

By: Representatives McCarty, Morgan, Owen,  
Pigott, Tubb

To: Ways and Means

HOUSE BILL NO. 1445

1 AN ACT TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972,  
2 TO EXEMPT FROM SALES TAXATION SALES OF TANGIBLE PERSONAL PROPERTY  
3 OR SERVICES TO LAMAR COUNTY EDUCATION FOUNDATION, INC.; AND FOR  
4 RELATED PURPOSES.

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

6 **SECTION 1.** Section 27-65-111, Mississippi Code of 1972, is  
7 amended as follows:

8 27-65-111. The exemptions from the provisions of this  
9 chapter which are not industrial, agricultural or governmental, or  
10 which do not relate to utilities or taxes, or which are not  
11 properly classified as one (1) of the exemption classifications of  
12 this chapter, shall be confined to persons or property exempted by  
13 this section or by the Constitution of the United States or the  
14 State of Mississippi. No exemptions as now provided by any other  
15 section, except the classified exemption sections of this chapter  
16 set forth herein, shall be valid as against the tax herein levied.  
17 Any subsequent exemption from the tax levied hereunder, except as  
18 indicated above, shall be provided by amendments to this section.



19 No exemption provided in this section shall apply to taxes  
20 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

21 The tax levied by this chapter shall not apply to the  
22 following:

23 (a) Sales of tangible personal property and services to  
24 hospitals or infirmaries owned and operated by a corporation or  
25 association in which no part of the net earnings inures to the  
26 benefit of any private shareholder, group or individual, and which  
27 are subject to and governed by Sections 41-7-123 through 41-7-127.

28 Only sales of tangible personal property or services which  
29 are ordinary and necessary to the operation of such hospitals and  
30 infirmaries are exempted from tax.

31 (b) Sales of daily or weekly newspapers, and  
32 periodicals or publications of scientific, literary or educational  
33 organizations exempt from federal income taxation under Section  
34 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of  
35 March 31, 1975, and subscription sales of all magazines.

36 (c) Sales of coffins, caskets and other materials used  
37 in the preparation of human bodies for burial.

38 (d) Sales of tangible personal property for immediate  
39 export to a foreign country.

40 (e) Sales of tangible personal property to an  
41 orphanage, old men's or ladies' home, supported wholly or in part  
42 by a religious denomination, fraternal nonprofit organization or  
43 other nonprofit organization.



44 (f) Sales of tangible personal property, labor or  
45 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,  
46 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a  
47 corporation or association in which no part of the net earnings  
48 inures to the benefit of any private shareholder, group or  
49 individual.

50 (g) Sales to elementary and secondary grade schools,  
51 junior and senior colleges owned and operated by a corporation or  
52 association in which no part of the net earnings inures to the  
53 benefit of any private shareholder, group or individual, and which  
54 are exempt from state income taxation, provided that this  
55 exemption does not apply to sales of property or services which  
56 are not to be used in the ordinary operation of the school, or  
57 which are to be resold to the students or the public.

58 (h) The gross proceeds of retail sales and the use or  
59 consumption in this state of drugs and medicines:

60 (i) Prescribed for the treatment of a human being  
61 by a person authorized to prescribe the medicines, and dispensed  
62 or prescription filled by a registered pharmacist in accordance  
63 with law; or

64 (ii) Furnished by a licensed physician, surgeon,  
65 dentist or podiatrist to his own patient for treatment of the  
66 patient; or



67 (iii) Furnished by a hospital for treatment of any  
68 person pursuant to the order of a licensed physician, surgeon,  
69 dentist or podiatrist; or

70 (iv) Sold to a licensed physician, surgeon,  
71 podiatrist, dentist or hospital for the treatment of a human  
72 being; or

73 (v) Sold to this state or any political  
74 subdivision or municipal corporation thereof, for use in the  
75 treatment of a human being or furnished for the treatment of a  
76 human being by a medical facility or clinic maintained by this  
77 state or any political subdivision or municipal corporation  
78 thereof.

79 "Medicines," as used in this paragraph (h), shall mean and  
80 include any substance or preparation intended for use by external  
81 or internal application to the human body in the diagnosis, cure,  
82 mitigation, treatment or prevention of disease and which is  
83 commonly recognized as a substance or preparation intended for  
84 such use; provided that "medicines" do not include any auditory,  
85 prosthetic, ophthalmic or ocular device or appliance, any dentures  
86 or parts thereof or any artificial limbs or their replacement  
87 parts, articles which are in the nature of splints, bandages,  
88 pads, compresses, supports, dressings, instruments, apparatus,  
89 contrivances, appliances, devices or other mechanical, electronic,  
90 optical or physical equipment or article or the component parts



91 and accessories thereof, or any alcoholic beverage or any other  
92 drug or medicine not commonly referred to as a prescription drug.

