27-25-701 shall be
7809 exempt from the taxes levied under this section for a period of
7810 three (3) years beginning on the date of first sale of production
7811 from such well, provided that the average monthly sales price of
7812 such gas does not exceed Three Dollars and Fifty Cents (\$3.50) per
7813 one thousand (1,000) cubic feet. The exemption for natural gas
7814 produced from an inactive well as described in this subsection
7815 shall be repealed from and after July 1, 2003, provided that any
7816 such production which began before July 1, 2003, shall be exempt
7817 for an entire period of three (3) years, notwithstanding that the
7818 repeal of this provision has become effective.

7819 (b) Natural gas produced on or after July 1, 1999, from
7820 a two-year inactive well as defined in Section 27-25-701 shall be
7821 exempt from the taxes levied under this section for a period of
7822 three (3) years beginning on the date of first sale of production
7823 from such well, provided that the average monthly sales price of
7824 such gas does not exceed Two Dollars and Fifty Cents (\$2.50) per
7825 one thousand (1,000) cubic feet. The exemption for natural gas
7826 produced from an inactive well as described in this paragraph (b)
7827 shall be repealed from and after July 1, 2003, provided that any



7828 such production which began before July 1, 2003, shall be exempt
7829 for an entire period of three (3) years, notwithstanding that the
7830 repeal of this provision has become effective.

7831 (8) The State Oil and Gas Board shall have the exclusive
7832 authority to determine the qualification of wells defined in
7833 paragraphs (n) through (t) of Section 27-25-701.

7834 **SECTION 63.** Section 27-25-705, Mississippi Code of 1972, is
7835 brought forward as follows:

7836 **[With regard to any county which is exempt from the**
7837 **provisions of Section 19-2-3, this section shall read as follows:]**

7838 27-25-705. (1) All taxes levied in this article and
7839 collected by the department shall be paid into the State Treasury
7840 on the same day in which the taxes are collected.

7841 (2) Except as otherwise provided in this section, the
7842 commissioner shall apportion all the tax collections made pursuant
7843 to this article to the state and to the county in which the gas
7844 was produced, in the proportion of sixty-six and two-thirds
7845 percent (66-2/3%) to the state and thirty-three and one-third
7846 percent (33-1/3%) to the county.

7847 (3) The commissioner shall apportion all the tax collections
7848 made pursuant to Section 27-25-703(1) (b) to the county in which
7849 the gas is produced.

7850 (4) When the producer of gas subject to the tax levied in
7851 this article increases the price of the gas sold and such increase
7852 is subject to approval by a federal regulatory board or



7853 commission, and when the producer of the gas so requests, the
7854 State Treasurer is hereby authorized to hold the severance tax
7855 collected on the price increase in escrow until such time as the
7856 price increase or a portion thereof is finally granted or
7857 approved. The severance tax thus held in escrow shall be
7858 deposited by the State Treasurer to an account in a state
7859 depository to be invested in an interest-bearing account in the
7860 manner provided by law. When the price increase in question or a
7861 portion thereof is granted or approved, the commissioner shall
7862 compute the correct severance tax due on the increase and certify
7863 the amount of tax thus computed. This amount and interest earned
7864 from the depository shall be distributed to the General Fund and
7865 to the county or counties proportionately as provided in this
7866 subsection. The balance, if any, of the tax and interest held in
7867 escrow on the price increase shall be returned to the taxpayer.

7868 (5) The state's share of all gas severance taxes collected
7869 pursuant to this section shall be deposited as provided for in
7870 Section 27-25-506.

7871 (6) The commissioner shall certify at the end of each month
7872 the apportionment to each county to the State Treasurer, who shall
7873 remit the county's share of the funds on or before the twentieth
7874 day of the month next succeeding the month in which the
7875 collections were made for division among the municipalities and
7876 taxing districts of the county. The commissioner shall submit a
7877 report to the State Treasurer for distribution to each county



7878 receiving the funds showing from whom the tax and interest, if
7879 any, were collected. Upon receipt of the funds, the board of
7880 supervisors of the county shall allocate the funds to the
7881 municipalities and to the various maintenance and bond and
7882 interest funds of the county, school districts, supervisors
7883 districts and road districts, as provided in this subsection.

7884 When there are any gas producing properties within the
7885 corporate limits of any municipality, then the municipality shall
7886 participate in the division of the tax and interest, if any,
7887 returned to the county in which the municipality is located in the
7888 proportion which the tax on production of gas from properties
7889 located within the municipal corporate limits bears to the tax on
7890 total production of gas in the county. In no event, however,
7891 shall the amount allocated to the municipalities exceed one-third
7892 (1/3) of the tax and interest produced in the municipality and
7893 returned to the county. Any amount received by any municipality
7894 as a result of the allocation provided for in this subsection
7895 shall be used for such purposes as are authorized by law.

7896 The balance remaining of any funds returned to the county
7897 after the allocation to municipalities shall be divided among the
7898 various maintenance and bond and interest funds of the county,
7899 school districts, supervisors districts and road districts, in the
7900 discretion of the board of supervisors, and the board shall make
7901 the division in consideration of the needs of the various taxing



7902 districts. The funds so allocated shall be used only for such
7903 purposes as are authorized by law.

7904 **[With regard to any county which is required to operate on a**
7905 **countywide system of road administration as described in Section**
7906 **19-2-3, this section shall read as follows:]**

7907 27-25-705. (1) All taxes herein levied in this article and
7908 collected by the department shall be paid into the State Treasury
7909 on the same day in which the taxes are collected.

7910 (2) Except as otherwise provided in this section, the
7911 commissioner shall apportion all the tax collections made pursuant
7912 to this article to the state and to the county in which the gas
7913 was produced, in the proportion of sixty-six and two-thirds
7914 percent (66-2/3%) to the state and thirty-three and one-third
7915 percent (33-1/3%) to the county.

7916 (3) The commissioner shall apportion all the tax collections
7917 made pursuant to Section 27-25-703(1)(b) to the county in which
7918 the gas is produced.

7919 (4) When the producer of gas subject to the tax levied in
7920 this article increases the price of the gas sold and the increase
7921 is subject to approval by a federal regulatory board or
7922 commission, and when the producer of the gas so requests, the
7923 State Treasurer is hereby authorized to hold the severance tax
7924 collected on the price increase in escrow until such time as the
7925 price increase or a portion thereof is finally granted or
7926 approved. The severance tax thus held in escrow shall be



7927 deposited by the State Treasurer to an account in a state
7928 depository to be invested in an interest-bearing account in the
7929 manner provided by law. When the price increase in question or a
7930 portion thereof is granted or approved, the commissioner shall
7931 compute the correct severance tax due on the increase and certify
7932 the amount of tax thus computed. This amount and interest earned
7933 from the depository shall be distributed to the General Fund and
7934 to the county or counties proportionately as provided in this
7935 subsection. The balance, if any, of the tax and interest held in
7936 escrow on the price increase shall be returned to the taxpayer.

7937 (5) The state's share of all gas severance taxes collected
7938 pursuant to this section shall be deposited as provided for in
7939 Section 27-25-506.

7940 (6) The commissioner shall certify at the end of each month
7941 the apportionment to each county to the State Treasurer, who shall
7942 remit the county's share of the funds on or before the twentieth
7943 day of the month next succeeding the month in which the
7944 collections were made for division among the municipalities and
7945 taxing districts of the county. The commissioner shall submit a
7946 report to the State Treasurer for distribution to each county
7947 receiving the funds showing from whom the tax and interest, if
7948 any, were collected. Upon receipt of the funds, the board of
7949 supervisors of the county shall allocate the funds to the
7950 municipalities and to the various maintenance and bond and



7951 interest funds of the county and school districts, as provided in
7952 this subsection.

