

By: Senator(s) Thompson

To: Accountability,
Efficiency, Transparency

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2164

1 AN ACT TO CREATE THE "MISSISSIPPI TOURISM REORGANIZATION
2 ACT"; TO CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM; TO REQUIRE
3 THE GOVERNOR TO APPOINT, WITH THE ADVICE AND CONSENT OF THE
4 SENATE, AN EXECUTIVE DIRECTOR OF THE DEPARTMENT OF TOURISM; TO
5 PRESCRIBE THE GENERAL POWERS AND DUTIES OF THE DEPARTMENT OF
6 TOURISM AND THE EXECUTIVE DIRECTOR; TO AUTHORIZE THE DEPARTMENT OF
7 TOURISM TO ESTABLISH A PROGRAM OF GRANTS TO BE MATCHED BY TOURISM
8 ENTITIES IN THE STATE; TO AUTHORIZE THE DEPARTMENT OF TOURISM TO
9 SELL ADVERTISING AND OTHER TOURISM PROMOTIONAL INFORMATION AND TO
10 CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM ADVERTISING FUND; TO
11 CREATE THE MISSISSIPPI TOURISM ASSOCIATION MARKETING ADVISORY
12 BOARD TO ASSIST THE DEPARTMENT OF TOURISM; TO AMEND SECTION
13 27-65-75, MISSISSIPPI CODE OF 1972, TO DIVERT A PORTION OF SALES
14 TAX REVENUE COLLECTED FROM RESTAURANTS AND HOTELS INTO THE
15 DEPARTMENT OF TOURISM ADVERTISING FUND INSTEAD OF THE MISSISSIPPI
16 DEVELOPMENT AUTHORITY TOURISM FUND; TO REPEAL SECTION 57-1-59,
17 MISSISSIPPI CODE OF 1972, WHICH PROVIDES GENERAL POWERS AND DUTIES
18 OF THE MISSISSIPPI DEVELOPMENT AUTHORITY WITH RESPECT TO TOURISM;
19 TO REPEAL SECTION 57-1-60, MISSISSIPPI CODE OF 1972, WHICH
20 AUTHORIZES THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO
21 ESTABLISH A PROGRAM OF GRANTS TO FINANCE, PROMOTE AND ADVERTISE
22 LOCAL TOURIST ATTRACTIONS; TO REPEAL SECTION 57-1-61, MISSISSIPPI
23 CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER OF FUNCTIONS OF THE
24 TRAVEL AND TOURISM DIVISION OF THE AGRICULTURAL AND INDUSTRIAL
25 BOARD TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT; TO REPEAL SECTION
26 57-1-63, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER
27 OF POWERS AND DUTIES OF STATE AGENCIES RELATING TO TOURISM TO THE
28 MISSISSIPPI DEVELOPMENT AUTHORITY; TO REPEAL SECTION 57-1-64,
29 MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES THE MISSISSIPPI
30 DEVELOPMENT AUTHORITY TO SELL ADVERTISING AND OTHER TOURISM
31 INFORMATION AND CREATES THE MISSISSIPPI DEVELOPMENT AUTHORITY
32 TOURISM ADVERTISING FUND; TO REPEAL SECTION 57-1-64.1, MISSISSIPPI
33 CODE OF 1972, WHICH CREATES THE MISSISSIPPI TOURISM ASSOCIATION



34 MARKETING ADVISORY BOARD TO ASSIST THE MISSISSIPPI DEVELOPMENT
35 AUTHORITY; AND FOR RELATED PURPOSES.

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

37 **SECTION 1.** Sections 1 through 8 of this act shall be known
38 and may be cited as the "Mississippi Tourism Reorganization Act."

39 **SECTION 2.** (1) There is hereby created the Mississippi
40 Department of Tourism.

41 (2) The department shall be responsible for the promotion,
42 development, and support services for the tourism industry within
43 the state.