93 Notwithstanding the preceding sentence of this paragraph (h),  
94 "medicines" as used in this paragraph (h), shall mean and include  
95 sutures, whether or not permanently implanted, bone screws, bone  
96 pins, pacemakers and other articles permanently implanted in the  
97 human body to assist the functioning of any natural organ, artery,  
98 vein or limb and which remain or dissolve in the body.

99 "Hospital," as used in this paragraph (h), shall have the  
100 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
101 1972.

102 Insulin furnished by a registered pharmacist to a person for  
103 treatment of diabetes as directed by a physician shall be deemed  
104 to be dispensed on prescription within the meaning of this  
105 paragraph (h).

106 (i) Retail sales of automobiles, trucks and  
107 truck-tractors if exported from this state within forty-eight (48)  
108 hours and registered and first used in another state.

109 (j) Sales of tangible personal property or services to  
110 the Salvation Army and the Muscular Dystrophy Association, Inc.

111 (k) From July 1, 1985, through December 31, 1992,  
112 retail sales of "alcohol-blended fuel" as such term is defined in  
113 Section 75-55-5. The gasoline-alcohol blend or the straight  
114 alcohol eligible for this exemption shall not contain alcohol  
115 distilled outside the State of Mississippi.



116           (1) Sales of tangible personal property or services to  
117 the Institute for Technology Development.

118           (m) The gross proceeds of retail sales of food and  
119 drink for human consumption made through vending machines serviced  
120 by full-line vendors from and not connected with other taxable  
121 businesses.

122           (n) The gross proceeds of sales of motor fuel.

123           (o) Retail sales of food for human consumption  
124 purchased with food stamps issued by the United States Department  
125 of Agriculture, or other federal agency, from and after October 1,  
126 1987, or from and after the expiration of any waiver granted  
127 pursuant to federal law, the effect of which waiver is to permit  
128 the collection by the state of tax on such retail sales of food  
129 for human consumption purchased with food stamps.

130           (p) Sales of cookies for human consumption by the Girl  
131 Scouts of America no part of the net earnings from which sales  
132 inures to the benefit of any private group or individual.

133           (q) Gifts or sales of tangible personal property or  
134 services to public or private nonprofit museums of art.

135           (r) Sales of tangible personal property or services to  
136 alumni associations of state-supported colleges or universities.

137           (s) Sales of tangible personal property or services to  
138 National Association of Junior Auxiliaries, Inc., and chapters of  
139 the National Association of Junior Auxiliaries, Inc.



140 (t) Sales of tangible personal property or services to  
141 domestic violence shelters which qualify for state funding under  
142 Sections 93-21-101 through 93-21-113.

143 (u) Sales of tangible personal property or services to  
144 the National Multiple Sclerosis Society, Mississippi Chapter.

145 (v) Retail sales of food for human consumption  
146 purchased with food instruments issued the Mississippi Band of  
147 Choctaw Indians under the Women, Infants and Children Program  
148 (WIC) funded by the United States Department of Agriculture.

149 (w) Sales of tangible personal property or services to  
150 a private company, as defined in Section 57-61-5, which is making  
151 such purchases with proceeds of bonds issued under Section 57-61-1  
152 et seq., the Mississippi Business Investment Act.

153 (x) The gross collections from the operation of  
154 self-service, coin-operated car washing equipment and sales of the  
155 service of washing motor vehicles with portable high-pressure  
156 washing equipment on the premises of the customer.

157 (y) Sales of tangible personal property or services to  
158 the Mississippi Technology Alliance.

159 (z) Sales of tangible personal property to nonprofit  
160 organizations that provide foster care, adoption services and  
161 temporary housing for unwed mothers and their children if the  
162 organization is exempt from federal income taxation under Section  
163 501(c) (3) of the Internal Revenue Code.



164 (aa) Sales of tangible personal property to nonprofit  
165 organizations that provide residential rehabilitation for persons  
166 with alcohol and drug dependencies if the organization is exempt  
167 from federal income taxation under Section 501(c)(3) of the  
168 Internal Revenue Code.