7953 When there are any gas producing properties within the
7954 corporate limits of any municipality, then the municipality shall
7955 participate in the division of the tax and interest, if any,
7956 returned to the county in which the municipality is located in the
7957 proportion which the tax on production of gas from properties
7958 located within the municipal corporate limits bears to the tax on
7959 total production of gas in the county. In no event, however,
7960 shall the amount allocated to the municipalities exceed one-third
7961 (1/3) of the tax and interest produced in the municipality and
7962 returned to the county. Any amount received by any municipality
7963 as a result of the allocation provided for in this subsection
7964 shall be used for such purposes as are authorized by law.

7965 The balance remaining of any funds returned to the county
7966 after the allocation to municipalities shall be divided among the
7967 various maintenance and bond and interest funds of the county and
7968 school districts, in the discretion of the board of supervisors,
7969 and the board shall make the division in consideration of the
7970 needs of the various taxing districts. The funds so allocated
7971 shall be used only for such purposes as are authorized by law.

7972 **SECTION 64.** Section 27-65-101, Mississippi Code of 1972, is
7973 brought forward as follows:

7974 27-65-101. (1) The exemptions from the provisions of this
7975 chapter which are of an industrial nature or which are more



7976 properly classified as industrial exemptions than any other
7977 exemption classification of this chapter shall be confined to
7978 those persons or property exempted by this section or by the
7979 provisions of the Constitution of the United States or the State
7980 of Mississippi. No industrial exemption as now provided by any
7981 other section except Section 57-3-33 shall be valid as against the
7982 tax herein levied. Any subsequent industrial exemption from the
7983 tax levied hereunder shall be provided by amendment to this
7984 section. No exemption provided in this section shall apply to
7985 taxes levied by Section 27-65-15 or 27-65-21.

7986 The tax levied by this chapter shall not apply to the
7987 following:

7988 (a) Sales of boxes, crates, cartons, cans, bottles and
7989 other packaging materials to manufacturers and wholesalers for use
7990 as containers or shipping materials to accompany goods sold by
7991 said manufacturers or wholesalers where possession thereof will
7992 pass to the customer at the time of sale of the goods contained
7993 therein and sales to anyone of containers or shipping materials
7994 for use in ships engaged in international commerce.

7995 (b) Sales of raw materials, catalysts, processing
7996 chemicals, welding gases or other industrial processing gases
7997 (except natural gas) to a manufacturer for use directly in
7998 manufacturing or processing a product for sale or rental or
7999 repairing or reconditioning vessels or barges of fifty (50) tons
8000 load displacement and over. For the purposes of this exemption,



8001 electricity used directly in the electrolysis process in the
8002 production of sodium chlorate shall be considered a raw material.
8003 This exemption shall not apply to any property used as fuel except
8004 to the extent that such fuel comprises by-products which have no
8005 market value.

8006 (c) The gross proceeds of sales of dry docks, offshore
8007 drilling equipment for use in oil or natural gas exploration or
8008 production, vessels or barges of fifty (50) tons load displacement
8009 and over, when the vessels or barges are sold by the manufacturer
8010 or builder thereof. In addition to other types of equipment,
8011 offshore drilling equipment for use in oil or natural gas
8012 exploration or production shall include aircraft used
8013 predominately to transport passengers or property to or from
8014 offshore oil or natural gas exploration or production platforms or
8015 vessels, and engines, accessories and spare parts for such
8016 aircraft.

8017 (d) Sales to commercial fishermen of commercial fishing
8018 boats of over five (5) tons load displacement and not more than
8019 fifty (50) tons load displacement as registered with the United
8020 States Coast Guard and licensed by the Mississippi Commission on
8021 Marine Resources.

8022 (e) The gross income from repairs to vessels and barges
8023 engaged in foreign trade or interstate transportation.



8024 (f) Sales of petroleum products to vessels or barges
8025 for consumption in marine international commerce or interstate
8026 transportation businesses.

8027 (g) Sales and rentals of rail rolling stock (and
8028 component parts thereof) for ultimate use in interstate commerce
8029 and gross income from services with respect to manufacturing,
8030 repairing, cleaning, altering, reconditioning or improving such
8031 rail rolling stock (and component parts thereof).

8032 (h) Sales of raw materials, catalysts, processing
8033 chemicals, welding gases or other industrial processing gases
8034 (except natural gas) used or consumed directly in manufacturing,
8035 repairing, cleaning, altering, reconditioning or improving such
8036 rail rolling stock (and component parts thereof). This exemption
8037 shall not apply to any property used as fuel.

8038 (i) Sales of machinery or tools or repair parts
8039 therefor or replacements thereof, fuel or supplies used directly
8040 in manufacturing, converting or repairing ships, vessels or barges
8041 of three thousand (3,000) tons load displacement and over, but not
8042 to include office and plant supplies or other equipment not
8043 directly used on the ship, vessel or barge being built, converted
8044 or repaired. For purposes of this exemption, "ships, vessels or
8045 barges" shall not include floating structures described in Section
8046 27-65-18.

8047 (j) Sales of tangible personal property to persons
8048 operating ships in international commerce for use or consumption



8049 on board such ships. This exemption shall be limited to cases in
8050 which procedures satisfactory to the commissioner, ensuring
8051 against use in this state other than on such ships, are
8052 established.

8053 (k) Sales of materials used in the construction of a
8054 building, or any addition or improvement thereon, and sales of any
8055 machinery and equipment not later than three (3) months after the
8056 completion of construction of the building, or any addition
8057 thereon, to be used therein, to qualified businesses, as defined
8058 in Section 57-51-5, which are located in a county or portion
8059 thereof designated as an enterprise zone pursuant to Sections
8060 57-51-1 through 57-51-15.

8061 (l) Sales of materials used in the construction of a
8062 building, or any addition or improvement thereon, and sales of any
8063 machinery and equipment not later than three (3) months after the
8064 completion of construction of the building, or any addition
8065 thereon, to be used therein, to qualified businesses, as defined
8066 in Section 57-54-5.

8067 (m) Income from storage and handling of perishable
8068 goods by a public storage warehouse.

8069 (n) The value of natural gas lawfully injected into the
8070 earth for cycling, repressuring or lifting of oil, or lawfully
8071 vented or flared in connection with the production of oil;
8072 however, if any gas so injected into the earth is sold for such
8073 purposes, then the gas so sold shall not be exempt.



8074 (o) The gross collections from self-service commercial
8075 laundering, drying, cleaning and pressing equipment.

8076 (p) Sales of materials used in the construction of a
8077 building, or any addition or improvement thereon, and sales of any
8078 machinery and equipment not later than three (3) months after the
8079 completion of construction of the building, or any addition
8080 thereon, to be used therein, to qualified companies, certified as
8081 such by the Mississippi Development Authority under Section
8082 57-53-1.

8083 (q) Sales of component materials used in the
8084 construction of a building, or any addition or improvement
8085 thereon, sales of machinery and equipment to be used therein, and
8086 sales of manufacturing or processing machinery and equipment which
8087 is permanently attached to the ground or to a permanent foundation
8088 and which is not by its nature intended to be housed within a
8089 building structure, not later than three (3) months after the
8090 initial start-up date, to permanent business enterprises engaging
8091 in manufacturing or processing in Tier Three areas (as such term
8092 is defined in Section 57-73-21), which businesses are certified by
8093 the Department of Revenue as being eligible for the exemption
8094 granted in this paragraph (q).

8095 (r) (i) Sales of component materials used in the
8096 construction of a building, or any addition or improvement
8097 thereon, and sales of any machinery and equipment not later than
8098 three (3) months after the completion of the building, addition or



8099 improvement thereon, to be used therein, for any company
8100 establishing or transferring its national or regional headquarters
8101 from within or outside the State of Mississippi and creating a
8102 minimum of twenty (20) jobs at the new headquarters in this state.
8103 The Department of Revenue shall establish criteria and prescribe
8104 procedures to determine if a company qualifies as a national or
8105 regional headquarters for the purpose of receiving the exemption
8106 provided in this subparagraph (i).