44 (3) All of the powers, duties, property, contractual rights
45 and obligations of the Tourism Division of the Mississippi
46 Development Authority shall be transferred to the Mississippi
47 Department of Tourism on July 1, 2022. The transfer of personnel
48 shall be commensurate with the number and classification of
49 positions allocated to that division. The transfer shall also
50 include direct support, clerical, data processing and
51 communications positions allocated to that division.

52 **SECTION 3.** The Governor shall appoint an Executive Director
53 of the Department of Tourism with the advice and consent of the
54 Senate and in accordance with standards established by the State
55 Personnel Board. The executive director shall serve at the will
56 and pleasure of the Governor. The salary of the executive
57 director shall be set by the Governor, subject to the approval of
58 the State Personnel Board, and shall be provided for out of any
59 funds made available for such purpose by the Legislature, the



60 federal government or other gifts or grants. The executive
61 director shall be responsible to the Governor for the proper
62 administration of the programs of tourism provided under this act
63 in conformity with the policies adopted by the Governor and shall
64 be responsible for appointing directors of offices and any
65 necessary supervisors, assistants and employees. The salary and
66 compensation of such employees shall be subject to the rules and
67 regulations adopted and promulgated by the State Personnel Board
68 as created under Section 25-9-101 et seq. The executive director
69 shall be the State Tourism Director with such authority and
70 responsibility as is prescribed by law.

71 **SECTION 4.** The Department of Tourism shall provide the
72 tourism services authorized by law, and in carrying out the
73 purposes of Sections 1 through 8 of this act, the department is
74 authorized:

75 (a) To expend funds received either by appropriation or
76 directly from federal or private sources;

77 (b) To develop and implement a comprehensive strategy
78 for branding, advertising, promotion and development of the
79 state's diverse tourism product;

80 (c) To use best practices for developing and
81 coordinating marketing efforts, including data-driven and
82 trackable marketing and advertising strategies;

83 (d) To promote Mississippi state parks and other
84 outdoors and natural resources of the state;



85 (e) To develop individual plans and marketing
86 strategies for each of the state's five (5) distinct regions based
87 on their individual offerings, markets and growth opportunities;

88 (f) To coordinate with local tourism destination
89 marketing organizations to most effectively and efficiently market
90 their regions and tourism offerings to appropriate target markets;

91 (g) To support destination development and management
92 around the state, including strengthening the state's tourism
93 portfolio of museums, trails, wildlife and natural areas, state
94 parks, culinary meeting venues, offerings, civil rights, music,
95 beaches, casinos and attractions;

96 (h) To coordinate with all agencies of state government
97 the necessary promotional and advertising materials needed to
98 promote all facilities and programs which may be of interest to
99 travelers and tourists;

100 (i) To maintain an educational awareness program for
101 the citizens of the state to constantly encourage increased
102 development of activities of interest to tourists and the
103 traveling public;

104 (j) To develop and maintain an information services
105 system to adequately guide tourists and the traveling public
106 within the boundaries of the state;

107 (k) To enter into contracts and other agreements with
108 local tourism commissions or similar entities for the purpose of
109 developing regional strategies for tourism promotion. The



110 Department of Tourism, in conjunction with the formulation of
111 regional strategies for tourism promotion, may require that local
112 tourism commissions or similar entities enter into agreements with
113 the authority as a condition for receiving any state grants to
114 promote tourism; and

115 (1) To develop programs and projects promoting the
116 state's heritage, history, culture, literature and arts, including
117 the positive recovery of the state after damages caused by natural
118 disasters and demonstrating the state's attractiveness as a
119 tourism destination for those and other reasons.