169 (bb) (i) Retail sales of an article of clothing or  
170 footwear designed to be worn on or about the human body and retail  
171 sales of school supplies if the sales price of the article of  
172 clothing or footwear or school supply is less than One Hundred  
173 Dollars (\$100.00) and the sale takes place during a period  
174 beginning at 12:01 a.m. on the last Friday in July and ending at  
175 12:00 midnight the following Saturday. This paragraph (bb) shall  
176 not apply to:

177 1. Accessories including jewelry, handbags,  
178 luggage, umbrellas, wallets, watches, briefcases, garment bags and  
179 similar items carried on or about the human body, without regard  
180 to whether worn on the body in a manner characteristic of  
181 clothing;

182 2. The rental of clothing or footwear; and

183 3. Skis, swim fins, roller blades, skates and  
184 similar items worn on the foot.

185 (ii) For purposes of this paragraph (bb), "school  
186 supplies" means items that are commonly used by a student in a  
187 course of study. The following is an all-inclusive list:

188 1. Backpacks;





- 189 2. Binder pockets;
- 190 3. Binders;
- 191 4. Blackboard chalk;
- 192 5. Book bags;
- 193 6. Calculators;
- 194 7. Cellophane tape;
- 195 8. Clays and glazes;
- 196 9. Compasses;
- 197 10. Composition books;
- 198 11. Crayons;
- 199 12. Dictionaries and thesauruses;
- 200 13. Dividers;
- 201 14. Erasers;
- 202 15. Folders: expandable, pocket, plastic and  
203 manila;
- 204 16. Glue, paste and paste sticks;
- 205 17. Highlighters;
- 206 18. Index card boxes;
- 207 19. Index cards;
- 208 20. Legal pads;
- 209 21. Lunch boxes;
- 210 22. Markers;
- 211 23. Notebooks;
- 212 24. Paintbrushes for artwork;
- 213 25. Paints: acrylic, tempera and oil;



214                           26. Paper: loose-leaf ruled notebook paper,  
215 copy paper, graph paper, tracing paper, manila paper, colored  
216 paper, poster board and construction paper;

217                           27. Pencil boxes and other school supply  
218 boxes;

219                           28. Pencil sharpeners;

220                           29. Pencils;

221                           30. Pens;

222                           31. Protractors;

223                           32. Reference books;

224                           33. Reference maps and globes;

225                           34. Rulers;

226                           35. Scissors;

227                           36. Sheet music;

228                           37. Sketch and drawing pads;

229                           38. Textbooks;

230                           39. Watercolors;

231                           40. Workbooks; and

232                           41. Writing tablets.

233                           (iii) From and after January 1, 2010, the  
234 governing authorities of a municipality, for retail sales  
235 occurring within the corporate limits of the municipality, may  
236 suspend the application of the exemption provided for in this  
237 paragraph (bb) by adoption of a resolution to that effect stating  
238 the date upon which the suspension shall take effect. A certified



239 copy of the resolution shall be furnished to the Department of  
240 Revenue at least ninety (90) days prior to the date upon which the  
241 municipality desires such suspension to take effect.

242 (cc) The gross proceeds of sales of tangible personal  
243 property made for the sole purpose of raising funds for a school  
244 or an organization affiliated with a school.

245 As used in this paragraph (cc), "school" means any public or  
246 private school that teaches courses of instruction to students in  
247 any grade from kindergarten through Grade 12.

248 (dd) Sales of durable medical equipment and home  
249 medical supplies when ordered or prescribed by a licensed  
250 physician for medical purposes of a patient. As used in this  
251 paragraph (dd), "durable medical equipment" and "home medical  
252 supplies" mean equipment, including repair and replacement parts  
253 for the equipment or supplies listed under Title XVIII of the  
254 Social Security Act or under the state plan for medical assistance  
255 under Title XIX of the Social Security Act, prosthetics,  
256 orthotics, hearing aids, hearing devices, prescription eyeglasses,  
257 oxygen and oxygen equipment. Payment does not have to be made, in  
258 whole or in part, by any particular person to be eligible for this  
259 exemption. Purchases of home medical equipment and supplies by a  
260 provider of home health services or a provider of hospice services  
261 are eligible for this exemption if the purchases otherwise meet  
262 the requirements of this paragraph.



263 (ee) Sales of tangible personal property or services to  
264 Mississippi Blood Services.

265 (ff) (i) Subject to the provisions of this paragraph  
266 (ff), retail sales of firearms, ammunition and hunting supplies if  
267 sold during the annual Mississippi Second Amendment Weekend  
268 holiday beginning at 12:01 a.m. on the last Friday in August and  
269 ending at 12:00 midnight the following Sunday. For the purposes  
270 of this paragraph (ff), "hunting supplies" means tangible personal  
271 property used for hunting, including, and limited to, archery  
272 equipment, firearm and archery cases, firearm and archery  
273 accessories, hearing protection, holsters, belts and slings.  
274 Hunting supplies does not include animals used for hunting.