8107 (ii) Sales of component materials used in the
8108 construction of a building, or any addition or improvement
8109 thereon, and sales of any machinery and equipment not later than
8110 three (3) months after the completion of the building, addition or
8111 improvement thereon, to be used therein, for any company expanding
8112 or making additions after January 1, 2013, to its national or
8113 regional headquarters within the State of Mississippi and creating
8114 a minimum of twenty (20) new jobs at the headquarters as a result
8115 of the expansion or additions. The Department of Revenue shall
8116 establish criteria and prescribe procedures to determine if a
8117 company qualifies as a national or regional headquarters for the
8118 purpose of receiving the exemption provided in this subparagraph
8119 (ii).

8120 (s) The gross proceeds from the sale of semitrailers,
8121 trailers, boats, travel trailers, motorcycles, all-terrain cycles
8122 and rotary-wing aircraft if exported from this state within



8123 forty-eight (48) hours and registered and first used in another
8124 state.

8125 (t) Gross income from the storage and handling of
8126 natural gas in underground salt domes and in other underground
8127 reservoirs, caverns, structures and formations suitable for such
8128 storage.

8129 (u) Sales of machinery and equipment to nonprofit
8130 organizations if the organization:

8131 (i) Is tax exempt pursuant to Section 501(c)(4) of
8132 the Internal Revenue Code of 1986, as amended;

8133 (ii) Assists in the implementation of the
8134 contingency plan or area contingency plan, and which is created in
8135 response to the requirements of Title IV, Subtitle B of the Oil
8136 Pollution Act of 1990, Public Law 101-380; and

8137 (iii) Engages primarily in programs to contain,
8138 clean up and otherwise mitigate spills of oil or other substances
8139 occurring in the United States coastal and tidal waters.

8140 For purposes of this exemption, "machinery and equipment"
8141 means any ocean-going vessels, barges, booms, skimmers and other
8142 capital equipment used primarily in the operations of nonprofit
8143 organizations referred to herein.

8144 (v) Sales or leases of materials and equipment to
8145 approved business enterprises as provided under the Growth and
8146 Prosperity Act.



8147 (w) From and after July 1, 2001, sales of pollution
8148 control equipment to manufacturers or custom processors for
8149 industrial use. For the purposes of this exemption, "pollution
8150 control equipment" means equipment, devices, machinery or systems
8151 used or acquired to prevent, control, monitor or reduce air, water
8152 or groundwater pollution, or solid or hazardous waste as required
8153 by federal or state law or regulation.

8154 (x) Sales or leases to a manufacturer of motor vehicles
8155 or powertrain components operating a project that has been
8156 certified by the Mississippi Major Economic Impact Authority as a
8157 project as defined in Section 57-75-5(f)(iv)1, Section
8158 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and
8159 equipment; special tooling such as dies, molds, jigs and similar
8160 items treated as special tooling for federal income tax purposes;
8161 or repair parts therefor or replacements thereof; repair services
8162 thereon; fuel, supplies, electricity, coal and natural gas used
8163 directly in the manufacture of motor vehicles or motor vehicle
8164 parts or used to provide climate control for manufacturing areas.

8165 (y) Sales or leases of component materials, machinery
8166 and equipment used in the construction of a building, or any
8167 addition or improvement thereon to an enterprise operating a
8168 project that has been certified by the Mississippi Major Economic
8169 Impact Authority as a project as defined in Section
8170 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)



8171 or Section 57-75-5(f) (xxviii) and any other sales or leases
8172 required to establish or operate such project.

8173 (z) Sales of component materials and equipment to a
8174 business enterprise as provided under Section 57-64-33.

8175 (aa) The gross income from the stripping and painting
8176 of commercial aircraft engaged in foreign or interstate
8177 transportation business.

8178 (bb) [Repealed]

8179 (cc) Sales or leases to an enterprise owning or
8180 operating a project that has been designated by the Mississippi
8181 Major Economic Impact Authority as a project as defined in Section
8182 57-75-5(f) (xviii) of machinery and equipment; special tooling such
8183 as dies, molds, jigs and similar items treated as special tooling
8184 for federal income tax purposes; or repair parts therefor or
8185 replacements thereof; repair services thereon; fuel, supplies,
8186 electricity, coal and natural gas used directly in the
8187 manufacturing/production operations of the project or used to
8188 provide climate control for manufacturing/production areas.

8189 (dd) Sales or leases of component materials, machinery
8190 and equipment used in the construction of a building, or any
8191 addition or improvement thereon to an enterprise owning or
8192 operating a project that has been designated by the Mississippi
8193 Major Economic Impact Authority as a project as defined in Section
8194 57-75-5(f) (xviii) and any other sales or leases required to
8195 establish or operate such project.



8196 (ee) Sales of parts used in the repair and servicing of
8197 aircraft not registered in Mississippi engaged exclusively in the
8198 business of foreign or interstate transportation to businesses
8199 engaged in aircraft repair and maintenance.

8200 (ff) Sales of component materials used in the
8201 construction of a facility, or any addition or improvement
8202 thereon, and sales or leases of machinery and equipment not later
8203 than three (3) months after the completion of construction of the
8204 facility, or any addition or improvement thereto, to be used in
8205 the building or any addition or improvement thereto, to a
8206 permanent business enterprise operating a data/information
8207 enterprise in Tier Three areas (as such areas are designated in
8208 accordance with Section 57-73-21), meeting minimum criteria
8209 established by the Mississippi Development Authority.

8210 (gg) Sales of component materials used in the
8211 construction of a facility, or any addition or improvement
8212 thereto, and sales of machinery and equipment not later than three
8213 (3) months after the completion of construction of the facility,
8214 or any addition or improvement thereto, to be used in the facility
8215 or any addition or improvement thereto, to technology intensive
8216 enterprises for industrial purposes in Tier Three areas (as such
8217 areas are designated in accordance with Section 57-73-21), as
8218 certified by the Department of Revenue. For purposes of this
8219 paragraph, an enterprise must meet the criteria provided for in



8220 Section 27-65-17(1)(f) in order to be considered a technology
8221 intensive enterprise.

8222 (hh) Sales of component materials used in the
8223 replacement, reconstruction or repair of a building or facility
8224 that has been destroyed or sustained extensive damage as a result
8225 of a disaster declared by the Governor, sales of machinery and
8226 equipment to be used therein to replace machinery or equipment
8227 damaged or destroyed as a result of such disaster, including, but
8228 not limited to, manufacturing or processing machinery and
8229 equipment which is permanently attached to the ground or to a
8230 permanent foundation and which is not by its nature intended to be
8231 housed within a building structure, to enterprises or companies
8232 that were eligible for the exemptions authorized in paragraph (q),
8233 (r), (ff) or (gg) of this subsection during initial construction
8234 of the building that was destroyed or damaged, which enterprises
8235 or companies are certified by the Department of Revenue as being
8236 eligible for the exemption granted in this paragraph.

8237 (ii) Sales of software or software services transmitted
8238 by the Internet to a destination outside the State of Mississippi
8239 where the first use of such software or software services by the
8240 purchaser occurs outside the State of Mississippi.

8241 (jj) Gross income of public storage warehouses derived
8242 from the temporary storage of raw materials that are to be used in
8243 an eligible facility as defined in Section 27-7-22.35.



8244 (kk) Sales of component building materials and
8245 equipment for initial construction of facilities or expansion of
8246 facilities as authorized under Sections 57-113-1 through 57-113-7
8247 and Sections 57-113-21 through 57-113-27.

8248 (ll) Sales and leases of machinery and equipment
8249 acquired in the initial construction to establish facilities as
8250 authorized in Sections 57-113-1 through 57-113-7.

8251 (mm) Sales and leases of replacement hardware, software
8252 or other necessary technology to operate a data center as
8253 authorized under Sections 57-113-21 through 57-113-27.