120 **SECTION 5.** In carrying out his duties under Sections 1
121 through 8 of this act, the Executive Director of the Department of
122 Tourism:

123 (a) Shall establish appropriate subordinate
124 administrative units within the department;

125 (b) Shall prepare and submit to the Governor and the
126 Legislature annual reports of activities and expenditures and,
127 before each regular session of the Legislature, coordinate budget
128 requests required for carrying out Sections 1 through 8 of this
129 act and estimates of the amounts to be made available for this
130 purpose from all sources;

131 (c) Shall be empowered to exercise executive and
132 administrative supervision over all offices, programs and services
133 now existing or hereafter acquired or created under the
134 jurisdiction of the department;



135 (d) Shall take such other action as he deems necessary
136 or appropriate to effectuate the purposes of Sections 1 through 8
137 of this act;

138 (e) May delegate to any officer or employee of the
139 department such of his powers and duties as he finds necessary to
140 effectuate the purposes of Sections 1 through 8 of this act.

141 **SECTION 6.** The Department of Tourism, in its discretion, may
142 establish a program of grants to be matched by tourism entities in
143 the state to finance, promote and advertise local tourist
144 attractions. Monies committed to the program of grants shall not
145 lapse into the State General Fund at the end of a fiscal year.
146 Any program of grants established under this section shall be in
147 addition to those grants authorized by Title 57, Chapter 27,
148 Mississippi Code of 1972.

149 **SECTION 7.** (1) The Department of Tourism is authorized to
150 sell advertising and other tourism promotional information through
151 the Department of Tourism internet website and other marketing
152 outlets, and to enter into agreements with tourism associations
153 and similar entities for the purpose of making and facilitating
154 sales through the use of such entities. Revenues received from
155 such sales shall be placed into the special fund created in
156 subsection (2) of this section.

157 (2) There is created a special fund in the State Treasury to
158 be known as the Department of Tourism Advertising Fund which shall
159 consist of monies from any source designated for deposit into the



160 fund. Any unexpended amounts remaining on June 30, 2022, in the
161 Mississippi Development Authority Tourism Advertising Fund
162 established in Section 57-1-64 shall be transferred and deposited
163 into the fund. Monies in the fund may be used by the Department
164 of Tourism for the purpose of paying costs incurred in connection
165 with the purchase of advertising, marketing, promotional
166 information and materials, and other services related to
167 Mississippi tourism resources and activities. Unexpended amounts
168 remaining in the fund at the end of a fiscal year shall not lapse
169 into the State General Fund, and any investment earnings or
170 interest earned on amounts in the fund shall be deposited to the
171 credit of the fund.

172 (3) The Department of Tourism shall have all powers
173 necessary to implement and administer the provisions of this
174 section.

175 **SECTION 8.** (1) There is hereby created a Mississippi
176 Tourism Association Marketing Advisory Board to assist the
177 Department of Tourism in the planning of initiatives for
178 advertising and promoting tourism in Mississippi.

179 (2) The advisory board shall be composed of the following
180 members:

181 (a) The Executive Director of the Mississippi Tourism
182 Association;

183 (b) The members of the Mississippi Tourism Association
184 Board of Directors, composed through the bylaws of the Mississippi



185 Tourism Association as being geographically and ethnically diverse
186 members from the five (5) tourism regions designated as the Hills,
187 the Delta, the Capital/River, the Pines and the Coastal regions of
188 Mississippi, and three (3) at-large members;

189 (c) Three (3) at-large members appointed by the
190 Governor;

191 (d) One (1) at-large member appointed by the Lieutenant
192 Governor; and

193 (e) One (1) at-large member appointed by the Speaker of
194 the House of Representatives.

195 (3) Members of the advisory board may not be compensated for
196 the performance of their duties.

197 (4) The advisory board will give input and advice to the
198 Department of Tourism on marketing and advertising planning, but
199 shall have no executive powers at the Department of Tourism.

200 (5) For marketing activities paid for with federal funds
201 related to the COVID-19 public health emergency and carried out by
202 either the Department of Tourism or destination marketing
203 organizations, the advisory board will give input on appropriate
204 branding and messaging that communicates pertinent public health
205 information.