275 (ii) This paragraph (ff) shall apply only if one  
276 or more of the following occur:

277 1. Title to and/or possession of an eligible  
278 item is transferred from a seller to a purchaser; and/or

279 2. A purchaser orders and pays for an  
280 eligible item and the seller accepts the order for immediate  
281 shipment, even if delivery is made after the time period provided  
282 in subparagraph (i) of this paragraph (ff), provided that the  
283 purchaser has not requested or caused the delay in shipment.

284 (gg) Sales of nonperishable food items to charitable  
285 organizations that are exempt from federal income taxation under  
286 Section 501(c) (3) of the Internal Revenue Code and operate a food  
287 bank or food pantry or food lines.



288           (hh) Sales of tangible personal property or services to  
289 the United Way of the Pine Belt Region, Inc.

290           (ii) Sales of tangible personal property or services to  
291 the Mississippi Children's Museum or any subsidiary or affiliate  
292 thereof operating a satellite or branch museum within this state.

293           (jj) Sales of tangible personal property or services to  
294 the Jackson Zoological Park.

295           (kk) Sales of tangible personal property or services to  
296 the Hattiesburg Zoo.

297           (ll) Gross proceeds from sales of food, merchandise or  
298 other concessions at an event held solely for religious or  
299 charitable purposes at livestock facilities, agriculture  
300 facilities or other facilities constructed, renovated or expanded  
301 with funds for the grant program authorized under Section 18,  
302 Chapter 530, Laws of 1995.

303           (mm) Sales of tangible personal property and services  
304 to the Diabetes Foundation of Mississippi and the Mississippi  
305 Chapter of the Juvenile Diabetes Research Foundation.

306           (nn) Sales of potting soil, mulch, or other soil  
307 amendments used in growing ornamental plants which bear no fruit  
308 of commercial value when sold to commercial plant nurseries that  
309 operate exclusively at wholesale and where no retail sales can be  
310 made.



311 (oo) Sales of tangible personal property or services to  
312 the University of Mississippi Medical Center Research Development  
313 Foundation.

314 (pp) Sales of tangible personal property or services to  
315 Keep Mississippi Beautiful, Inc., and all affiliates of Keep  
316 Mississippi Beautiful, Inc.

317 (qq) Sales of tangible personal property or services to  
318 the Friends of Children's Hospital.

319 (rr) Sales of tangible personal property or services to  
320 the Pinecrest Weekend Backpacks for Kids located in Corinth,  
321 Mississippi.

322 (ss) Sales of hearing aids when ordered or prescribed  
323 by a licensed physician, audiologist or hearing aid specialist for  
324 the medical purposes of a patient.

325 (tt) Sales exempt under the Facilitating Business Rapid  
326 Response to State Declared Disasters Act of 2015 (Sections  
327 27-113-1 through 27-113-9).

328 (uu) Sales of tangible personal property or services to  
329 the Junior League of Jackson.

330 (vv) Sales of tangible personal property or services to  
331 the Mississippi's Toughest Kids Foundation for use in the  
332 construction, furnishing and equipping of buildings and related  
333 facilities and infrastructure at Camp Kamassa in Copiah County,  
334 Mississippi. This paragraph (vv) shall stand repealed on July 1,  
335 2022.



336 (ww) Sales of tangible personal property or services to  
337 MS Gulf Coast Buddy Sports, Inc.

338 (xx) Sales of tangible personal property or services to  
339 Biloxi Lions, Inc.

340 (yy) Sales of tangible personal property or services to  
341 Lions Sight Foundation of Mississippi, Inc.

342 (zz) Sales of tangible personal property and services  
343 to the Goldring/Woldenberg Institute of Southern Jewish Life  
344 (ISJL).

345 (aaa) Sales of tangible personal property or services  
346 to Lamar County Education Foundation, Inc.

347 **SECTION 2.** Nothing in this act shall affect or defeat any  
348 claim, assessment, appeal, suit, right or cause of action for  
349 taxes due or accrued under the sales tax laws before the date on  
350 which this act becomes effective, whether such claims,  
351 assessments, appeals, suits or actions have been begun before the  
352 date on which this act becomes effective or are begun thereafter;  
353 and the provisions of the sales tax laws are expressly continued  
354 in full force, effect and operation for the purpose of the  
355 assessment, collection and enrollment of liens for any taxes due  
356 or accrued and the execution of any warrant under such laws before  
357 the date on which this act becomes effective, and for the  
358 imposition of any penalties, forfeitures or claims for failure to  
359 comply with such laws.



360           **SECTION 3.** This act shall take effect and be in force from  
361 and after July 1, 2022.