8254 (nn) Sales of component materials used in the
8255 construction of a building, or any addition or improvement
8256 thereon, and sales or leases of machinery and equipment not later
8257 than three (3) months after the completion of the construction of
8258 the facility, to be used in the facility, to permanent business
8259 enterprises operating a facility producing renewable crude oil
8260 from biomass harvested or produced, in whole or in part, in
8261 Mississippi, which businesses meet minimum criteria established by
8262 the Mississippi Development Authority. As used in this paragraph,
8263 the term "biomass" shall have the meaning ascribed to such term in
8264 Section 57-113-1.

8265 (oo) Sales of supplies, equipment and other personal
8266 property to an organization that is exempt from taxation under
8267 Section 501(c)(3) of the Internal Revenue Code and is the host
8268 organization coordinating a professional golf tournament played or



8269 to be played in this state and the supplies, equipment or other
8270 personal property will be used for purposes related to the golf
8271 tournament and related activities.

8272 (pp) Sales of materials used in the construction of a
8273 health care industry facility, as defined in Section 57-117-3, or
8274 any addition or improvement thereon, and sales of any machinery
8275 and equipment not later than three (3) months after the completion
8276 of construction of the facility, or any addition thereon, to be
8277 used therein, to qualified businesses, as defined in Section
8278 57-117-3. This paragraph shall be repealed from and after July 1,
8279 2022.

8280 (qq) Sales or leases to a manufacturer of automotive
8281 parts operating a project that has been certified by the
8282 Mississippi Major Economic Impact Authority as a project as
8283 defined in Section 57-75-5(f) (xxviii) of machinery and equipment;
8284 or repair parts therefor or replacements thereof; repair services
8285 thereon; fuel, supplies, electricity, coal, nitrogen and natural
8286 gas used directly in the manufacture of automotive parts or used
8287 to provide climate control for manufacturing areas.

8288 (rr) Gross collections derived from guided tours on any
8289 navigable waters of this state, which include providing
8290 accommodations, guide services and/or related equipment operated
8291 by or under the direction of the person providing the tour, for
8292 the purposes of outdoor tourism. The exemption provided in this



8293 paragraph (rr) does not apply to the sale of tangible personal
8294 property by a person providing such tours.

8295 (ss) Retail sales of truck-tractors and semitrailers
8296 used in interstate commerce and registered under the International
8297 Registration Plan (IRP) or any similar reciprocity agreement or
8298 compact relating to the proportional registration of commercial
8299 vehicles entered into as provided for in Section 27-19-143.

8300 (tt) Sales exempt under the Facilitating Business Rapid
8301 Response to State Declared Disasters Act of 2015 (Sections
8302 27-113-1 through 27-113-9).

8303 (uu) Sales or leases to an enterprise and its
8304 affiliates operating a project that has been certified by the
8305 Mississippi Major Economic Impact Authority as a project as
8306 defined in Section 57-75-5(f) (xxix) of:

8307 (i) All personal property and fixtures, including
8308 without limitation, sales or leases to the enterprise and its
8309 affiliates of:

8310 1. Manufacturing machinery and equipment;

8311 2. Special tooling such as dies, molds, jigs

8312 and similar items treated as special tooling for federal income

8313 tax purposes;

8314 3. Component building materials, machinery

8315 and equipment used in the construction of buildings, and any other

8316 additions or improvements to the project site for the project;



8317 4. Nonmanufacturing furniture, fixtures and
8318 equipment (inclusive of all communications, computer, server,
8319 software and other hardware equipment); and

8320 5. Fuel, supplies (other than
8321 nonmanufacturing consumable supplies and water), electricity,
8322 nitrogen gas and natural gas used directly in the
8323 manufacturing/production operations of such project or used to
8324 provide climate control for manufacturing/production areas of such
8325 project;

8326 (ii) All replacements of, repair parts for or
8327 services to repair items described in subparagraph (i)1, 2 and 3
8328 of this paragraph; and

8329 (iii) All services taxable pursuant to Section
8330 27-65-23 required to establish, support, operate, repair and/or
8331 maintain such project.

8332 (vv) Sales or leases to an enterprise operating a
8333 project that has been certified by the Mississippi Major Economic
8334 Impact Authority as a project as defined in Section
8335 57-75-5(f)(xxx) of:

8336 (i) Purchases required to establish and operate
8337 the project, including, but not limited to, sales of component
8338 building materials, machinery and equipment required to establish
8339 the project facility and any additions or improvements thereon;
8340 and



8341 (ii) Machinery, special tools (such as dies,
8342 molds, and jigs) or repair parts thereof, or replacements and
8343 lease thereof, repair services thereon, fuel, supplies and
8344 electricity, coal and natural gas used in the manufacturing
8345 process and purchased by the enterprise owning or operating the
8346 project for the benefit of the project.

8347 (ww) Sales of component materials used in the
8348 construction of a building, or any expansion or improvement
8349 thereon, sales of machinery and/or equipment to be used therein,
8350 and sales of processing machinery and equipment which is
8351 permanently attached to the ground or to a permanent foundation
8352 which is not by its nature intended to be housed in a building
8353 structure, no later than three (3) months after initial startup,
8354 expansion or improvement of a permanent enterprise solely engaged
8355 in the conversion of natural sand into proppants used in oil and
8356 gas exploration and development with at least ninety-five percent
8357 (95%) of such proppants used in the production of oil and/or gas
8358 from horizontally drilled wells and/or horizontally drilled
8359 recompletion wells as defined in Sections 27-25-501 and 27-25-701.

8360 (2) Sales of component materials used in the construction of
8361 a building, or any addition or improvement thereon, sales of
8362 machinery and equipment to be used therein, and sales of
8363 manufacturing or processing machinery and equipment which is
8364 permanently attached to the ground or to a permanent foundation
8365 and which is not by its nature intended to be housed within a



8366 building structure, not later than three (3) months after the
8367 initial start-up date, to permanent business enterprises engaging
8368 in manufacturing or processing in Tier Two areas and Tier One
8369 areas (as such areas are designated in accordance with Section
8370 57-73-21), which businesses are certified by the Department of
8371 Revenue as being eligible for the exemption granted in this
8372 subsection, shall be exempt from one-half (1/2) of the taxes
8373 imposed on such transactions under this chapter.

8374 (3) Sales of component materials used in the construction of
8375 a facility, or any addition or improvement thereon, and sales or
8376 leases of machinery and equipment not later than three (3) months
8377 after the completion of construction of the facility, or any
8378 addition or improvement thereto, to be used in the building or any
8379 addition or improvement thereto, to a permanent business
8380 enterprise operating a data/information enterprise in Tier Two
8381 areas and Tier One areas (as such areas are designated in
8382 accordance with Section 57-73-21), which businesses meet minimum
8383 criteria established by the Mississippi Development Authority,
8384 shall be exempt from one-half (1/2) of the taxes imposed on such
8385 transaction under this chapter.

8386 (4) Sales of component materials used in the construction of
8387 a facility, or any addition or improvement thereto, and sales of
8388 machinery and equipment not later than three (3) months after the
8389 completion of construction of the facility, or any addition or
8390 improvement thereto, to be used in the building or any addition or



8391 improvement thereto, to technology intensive enterprises for
8392 industrial purposes in Tier Two areas and Tier One areas (as such
8393 areas are designated in accordance with Section 57-73-21), which
8394 businesses are certified by the Department of Revenue as being
8395 eligible for the exemption granted in this subsection, shall be
8396 exempt from one-half (1/2) of the taxes imposed on such
8397 transactions under this chapter. For purposes of this subsection,
8398 an enterprise must meet the criteria provided for in Section
8399 27-65-17(1) (f) in order to be considered a technology intensive
8400 enterprise.