206 **SECTION 9.** Section 27-65-75, Mississippi Code of 1972, is
207 amended as follows:



208 27-65-75. On or before the fifteenth day of each month, the
209 revenue collected under the provisions of this chapter during the
210 preceding month shall be paid and distributed as follows:

211 (1) (a) On or before August 15, 1992, and each succeeding
212 month thereafter through July 15, 1993, eighteen percent (18%) of
213 the total sales tax revenue collected during the preceding month
214 under the provisions of this chapter, except that collected under
215 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
216 business activities within a municipal corporation shall be
217 allocated for distribution to the municipality and paid to the
218 municipal corporation. Except as otherwise provided in this
219 paragraph (a), on or before August 15, 1993, and each succeeding
220 month thereafter, eighteen and one-half percent (18-1/2%) of the
221 total sales tax revenue collected during the preceding month under
222 the provisions of this chapter, except that collected under the
223 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
224 27-65-24, on business activities within a municipal corporation
225 shall be allocated for distribution to the municipality and paid
226 to the municipal corporation. However, in the event the State
227 Auditor issues a certificate of noncompliance pursuant to Section
228 21-35-31, the Department of Revenue shall withhold ten percent
229 (10%) of the allocations and payments to the municipality that
230 would otherwise be payable to the municipality under this
231 paragraph (a) until such time that the department receives written



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

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

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

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

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



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

260 (c) On or before August 15, 2018, and each succeeding
261 month thereafter until August 14, 2019, two percent (2%) of the
262 total sales tax revenue collected during the preceding month under
263 the provisions of this chapter, except that collected under the
264 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
265 27-65-24, on business activities within the corporate limits of
266 the City of Jackson, Mississippi, shall be deposited into the
267 Capitol Complex Improvement District Project Fund created in
268 Section 29-5-215. On or before August 15, 2019, and each
269 succeeding month thereafter until August 14, 2020, four percent
270 (4%) of the total sales tax revenue collected during the preceding
271 month under the provisions of this chapter, except that collected
272 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
273 and 27-65-24, on business activities within the corporate limits
274 of the City of Jackson, Mississippi, shall be deposited into the
275 Capitol Complex Improvement District Project Fund created in
276 Section 29-5-215. On or before August 15, 2020, and each
277 succeeding month thereafter, six percent (6%) of the total sales
278 tax revenue collected during the preceding month under the
279 provisions of this chapter, except that collected under the
280 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
281 27-65-24, on business activities within the corporate limits of



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

285 (d) (i) On or before the fifteenth day of the month
286 that the diversion authorized by this section begins, and each
287 succeeding month thereafter, eighteen and one-half percent
288 (18-1/2%) of the total sales tax revenue collected during the
289 preceding month under the provisions of this chapter, except that
290 collected under the provisions of Sections 27-65-15, 27-65-19(3)
291 and 27-65-21, on business activities within a redevelopment
292 project area developed under a redevelopment plan adopted under
293 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be
294 allocated for distribution to the county in which the project area
295 is located if:

296 1. The county:

297 a. Borders on the Mississippi Sound and
298 the State of Alabama, or

299 b. Is Harrison County, Mississippi, and
300 the project area is within a radius of two (2) miles from the
301 intersection of Interstate 10 and Menge Avenue;

302 2. The county has issued bonds under Section
303 21-45-9 to finance all or a portion of a redevelopment project in
304 the redevelopment project area;

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



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

310 (ii) Before any sales tax revenue may be allocated
311 for distribution to a county under this paragraph, the county
312 shall certify to the Department of Revenue that the requirements
313 of this paragraph have been met, the amount of bonded indebtedness
314 that has been incurred by the county for the redevelopment project
315 and the expected date the indebtedness incurred by the county will
316 be satisfied.

317 (iii) The diversion of sales tax revenue
318 authorized by this paragraph shall begin the month following the
319 month in which the Department of Revenue determines that the
320 requirements of this paragraph have been met. The diversion shall
321 end the month the indebtedness incurred by the county is
322 satisfied. All revenue received by the county under this
323 paragraph shall be deposited in the fund required to be created in
324 the tax increment financing plan under Section 21-45-11 and be
325 utilized solely to satisfy the indebtedness incurred by the
326 county.

327 (2) On or before September 15, 1987, and each succeeding
328 month thereafter, from the revenue collected under this chapter
329 during the preceding month, One Million One Hundred Twenty-five
330 Thousand Dollars (\$1,125,000.00) shall be allocated for
331 distribution to municipal corporations as defined under subsection



332 (1) of this section in the proportion that the number of gallons
333 of gasoline and diesel fuel sold by distributors to consumers and
334 retailers in each such municipality during the preceding fiscal
335 year bears to the total gallons of gasoline and diesel fuel sold
336 by distributors to consumers and retailers in municipalities
337 statewide during the preceding fiscal year. The Department of
338 Revenue shall require all distributors of gasoline and diesel fuel
339 to report to the department monthly the total number of gallons of
340 gasoline and diesel fuel sold by them to consumers and retailers
341 in each municipality during the preceding month. The Department
342 of Revenue shall have the authority to promulgate such rules and
343 regulations as is necessary to determine the number of gallons of
344 gasoline and diesel fuel sold by distributors to consumers and
345 retailers in each municipality. In determining the percentage
346 allocation of funds under this subsection for the fiscal year
347 beginning July 1, 1987, and ending June 30, 1988, the Department
348 of Revenue may consider gallons of gasoline and diesel fuel sold
349 for a period of less than one (1) fiscal year. For the purposes
350 of this subsection, the term "fiscal year" means the fiscal year
351 beginning July 1 of a year.

352 (3) On or before September 15, 1987, and on or before the
353 fifteenth day of each succeeding month, until the date specified
354 in Section 65-39-35, the proceeds derived from contractors' taxes
355 levied under Section 27-65-21 on contracts for the construction or
356 reconstruction of highways designated under the highway program



357 created under Section 65-3-97 shall, except as otherwise provided
358 in Section 31-17-127, be deposited into the State Treasury to the
359 credit of the State Highway Fund to be used to fund that highway
360 program. The Mississippi Department of Transportation shall
361 provide to the Department of Revenue such information as is
362 necessary to determine the amount of proceeds to be distributed
363 under this subsection.

364 (4) On or before August 15, 1994, and on or before the
365 fifteenth day of each succeeding month through July 15, 1999, from
366 the proceeds of gasoline, diesel fuel or kerosene taxes as
367 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
368 (\$4,000,000.00) shall be deposited in the State Treasury to the
369 credit of a special fund designated as the "State Aid Road Fund,"
370 created by Section 65-9-17. On or before August 15, 1999, and on
371 or before the fifteenth day of each succeeding month, from the
372 total amount of the proceeds of gasoline, diesel fuel or kerosene
373 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
374 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
375 one-fourth percent (23-1/4%) of those funds, whichever is the
376 greater amount, shall be deposited in the State Treasury to the
377 credit of the "State Aid Road Fund," created by Section 65-9-17.
378 Those funds shall be pledged to pay the principal of and interest
379 on state aid road bonds heretofore issued under Sections 19-9-51
380 through 19-9-77, in lieu of and in substitution for the funds
381 previously allocated to counties under this section. Those funds



382 may not be pledged for the payment of any state aid road bonds
383 issued after April 1, 1981; however, this prohibition against the
384 pledging of any such funds for the payment of bonds shall not
385 apply to any bonds for which intent to issue those bonds has been
386 published for the first time, as provided by law before March 29,
387 1981. From the amount of taxes paid into the special fund under
388 this subsection and subsection (9) of this section, there shall be
389 first deducted and paid the amount necessary to pay the expenses
390 of the Office of State Aid Road Construction, as authorized by the
391 Legislature for all other general and special fund agencies. The
392 remainder of the fund shall be allocated monthly to the several
393 counties in accordance with the following formula:

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

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

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

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



407 The amount of funds allocated to any county under this
408 subsection for any fiscal year after fiscal year 1994 shall not be
409 less than the amount allocated to the county for fiscal year 1994.