8401 (5) (a) For purposes of this subsection:

8402 (i) "Telecommunications enterprises" shall have
8403 the meaning ascribed to such term in Section 57-73-21;

8404 (ii) "Tier One areas" mean counties designated as
8405 Tier One areas pursuant to Section 57-73-21;

8406 (iii) "Tier Two areas" mean counties designated as
8407 Tier Two areas pursuant to Section 57-73-21;

8408 (iv) "Tier Three areas" mean counties designated
8409 as Tier Three areas pursuant to Section 57-73-21; and

8410 (v) "Equipment used in the deployment of broadband
8411 technologies" means any equipment capable of being used for or in
8412 connection with the transmission of information at a rate, prior
8413 to taking into account the effects of any signal degradation, that
8414 is not less than three hundred eighty-four (384) kilobits per
8415 second in at least one (1) direction, including, but not limited



8416 to, asynchronous transfer mode switches, digital subscriber line
8417 access multiplexers, routers, servers, multiplexers, fiber optics
8418 and related equipment.

8419 (b) Sales of equipment to telecommunications
8420 enterprises after June 30, 2003, and before July 1, 2025, that is
8421 installed in Tier One areas and used in the deployment of
8422 broadband technologies shall be exempt from one-half (1/2) of the
8423 taxes imposed on such transactions under this chapter.

8424 (c) Sales of equipment to telecommunications
8425 enterprises after June 30, 2003, and before July 1, 2025, that is
8426 installed in Tier Two and Tier Three areas and used in the
8427 deployment of broadband technologies shall be exempt from the
8428 taxes imposed on such transactions under this chapter.

8429 (6) Sales of component materials used in the replacement,
8430 reconstruction or repair of a building that has been destroyed or
8431 sustained extensive damage as a result of a disaster declared by
8432 the Governor, sales of machinery and equipment to be used therein
8433 to replace machinery or equipment damaged or destroyed as a result
8434 of such disaster, including, but not limited to, manufacturing or
8435 processing machinery and equipment which is permanently attached
8436 to the ground or to a permanent foundation and which is not by its
8437 nature intended to be housed within a building structure, to
8438 enterprises that were eligible for the partial exemptions provided
8439 for in subsections (2), (3) and (4) of this section during initial
8440 construction of the building that was destroyed or damaged, which



8441 enterprises are certified by the Department of Revenue as being
8442 eligible for the partial exemption granted in this subsection,
8443 shall be exempt from one-half (1/2) of the taxes imposed on such
8444 transactions under this chapter.

8445 **SECTION 65.** Section 27-65-103, Mississippi Code of 1972, is
8446 brought forward as follows:

8447 27-65-103. The exemptions from the provisions of this
8448 chapter which are of an agricultural nature or which are more
8449 properly classified as agricultural exemptions than any other
8450 exemption classification of this chapter shall be confined to
8451 those persons or property exempted by this section or by
8452 provisions of the Constitution of the United States or the State
8453 of Mississippi. No agricultural exemption as now provided by any
8454 other section shall be valid as against the tax herein levied.
8455 Any subsequent agricultural exemption from the tax levied
8456 hereunder shall be provided by amendment to this section.

8457 No exemption provided in this section shall apply to taxes
8458 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

8459 The tax levied by this chapter shall not apply to the
8460 following:

8461 (a) The gross proceeds of sales of lint cotton, seed
8462 cotton, baled cotton, whether compressed or not, and cottonseed
8463 and soybeans in their original condition. Retail sales of seeds,
8464 livestock feed, poultry feed, fish feed and fertilizers. Sales of
8465 defoliant, insecticides, fungicides, herbicides and baby chicks



8466 used in growing agricultural products for market. Bagging and
8467 ties for baling cotton, hay-baling wire and twine, boxes, bags and
8468 cans used in growing or preparing agricultural products for market
8469 when possession thereof will pass to the customer at the time of
8470 sale of the product contained therein. Sales of ice to commercial
8471 fishermen purchased for use in the preservation of seafood or to
8472 producers for use in the refrigeration of vegetables for market.

8473 (b) The sales by producers of livestock, poultry, fish,
8474 honey bees or other products of farm, grove, apiary or garden when
8475 such products are sold in the original state or condition of
8476 preparation for sale before such products are subjected to any
8477 other process within a class of business or sold by a producer
8478 through an established store, as defined in the Privilege Tax Law.
8479 However, except as otherwise provided in this paragraph (b), this
8480 exemption shall not apply to ornamental plants which bear no fruit
8481 of commercial value. The exemption provided in this paragraph (b)
8482 shall apply to Christmas trees, hay, straw, fresh cut flowers and
8483 similar products when (i) grown in Mississippi and (ii) cut,
8484 severed or otherwise removed from the farm, grove, garden or other
8485 place of production and first sold from such place of production
8486 in the original state or condition of preparation for sale. All
8487 sales by agricultural cooperative associations organized under
8488 Article 9, Chapter 7, Title 69, or under Chapter 17 or 19, Title
8489 79, Mississippi Code of 1972, of agricultural products produced by



8490 members for market before such products are subjected to any
8491 manufacturing process.

8492 (c) The gross proceeds of retail sales of mules,
8493 horses, honey bees and other livestock.

8494 (d) Income from grading, excavating, ditching, dredging
8495 or landscaping activities performed for a farmer on a farm for
8496 agricultural or soil erosion purposes.

8497 (e) The gross proceeds of sales of all antibiotics,
8498 hormones and hormone preparations, drugs, medicines and other
8499 medications including serums and vaccines, vitamins, minerals or
8500 other nutrients for use in the production and growing of fish,
8501 livestock, honey bees and poultry by whomever sold. Such
8502 exemption shall be in addition to the exemption provided in this
8503 section for feed for fish, livestock, honey bees and poultry.

8504 (f) Sales of food products and honey that are grown,
8505 made or processed in Mississippi and sold from farmers' markets
8506 that have been certified by the Mississippi Department of
8507 Agriculture and Commerce.

8508 **SECTION 66.** Section 27-65-105, Mississippi Code of 1972, is
8509 brought forward as follows:

8510 27-65-105. The exemption from the provisions of this chapter
8511 which are of a governmental nature or which are more properly
8512 classified as governmental exemptions than any other exemption
8513 classification of this chapter shall be confined to those persons
8514 or property exempted by this section or by provisions of the



8515 Constitutions of the United States or the State of Mississippi.
8516 No governmental exemption as now provided by any other section
8517 shall be valid as against the tax herein levied. Any subsequent
8518 governmental exemption from the tax levied hereunder shall be
8519 provided by amendment to this section.

8520 No exemption provided in this section shall apply to taxes
8521 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972,
8522 except as provided by paragraph (f) of this section.

8523 The tax levied by this chapter shall not apply to the
8524 following:

8525 (a) Sales of property, labor, services or products
8526 taxable under Sections 27-65-17, 27-65-19, 27-65-23 and 27-19-26,
8527 when sold to and billed directly to and payment therefor is made
8528 directly by the United States government, the State of Mississippi
8529 and its departments, institutions, counties and municipalities or
8530 departments or school districts of said counties and
8531 municipalities.

8532 The exemption from the tax imposed under this chapter shall
8533 not apply to sales of tangible personal property or specified
8534 digital products, labor or services to contractors purchasing in
8535 the performance of contracts with the United States, the State of
8536 Mississippi, counties and municipalities.

8537 (b) Sales to schools, when such schools are supported
8538 wholly or in part by funds provided by the State of Mississippi,
8539 provided that this exemption does not apply to sales of property



8540 which is not to be used in the ordinary operation of the school,
8541 or which is to be resold to the students or the public.

8542 (c) Amounts received from the sale of school textbooks
8543 to students.

8544 (d) Sales to the Mississippi Band of Choctaw Indians,
8545 but not to Indians individually.

8546 (e) Sales of firefighting equipment to governmental
8547 fire departments or volunteer fire departments for their use.

8548 (f) Sales of any gas from any project, as defined in
8549 the Municipal Gas Authority of Mississippi Law, to any
8550 municipality shall not be subject to sales, use or other tax.