410 Any reference in the general laws of this state or the
411 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
412 construed to refer and apply to subsection (4) of Section
413 27-65-75.

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

420 (6) An amount each month beginning August 15, 1983, through
421 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
422 1983, shall be paid into the special fund known as the
423 Correctional Facilities Construction Fund created in Section 6,
424 Chapter 542, Laws of 1983.

425 (7) On or before August 15, 1992, and each succeeding month
426 thereafter through July 15, 2000, two and two hundred sixty-six
427 one-thousandths percent (2.266%) of the total sales tax revenue
428 collected during the preceding month under the provisions of this
429 chapter, except that collected under the provisions of Section
430 27-65-17(2), shall be deposited by the department into the School
431 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On



432 or before August 15, 2000, and each succeeding month thereafter,
433 two and two hundred sixty-six one-thousandths percent (2.266%) of
434 the total sales tax revenue collected during the preceding month
435 under the provisions of this chapter, except that collected under
436 the provisions of Section 27-65-17(2), shall be deposited into the
437 School Ad Valorem Tax Reduction Fund created under Section
438 37-61-35 until such time that the total amount deposited into the
439 fund during a fiscal year equals Forty-two Million Dollars
440 (\$42,000,000.00). Thereafter, the amounts diverted under this
441 subsection (7) during the fiscal year in excess of Forty-two
442 Million Dollars (\$42,000,000.00) shall be deposited into the
443 Education Enhancement Fund created under Section 37-61-33 for
444 appropriation by the Legislature as other education needs and
445 shall not be subject to the percentage appropriation requirements
446 set forth in Section 37-61-33.

447 (8) On or before August 15, 1992, and each succeeding month
448 thereafter, nine and seventy-three one-thousandths percent
449 (9.073%) of the total sales tax revenue collected during the
450 preceding month under the provisions of this chapter, except that
451 collected under the provisions of Section 27-65-17(2), shall be
452 deposited into the Education Enhancement Fund created under
453 Section 37-61-33.

454 (9) On or before August 15, 1994, and each succeeding month
455 thereafter, from the revenue collected under this chapter during



456 the preceding month, Two Hundred Fifty Thousand Dollars
457 (\$250,000.00) shall be paid into the State Aid Road Fund.

458 (10) On or before August 15, 1994, and each succeeding month
459 thereafter through August 15, 1995, from the revenue collected
460 under this chapter during the preceding month, Two Million Dollars
461 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
462 Valorem Tax Reduction Fund established in Section 27-51-105.

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

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



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

489 (14) On or before August 15, 1998, and each succeeding month
490 thereafter through July 15, 2005, that portion of the avails of
491 the tax imposed in Section 27-65-23 that is derived from sales by
492 cotton compresses or cotton warehouses and that would otherwise be
493 paid into the General Fund shall be deposited in an amount not to
494 exceed Two Million Dollars (\$2,000,000.00) into the special fund
495 created under Section 69-37-39. On or before August 15, 2007, and
496 each succeeding month thereafter through July 15, 2010, that
497 portion of the avails of the tax imposed in Section 27-65-23 that
498 is derived from sales by cotton compresses or cotton warehouses
499 and that would otherwise be paid into the General Fund shall be
500 deposited in an amount not to exceed Two Million Dollars
501 (\$2,000,000.00) into the special fund created under Section
502 69-37-39 until all debts or other obligations incurred by the
503 Certified Cotton Growers Organization under the Mississippi Boll
504 Weevil Management Act before January 1, 2007, are satisfied in
505 full. On or before August 15, 2010, and each succeeding month



506 thereafter through July 15, 2011, fifty percent (50%) of that
507 portion of the avails of the tax imposed in Section 27-65-23 that
508 is derived from sales by cotton compresses or cotton warehouses
509 and that would otherwise be paid into the General Fund shall be
510 deposited into the special fund created under Section 69-37-39
511 until such time that the total amount deposited into the fund
512 during a fiscal year equals One Million Dollars (\$1,000,000.00).
513 On or before August 15, 2011, and each succeeding month
514 thereafter, that portion of the avails of the tax imposed in
515 Section 27-65-23 that is derived from sales by cotton compresses
516 or cotton warehouses and that would otherwise be paid into the
517 General Fund shall be deposited into the special fund created
518 under Section 69-37-39 until such time that the total amount
519 deposited into the fund during a fiscal year equals One Million
520 Dollars (\$1,000,000.00).

521 (15) Notwithstanding any other provision of this section to
522 the contrary, on or before September 15, 2000, and each succeeding
523 month thereafter, the sales tax revenue collected during the
524 preceding month under the provisions of Section
525 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
526 without diversion, into the Telecommunications Ad Valorem Tax
527 Reduction Fund established in Section 27-38-7.

528 (16) (a) On or before August 15, 2000, and each succeeding
529 month thereafter, the sales tax revenue collected during the
530 preceding month under the provisions of this chapter on the gross



531 proceeds of sales of a project as defined in Section 57-30-1 shall
532 be deposited, after all diversions except the diversion provided
533 for in subsection (1) of this section, into the Sales Tax
534 Incentive Fund created in Section 57-30-3.

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

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

550 (18) [Repealed]

551 (19) (a) On or before August 15, 2005, and each succeeding
552 month thereafter, the sales tax revenue collected during the
553 preceding month under the provisions of this chapter on the gross
554 proceeds of sales of a business enterprise located within a
555 redevelopment project area under the provisions of Sections



556 57-91-1 through 57-91-11, and the revenue collected on the gross
557 proceeds of sales from sales made to a business enterprise located
558 in a redevelopment project area under the provisions of Sections
559 57-91-1 through 57-91-11 (provided that such sales made to a
560 business enterprise are made on the premises of the business
561 enterprise), shall, except as otherwise provided in this
562 subsection (19), be deposited, after all diversions, into the
563 Redevelopment Project Incentive Fund as created in Section
564 57-91-9.

565 (b) For a municipality participating in the Economic
566 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
567 the diversion provided for in subsection (1) of this section
568 attributable to the gross proceeds of sales of a business
569 enterprise located within a redevelopment project area under the
570 provisions of Sections 57-91-1 through 57-91-11, and attributable
571 to the gross proceeds of sales from sales made to a business
572 enterprise located in a redevelopment project area under the
573 provisions of Sections 57-91-1 through 57-91-11 (provided that
574 such sales made to a business enterprise are made on the premises
575 of the business enterprise), shall be deposited into the
576 Redevelopment Project Incentive Fund as created in Section
577 57-91-9, as follows:

578 (i) For the first six (6) years in which payments
579 are made to a developer from the Redevelopment Project Incentive



580 Fund, one hundred percent (100%) of the diversion shall be
581 deposited into the fund;

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

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

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

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

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



605 (21) (a) On or before April 15, 2007, and each succeeding
606 month thereafter through June 15, 2013, One Hundred Fifty Thousand
607 Dollars (\$150,000.00) of the sales tax revenue collected during
608 the preceding month under the provisions of this chapter shall be
609 deposited into the MMEIA Tax Incentive Fund created in Section
610 57-101-3.