8551 (g) Sales of home medical equipment and home medical
8552 supplies listed as eligible for payment under Title XVIII of the
8553 Social Security Act or under the state plan for medical assistance
8554 under Title XIX of the Social Security Act, prosthetics,
8555 orthotics, hearing aids, hearing devices, prescription eyeglasses,
8556 oxygen and oxygen equipment, when ordered or prescribed by a
8557 licensed physician for medical purposes of a patient, and when
8558 payment for such equipment or supplies, or both, is made, in part
8559 or in whole, under the provisions of the Medicare or Medicaid
8560 program, then the entire sale shall be exempt from the taxes
8561 imposed by this chapter. Payment does not have to be made, in
8562 whole or in part, by any particular person to be eligible for this
8563 exemption. Purchases of home medical equipment and supplies by a
8564 provider of home health services or a provider of hospice services



8565 are eligible for this exemption if the purchases otherwise meet
8566 the requirements of this paragraph.

8567 (h) Sales to regional educational service agencies
8568 established under Section 37-7-345.

8569 (i) Sales of buses and other motor vehicles, and parts
8570 and labor used to maintain and/or repair such buses and motor
8571 vehicles, to an entity that (a) has entered into a contract with a
8572 school board under Section 37-41-31 for the purpose of
8573 transporting students to and from schools and (b) uses or will use
8574 the buses and other motor vehicles for such transportation
8575 purposes. This paragraph (i) shall apply to contracts entered
8576 into or renewed on or after July 1, 2010.

8577 (j) Parking at events held solely for religious or
8578 charitable purposes at livestock facilities, agriculture
8579 facilities or other facilities constructed, renovated or expanded
8580 with funds for the grant program authorized under Section 18,
8581 Chapter 530, Laws of 1995.

8582 (k) Sales of tangible personal property, labor,
8583 services or products to schools and school districts under a
8584 program that is administered by or coordinated with an agency,
8585 commission, department or other instrumentality of the United
8586 States government when payment for the tangible personal property,
8587 labor, services or products is made by or through a nonprofit
8588 organization or other entity established by or for the benefit of
8589 the agency, commission, department or other instrumentality of the



8590 United States government administering or coordinating such
8591 program.

8592 **SECTION 67.** Section 27-65-107, Mississippi Code of 1972, is
8593 brought forward as follows:

8594 27-65-107. The exemptions from the provisions of this
8595 chapter which relate to utilities or which are more properly
8596 classified as utility exemptions than any other exemption
8597 classification of this chapter shall be confined to those persons
8598 or property exempted by this section or by provisions of the
8599 Constitutions of the United States or the State of Mississippi.
8600 No utility exemption as now provided by any other section shall be
8601 valid as against the tax herein levied. Any subsequent utility
8602 exemption from the tax levied hereunder shall be provided by
8603 amendment to this section.

8604 No exemption provided in this section shall apply to taxes
8605 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

8606 The tax levied by this chapter shall not apply to the
8607 following:

8608 (a) Sales and rentals of locomotives, rail rolling
8609 stock and materials for their repair, locomotive water, when made
8610 to a railroad whose rates are fixed by the Interstate Commerce
8611 Commission or the Mississippi Public Service Commission.

8612 (b) Rentals of manufacturing machinery to a
8613 manufacturer or custom processor where such manufacturer or custom
8614 processor is engaged in, and such machinery is used in, the



8615 manufacture of containers made from timber or wood for sale. The
8616 tax, likewise, shall not apply to replacement or repair parts of
8617 such machinery used in such manufacture.

8618 (c) Sales of tangible personal property and services to
8619 nonprofit water associations or corporations in which no part of
8620 the net earnings inures to the benefit of any private shareholder,
8621 group or individual. Only sales of property or services which are
8622 ordinary and necessary to the operation of such organizations are
8623 exempt from tax.

8624 (d) Wholesale sales of tangible personal property for
8625 resale under Section 27-65-19.

8626 (e) From and after July 1, 2003, sales of fuel used to
8627 produce electric power by a company primarily engaged in the
8628 business of producing, generating or distributing electric power
8629 for sale.

8630 (f) Sales of electricity, current, power, steam, coal,
8631 natural gas, liquefied petroleum gas or other fuel to a
8632 manufacturer, custom processor, data center meeting the criteria
8633 provided for in Section 57-113-21, technology intensive enterprise
8634 meeting the criteria provided for in Section 27-65-17(1)(f), or
8635 public service company for industrial purposes, which shall
8636 include that used to generate electricity, to operate an
8637 electrical distribution or transmission system, to operate
8638 pipeline compressor or pumping stations, or to operate railroad
8639 locomotives.



8640 (g) Sales of electricity, current, power, steam, coal,
8641 natural gas, liquefied petroleum gas or other fuel to a producer
8642 or processor for use directly in the production of poultry or
8643 poultry products, the production of livestock and livestock
8644 products, the production of domesticated fish and domesticated
8645 fish products, the production of marine aquaculture products, the
8646 production of plants or food by commercial horticulturists, the
8647 processing of milk and milk products, the processing of poultry
8648 and livestock feed, and the irrigation of farm crops.

8649 (h) Sales of electricity, current, power, steam, coal,
8650 natural gas, liquefied petroleum gas or other fuel to a commercial
8651 fisherman, shrimper or oysterman.

8652 (i) Sales exempt under the Facilitating Business Rapid
8653 Response to State Declared Disasters Act of 2015 (Sections
8654 27-113-1 through 27-113-9).

8655 (j) Sales of electricity, current, power, steam, coal,
8656 natural gas, liquefied petroleum gas or other fuel to a permanent
8657 enterprise that is eligible for the exemption authorized in
8658 Section 27-65-101(1)(ww) upon completion of the expansion upon
8659 which such exemption is based; however, in order to be eligible
8660 for the exemption authorized by this paragraph, the expansion
8661 must:

8662 (i) Create at least eighty-five (85) full-time
8663 jobs in this state with an average annual wage of at least Sixty
8664 Thousand Dollars (\$60,000.00); and



8665 (ii) Have at least Eighty Million Dollars
8666 (\$80,000,000.00) in new investment at the existing facility.

8667 **SECTION 68.** Section 27-65-111, Mississippi Code of 1972, is
8668 brought forward as follows:

8669 27-65-111. The exemptions from the provisions of this
8670 chapter which are not industrial, agricultural or governmental, or
8671 which do not relate to utilities or taxes, or which are not
8672 properly classified as one (1) of the exemption classifications of
8673 this chapter, shall be confined to persons or property exempted by
8674 this section or by the Constitution of the United States or the
8675 State of Mississippi. No exemptions as now provided by any other
8676 section, except the classified exemption sections of this chapter
8677 set forth herein, shall be valid as against the tax herein levied.
8678 Any subsequent exemption from the tax levied hereunder, except as
8679 indicated above, shall be provided by amendments to this section.

8680 No exemption provided in this section shall apply to taxes
8681 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

8682 The tax levied by this chapter shall not apply to the
8683 following:

8684 (a) Sales of tangible personal property and services to
8685 hospitals or infirmaries owned and operated by a corporation or
8686 association in which no part of the net earnings inures to the
8687 benefit of any private shareholder, group or individual, and which
8688 are subject to and governed by Sections 41-7-123 through 41-7-127.



8689 Only sales of tangible personal property or services which
8690 are ordinary and necessary to the operation of such hospitals and
8691 infirmaries are exempted from tax.

8692 (b) Sales of daily or weekly newspapers, and
8693 periodicals or publications of scientific, literary or educational
8694 organizations exempt from federal income taxation under Section
8695 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of
8696 March 31, 1975, and subscription sales of all magazines.

8697 (c) Sales of coffins, caskets and other materials used
8698 in the preparation of human bodies for burial.

8699 (d) Sales of tangible personal property for immediate
8700 export to a foreign country.

8701 (e) Sales of tangible personal property to an
8702 orphanage, old men's or ladies' home, supported wholly or in part
8703 by a religious denomination, fraternal nonprofit organization or
8704 other nonprofit organization.

8705 (f) Sales of tangible personal property, labor or
8706 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,
8707 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a
8708 corporation or association in which no part of the net earnings
8709 inures to the benefit of any private shareholder, group or
8710 individual.

8711 (g) Sales to elementary and secondary grade schools,
8712 junior and senior colleges owned and operated by a corporation or
8713 association in which no part of the net earnings inures to the



8714 benefit of any private shareholder, group or individual, and which
8715 are exempt from state income taxation, provided that this
8716 exemption does not apply to sales of property or services which
8717 are not to be used in the ordinary operation of the school, or
8718 which are to be resold to the students or the public.

8719 (h) The gross proceeds of retail sales and the use or
8720 consumption in this state of drugs and medicines:

8721 (i) Prescribed for the treatment of a human being
8722 by a person authorized to prescribe the medicines, and dispensed
8723 or prescription filled by a registered pharmacist in accordance
8724 with law; or

8725 (ii) Furnished by a licensed physician, surgeon,
8726 dentist or podiatrist to his own patient for treatment of the
8727 patient; or

8728 (iii) Furnished by a hospital for treatment of any
8729 person pursuant to the order of a licensed physician, surgeon,
8730 dentist or podiatrist; or

8731 (iv) Sold to a licensed physician, surgeon,
8732 podiatrist, dentist or hospital for the treatment of a human
8733 being; or

8734 (v) Sold to this state or any political
8735 subdivision or municipal corporation thereof, for use in the
8736 treatment of a human being or furnished for the treatment of a
8737 human being by a medical facility or clinic maintained by this



8738 state or any political subdivision or municipal corporation
8739 thereof.

8740 "Medicines," as used in this paragraph (h), shall mean and
8741 include any substance or preparation intended for use by external
8742 or internal application to the human body in the diagnosis, cure,
8743 mitigation, treatment or prevention of disease and which is
8744 commonly recognized as a substance or preparation intended for
8745 such use; provided that "medicines" do not include any auditory,
8746 prosthetic, ophthalmic or ocular device or appliance, any dentures
8747 or parts thereof or any artificial limbs or their replacement
8748 parts, articles which are in the nature of splints, bandages,
8749 pads, compresses, supports, dressings, instruments, apparatus,
8750 contrivances, appliances, devices or other mechanical, electronic,
8751 optical or physical equipment or article or the component parts
8752 and accessories thereof, or any alcoholic beverage or any other
8753 drug or medicine not commonly referred to as a prescription drug.

8754 Notwithstanding the preceding sentence of this paragraph (h),
8755 "medicines" as used in this paragraph (h), shall mean and include
8756 sutures, whether or not permanently implanted, bone screws, bone
8757 pins, pacemakers and other articles permanently implanted in the
8758 human body to assist the functioning of any natural organ, artery,
8759 vein or limb and which remain or dissolve in the body.

8760 "Hospital," as used in this paragraph (h), shall have the
8761 meaning ascribed to it in Section 41-9-3, Mississippi Code of
8762 1972.



8763 Insulin furnished by a registered pharmacist to a person for
8764 treatment of diabetes as directed by a physician shall be deemed
8765 to be dispensed on prescription within the meaning of this
8766 paragraph (h).

8767 (i) Retail sales of automobiles, trucks and
8768 truck-tractors if exported from this state within forty-eight (48)
8769 hours and registered and first used in another state.

8770 (j) Sales of tangible personal property or services to
8771 the Salvation Army and the Muscular Dystrophy Association, Inc.

8772 (k) From July 1, 1985, through December 31, 1992,
8773 retail sales of "alcohol blended fuel" as such term is defined in
8774 Section 75-55-5. The gasoline-alcohol blend or the straight
8775 alcohol eligible for this exemption shall not contain alcohol
8776 distilled outside the State of Mississippi.

8777 (l) Sales of tangible personal property or services to
8778 the Institute for Technology Development.

8779 (m) The gross proceeds of retail sales of food and
8780 drink for human consumption made through vending machines serviced
8781 by full line vendors from and not connected with other taxable
8782 businesses.

8783 (n) The gross proceeds of sales of motor fuel.

8784 (o) Retail sales of food for human consumption
8785 purchased with food stamps issued by the United States Department
8786 of Agriculture, or other federal agency, from and after October 1,
8787 1987, or from and after the expiration of any waiver granted



8788 pursuant to federal law, the effect of which waiver is to permit
8789 the collection by the state of tax on such retail sales of food
8790 for human consumption purchased with food stamps.

8791 (p) Sales of cookies for human consumption by the Girl
8792 Scouts of America no part of the net earnings from which sales
8793 inures to the benefit of any private group or individual.

8794 (q) Gifts or sales of tangible personal property or
8795 services to public or private nonprofit museums of art.

8796 (r) Sales of tangible personal property or services to
8797 alumni associations of state-supported colleges or universities.

8798 (s) Sales of tangible personal property or services to
8799 National Association of Junior Auxiliaries, Inc., and chapters of
8800 the National Association of Junior Auxiliaries, Inc.

8801 (t) Sales of tangible personal property or services to
8802 domestic violence shelters which qualify for state funding under
8803 Sections 93-21-101 through 93-21-113.

8804 (u) Sales of tangible personal property or services to
8805 the National Multiple Sclerosis Society, Mississippi Chapter.

8806 (v) Retail sales of food for human consumption
8807 purchased with food instruments issued the Mississippi Band of
8808 Choctaw Indians under the Women, Infants and Children Program
8809 (WIC) funded by the United States Department of Agriculture.

8810 (w) Sales of tangible personal property or services to
8811 a private company, as defined in Section 57-61-5, which is making



8812 such purchases with proceeds of bonds issued under Section 57-61-1
8813 et seq., the Mississippi Business Investment Act.

8814 (x) The gross collections from the operation of
8815 self-service, coin-operated car washing equipment and sales of the
8816 service of washing motor vehicles with portable high-pressure
8817 washing equipment on the premises of the customer.

8818 (y) Sales of tangible personal property or services to
8819 the Mississippi Technology Alliance.

8820 (z) Sales of tangible personal property to nonprofit
8821 organizations that provide foster care, adoption services and
8822 temporary housing for unwed mothers and their children if the
8823 organization is exempt from federal income taxation under Section
8824 501(c)(3) of the Internal Revenue Code.

8825 (aa) Sales of tangible personal property to nonprofit
8826 organizations that provide residential rehabilitation for persons
8827 with alcohol and drug dependencies if the organization is exempt
8828 from federal income taxation under Section 501(c)(3) of the
8829 Internal Revenue Code.

8830 (bb) (i) Retail sales of an article of clothing or
8831 footwear designed to be worn on or about the human body and retail
8832 sales of school supplies if the sales price of the article of
8833 clothing or footwear or school supply is less than One Hundred
8834 Dollars (\$100.00) and the sale takes place during a period
8835 beginning at 12:01 a.m. on the last Friday in July and ending at



8836 12:00 midnight the following Saturday. This paragraph (bb) shall
8837 not apply to:

8838 1. Accessories including jewelry, handbags,
8839 luggage, umbrellas, wallets, watches, briefcases, garment bags and
8840 similar items carried on or about the human body, without regard
8841 to whether worn on the body in a manner characteristic of
8842 clothing;

8843 2. The rental of clothing or footwear; and

8844 3. Skis, swim fins, roller blades, skates and
8845 similar items worn on the foot.