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

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

623 (23) (a) On or before August 15, 2019, and each month
624 thereafter through July 15, 2020, one percent (1%) of the total
625 sales tax revenue collected during the preceding month from
626 restaurants and hotels shall be allocated for distribution to the
627 Mississippi * * * Department of Tourism Advertising Fund
628 established under Section * * * 7 of this act, to be used
629 exclusively for the purpose stated therein. On or before August



630 15, 2020, and each month thereafter through July 15, 2021, two
631 percent (2%) of the total sales tax revenue collected during the
632 preceding month from restaurants and hotels shall be allocated for
633 distribution to the Mississippi * * * Department of Tourism
634 Advertising Fund established under Section * * * 7 of this act, to
635 be used exclusively for the purpose stated therein. On or before
636 August 15, 2021, and each month thereafter, three percent (3%) of
637 the total sales tax revenue collected during the preceding month
638 from restaurants and hotels shall be allocated for distribution to
639 the Mississippi * * * Department of Tourism Advertising Fund
640 established under Section * * * 7 of this act, to be used
641 exclusively for the purpose stated therein. The revenue diverted
642 pursuant to this subsection shall not be available for expenditure
643 until February 1, 2020.

644 (b) The Joint Legislative Committee on Performance
645 Evaluation and Expenditure Review (PEER) must provide an annual
646 report to the Legislature indicating the amount of funds deposited
647 into the Mississippi * * * Department of Tourism Advertising Fund
648 established under Section * * * 7 of this act, and a detailed
649 record of how the funds are spent.

650 (24) The remainder of the amounts collected under the
651 provisions of this chapter shall be paid into the State Treasury
652 to the credit of the General Fund.

653 (25) (a) It shall be the duty of the municipal officials of
654 any municipality that expands its limits, or of any community that



655 incorporates as a municipality, to notify the commissioner of that
656 action thirty (30) days before the effective date. Failure to so
657 notify the commissioner shall cause the municipality to forfeit
658 the revenue that it would have been entitled to receive during
659 this period of time when the commissioner had no knowledge of the
660 action.

661 (b) (i) Except as otherwise provided in subparagraph
662 (ii) of this paragraph, if any funds have been erroneously
663 disbursed to any municipality or any overpayment of tax is
664 recovered by the taxpayer, the commissioner may make correction
665 and adjust the error or overpayment with the municipality by
666 withholding the necessary funds from any later payment to be made
667 to the municipality.

668 (ii) Subject to the provisions of Sections
669 27-65-51 and 27-65-53, if any funds have been erroneously
670 disbursed to a municipality under subsection (1) of this section
671 for a period of three (3) years or more, the maximum amount that
672 may be recovered or withheld from the municipality is the total
673 amount of funds erroneously disbursed for a period of three (3)
674 years beginning with the date of the first erroneous disbursement.
675 However, if during such period, a municipality provides written
676 notice to the Department of Revenue indicating the erroneous
677 disbursement of funds, then the maximum amount that may be
678 recovered or withheld from the municipality is the total amount of



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

681 **SECTION 10.** Section 57-1-59, Mississippi Code of 1972, which
682 provides for the general powers and duties of the Mississippi
683 Development Authority with respect to tourism, is repealed.

684 **SECTION 11.** Section 57-1-60, Mississippi Code of 1972, which
685 authorizes the Department of Economic and Community Development to
686 establish a program of grants to be matched by tourism entities in
687 the state, is repealed.

688 **SECTION 12.** Section 57-1-61, Mississippi Code of 1972, which
689 provide for the transfer of functions of travel and tourism from
690 the Department of the Agricultural and Industrial Board, is
691 repealed.

692 **SECTION 13.** Section 57-1-63, Mississippi Code of 1972, which
693 provide for the transfer of powers and duties of state agencies
694 relating to tourism to the Mississippi Development Authority, is
695 repealed.

696 **SECTION 14.** Section 57-1-64, Mississippi Code of 1972, which
697 authorizes the Mississippi Development Authority to sell
698 advertising and other tourism promotional information and creates
699 the Mississippi Development Authority Tourism Advertising Fund, is
700 repealed.

701 **SECTION 15.** Section 57-1-64.1, Mississippi Code of 1972,
702 which creates the Mississippi Tourism Association Marketing



703 Advisory Board to assist the Mississippi Development Authority, is
704 repealed.

705 **SECTION 16.** This act shall take effect and be in force from
706 and after July 1, 2022.