8846 (ii) For purposes of this paragraph (bb), "school
8847 supplies" means items that are commonly used by a student in a
8848 course of study. The following is an all-inclusive list:

8849 1. Backpacks;

8850 2. Binder pockets;

8851 3. Binders;

8852 4. Blackboard chalk;

8853 5. Book bags;

8854 6. Calculators;

8855 7. Cellophane tape;

8856 8. Clays and glazes;

8857 9. Compasses;

8858 10. Composition books;

8859 11. Crayons;

8860 12. Dictionaries and thesauruses;



- 8861 13. Dividers;
- 8862 14. Erasers;
- 8863 15. Folders: expandable, pocket, plastic and
8864 manila;
- 8865 16. Glue, paste and paste sticks;
- 8866 17. Highlighters;
- 8867 18. Index card boxes;
- 8868 19. Index cards;
- 8869 20. Legal pads;
- 8870 21. Lunch boxes;
- 8871 22. Markers;
- 8872 23. Notebooks;
- 8873 24. Paintbrushes for artwork;
- 8874 25. Paints: acrylic, tempera and oil;
- 8875 26. Paper: loose-leaf ruled notebook paper,
8876 copy paper, graph paper, tracing paper, manila paper, colored
8877 paper, poster board and construction paper;
- 8878 27. Pencil boxes and other school supply
8879 boxes;
- 8880 28. Pencil sharpeners;
- 8881 29. Pencils;
- 8882 30. Pens;
- 8883 31. Protractors;
- 8884 32. Reference books;
- 8885 33. Reference maps and globes;



- 8886 34. Rulers;
8887 35. Scissors;
8888 36. Sheet music;
8889 37. Sketch and drawing pads;
8890 38. Textbooks;
8891 39. Watercolors;
8892 40. Workbooks; and
8893 41. Writing tablets.

8894 (iii) From and after January 1, 2010, the
8895 governing authorities of a municipality, for retail sales
8896 occurring within the corporate limits of the municipality, may
8897 suspend the application of the exemption provided for in this
8898 paragraph (bb) by adoption of a resolution to that effect stating
8899 the date upon which the suspension shall take effect. A certified
8900 copy of the resolution shall be furnished to the Department of
8901 Revenue at least ninety (90) days prior to the date upon which the
8902 municipality desires such suspension to take effect.

8903 (cc) The gross proceeds of sales of tangible personal
8904 property made for the sole purpose of raising funds for a school
8905 or an organization affiliated with a school.

8906 As used in this paragraph (cc), "school" means any public or
8907 private school that teaches courses of instruction to students in
8908 any grade from kindergarten through Grade 12.

8909 (dd) Sales of durable medical equipment and home
8910 medical supplies when ordered or prescribed by a licensed



8911 physician for medical purposes of a patient. As used in this
8912 paragraph (dd), "durable medical equipment" and "home medical
8913 supplies" mean equipment, including repair and replacement parts
8914 for the equipment or supplies listed under Title XVIII of the
8915 Social Security Act or under the state plan for medical assistance
8916 under Title XIX of the Social Security Act, prosthetics,
8917 orthotics, hearing aids, hearing devices, prescription eyeglasses,
8918 oxygen and oxygen equipment. Payment does not have to be made, in
8919 whole or in part, by any particular person to be eligible for this
8920 exemption. Purchases of home medical equipment and supplies by a
8921 provider of home health services or a provider of hospice services
8922 are eligible for this exemption if the purchases otherwise meet
8923 the requirements of this paragraph.

8924 (ee) Sales of tangible personal property or services to
8925 Mississippi Blood Services.

8926 (ff) (i) Subject to the provisions of this paragraph
8927 (ff), retail sales of firearms, ammunition and hunting supplies if
8928 sold during the annual Mississippi Second Amendment Weekend
8929 holiday beginning at 12:01 a.m. on the last Friday in August and
8930 ending at 12:00 midnight the following Sunday. For the purposes
8931 of this paragraph (ff), "hunting supplies" means tangible personal
8932 property used for hunting, including, and limited to, archery
8933 equipment, firearm and archery cases, firearm and archery
8934 accessories, hearing protection, holsters, belts and slings.
8935 Hunting supplies does not include animals used for hunting.



8936 (ii) This paragraph (ff) shall apply only if one
8937 or more of the following occur:

8938 1. Title to and/or possession of an eligible
8939 item is transferred from a seller to a purchaser; and/or

8940 2. A purchaser orders and pays for an
8941 eligible item and the seller accepts the order for immediate
8942 shipment, even if delivery is made after the time period provided
8943 in subparagraph (i) of this paragraph (ff), provided that the
8944 purchaser has not requested or caused the delay in shipment.

8945 (gg) Sales of nonperishable food items to charitable
8946 organizations that are exempt from federal income taxation under
8947 Section 501(c)(3) of the Internal Revenue Code and operate a food
8948 bank or food pantry or food lines.

8949 (hh) Sales of tangible personal property or services to
8950 the United Way of the Pine Belt Region, Inc.

8951 (ii) Sales of tangible personal property or services to
8952 the Mississippi Children's Museum or any subsidiary or affiliate
8953 thereof operating a satellite or branch museum within this state.

8954 (jj) Sales of tangible personal property or services to
8955 the Jackson Zoological Park.

8956 (kk) Sales of tangible personal property or services to
8957 the Hattiesburg Zoo.

8958 (ll) Gross proceeds from sales of food, merchandise or
8959 other concessions at an event held solely for religious or
8960 charitable purposes at livestock facilities, agriculture



8961 facilities or other facilities constructed, renovated or expanded
8962 with funds for the grant program authorized under Section 18,
8963 Chapter 530, Laws of 1995.

8964 (mm) Sales of tangible personal property and services
8965 to the Diabetes Foundation of Mississippi and the Mississippi
8966 Chapter of the Juvenile Diabetes Research Foundation.

8967 (nn) Sales of potting soil, mulch, or other soil
8968 amendments used in growing ornamental plants which bear no fruit
8969 of commercial value when sold to commercial plant nurseries that
8970 operate exclusively at wholesale and where no retail sales can be
8971 made.

8972 (oo) Sales of tangible personal property or services to
8973 the University of Mississippi Medical Center Research Development
8974 Foundation.

8975 (pp) Sales of tangible personal property or services to
8976 Keep Mississippi Beautiful, Inc., and all affiliates of Keep
8977 Mississippi Beautiful, Inc.

8978 (qq) Sales of tangible personal property or services to
8979 the Friends of Children's Hospital.

8980 (rr) Sales of tangible personal property or services to
8981 the Pinecrest Weekend Backpacks for Kids located in Corinth,
8982 Mississippi.

8983 (ss) Sales of hearing aids when ordered or prescribed
8984 by a licensed physician, audiologist or hearing aid specialist for
8985 the medical purposes of a patient.



8986 (tt) Sales exempt under the Facilitating Business Rapid
8987 Response to State Declared Disasters Act of 2015 (Sections
8988 27-113-1 through 27-113-9).

8989 (uu) Sales of tangible personal property or services to
8990 the Junior League of Jackson.

8991 (vv) Sales of tangible personal property or services to
8992 the Mississippi's Toughest Kids Foundation for use in the
8993 construction, furnishing and equipping of buildings and related
8994 facilities and infrastructure at Camp Kamassa in Copiah County,
8995 Mississippi. This paragraph (vv) shall stand repealed on July 1,
8996 2022.

8997 (ww) Sales of tangible personal property or services to
8998 MS Gulf Coast Buddy Sports, Inc.

8999 (xx) Sales of tangible personal property or services to
9000 Biloxi Lions, Inc.

9001 (yy) Sales of tangible personal property or services to
9002 Lions Sight Foundation of Mississippi, Inc.

9003 (zz) Sales of tangible personal property and services
9004 to the Goldring/Woldenberg Institute of Southern Jewish Life
9005 (ISJL).

9006 **SECTION 69.** Sections 11 through 69 of this act shall be
9007 known and may be cited as the "Mississippi Tax Freedom Act of
9008 2021."

9009 **SECTION 70.** This act shall take effect and be in force from
9010 and after July 1, 2021.



9011

AMEND title to conform.

