

By: Representatives Sanford, Hopkins,  
Williamson

To: Ways and Means

HOUSE BILL NO. 242

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 VETERANS OUTREACH; AND FOR RELATED PURPOSES.

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

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

7 27-65-111. The exemptions from the provisions of this  
8 chapter which are not industrial, agricultural or governmental, or  
9 which do not relate to utilities or taxes, or which are not  
10 properly classified as one (1) of the exemption classifications of  
11 this chapter, shall be confined to persons or property exempted by  
12 this section or by the Constitution of the United States or the  
13 State of Mississippi. No exemptions as now provided by any other  
14 section, except the classified exemption sections of this chapter  
15 set forth herein, shall be valid as against the tax herein levied.  
16 Any subsequent exemption from the tax levied hereunder, except as  
17 indicated above, shall be provided by amendments to this section.



18 No exemption provided in this section shall apply to taxes  
19 levied by Section 27-65-15 or 27-65-21.

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

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

98 The exemption provided in this paragraph (h) shall not apply to  
99 medical cannabis sold in accordance with the provisions of the  
100 Mississippi Medical Cannabis Act and in compliance with rules and  
101 regulations adopted thereunder.

102 "Hospital," as used in this paragraph (h), shall have the  
103 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
104 1972.

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

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

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



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

119 (l) Sales of tangible personal property or services to  
120 the Institute for Technology Development.

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

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

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

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

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



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

140 (s) Sales of tangible personal property or services to  
141 National Association of Junior Auxiliaries, Inc., and chapters of  
142 the National Association of Junior Auxiliaries, Inc.

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

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

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

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

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

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



162           (z) Sales of tangible personal property to nonprofit  
163 organizations that provide foster care, adoption services and  
164 temporary housing for unwed mothers and their children if the  
165 organization is exempt from federal income taxation under Section  
166 501(c) (3) of the Internal Revenue Code.

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

172           (bb) (i) Retail sales of an article of clothing or  
173 footwear designed to be worn on or about the human body and retail  
174 sales of school supplies if the sales price of the article of  
175 clothing or footwear or school supply is less than One Hundred  
176 Dollars (\$100.00) and the sale takes place during a period  
177 beginning at 12:01 a.m. on the last Friday in July and ending at  
178 12:00 midnight the following Saturday. This paragraph (bb) shall  
179 not apply to:

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

185                           2. The rental of clothing or footwear; and





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

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

- 191                   1. Backpacks;
- 192                   2. Binder pockets;
- 193                   3. Binders;
- 194                   4. Blackboard chalk;
- 195                   5. Book bags;
- 196                   6. Calculators;
- 197                   7. Cellophane tape;
- 198                   8. Clays and glazes;
- 199                   9. Compasses;
- 200                   10. Composition books;
- 201                   11. Crayons;
- 202                   12. Dictionaries and thesauruses;
- 203                   13. Dividers;
- 204                   14. Erasers;
- 205                   15. Folders: expandable, pocket, plastic and  
206 manila;
- 207                   16. Glue, paste and paste sticks;
- 208                   17. Highlighters;
- 209                   18. Index card boxes;
- 210                   19. Index cards;



- 211 20. Legal pads;  
212 21. Lunch boxes;  
213 22. Markers;  
214 23. Notebooks;  
215 24. Paintbrushes for artwork;  
216 25. Paints: acrylic, tempera and oil;  
217 26. Paper: loose-leaf ruled notebook paper,  
218 copy paper, graph paper, tracing paper, manila paper, colored  
219 paper, poster board and construction paper;  
220 27. Pencil boxes and other school supply  
221 boxes;  
222 28. Pencil sharpeners;  
223 29. Pencils;  
224 30. Pens;  
225 31. Protractors;  
226 32. Reference books;  
227 33. Reference maps and globes;  
228 34. Rulers;  
229 35. Scissors;  
230 36. Sheet music;  
231 37. Sketch and drawing pads;  
232 38. Textbooks;  
233 39. Watercolors;  
234 40. Workbooks; and  
235 41. Writing tablets.



236 (iii) From and after January 1, 2010, the  
237 governing authorities of a municipality, for retail sales  
238 occurring within the corporate limits of the municipality, may  
239 suspend the application of the exemption provided for in this  
240 paragraph (bb) by adoption of a resolution to that effect stating  
241 the date upon which the suspension shall take effect. A certified  
242 copy of the resolution shall be furnished to the Department of  
243 Revenue at least ninety (90) days prior to the date upon which the  
244 municipality desires such suspension to take effect.

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

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

251 (dd) Sales of durable medical equipment and home  
252 medical supplies when ordered or prescribed by a licensed  
253 physician for medical purposes of a patient. As used in this  
254 paragraph (dd), "durable medical equipment" and "home medical  
255 supplies" mean equipment, including repair and replacement parts  
256 for the equipment or supplies listed under Title XVIII of the  
257 Social Security Act or under the state plan for medical assistance  
258 under Title XIX of the Social Security Act, prosthetics,  
259 orthotics, hearing aids, hearing devices, prescription eyeglasses,  
260 oxygen and oxygen equipment. Payment does not have to be made, in



261 whole or in part, by any particular person to be eligible for this  
262 exemption. Purchases of home medical equipment and supplies by a  
263 provider of home health services or a provider of hospice services  
264 are eligible for this exemption if the purchases otherwise meet  
265 the requirements of this paragraph.

266 (ee) Sales of tangible personal property or services to  
267 Mississippi Blood Services.

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

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

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

282 2. A purchaser orders and pays for an  
283 eligible item and the seller accepts the order for immediate  
284 shipment, even if delivery is made after the time period provided



285 in subparagraph (i) of this paragraph (ff), provided that the  
286 purchaser has not requested or caused the delay in shipment.

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

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

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

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

298 (kk) Sales of tangible personal property or services to  
299 the Hattiesburg Zoo.

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

306 (mm) Sales of tangible personal property and services  
307 to the Diabetes Foundation of Mississippi and the Mississippi  
308 Chapter of the Juvenile Diabetes Research Foundation.



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

314           (oo) Sales of tangible personal property or services to  
315 the University of Mississippi Medical Center Research Development  
316 Foundation.

317           (pp) Sales of tangible personal property or services to  
318 Keep Mississippi Beautiful, Inc., and all affiliates of Keep  
319 Mississippi Beautiful, Inc.

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

322           (rr) Sales of tangible personal property or services to  
323 the Pinecrest Weekend Backpacks for Kids located in Corinth,  
324 Mississippi.

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

328           (tt) Sales exempt under the Facilitating Business Rapid  
329 Response to State Declared Disasters Act of 2015 (Sections  
330 27-113-1 through 27-113-9).

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



333 (vv) Sales of tangible personal property or services to  
334 the Mississippi's Toughest Kids Foundation for use in the  
335 construction, furnishing and equipping of buildings and related  
336 facilities and infrastructure at Camp Kamassa in Copiah County,  
337 Mississippi. This paragraph (vv) shall stand repealed on July 1,  
338 2025.

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

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

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

345 (zz) Sales of tangible personal property and services  
346 to the Goldring/Woldenberg Institute of Southern Jewish Life  
347 (ISJL).

348 (aaa) Sales of tangible personal property or services  
349 to Veterans Outreach.

350 **SECTION 2.** Nothing in this act shall affect or defeat any  
351 claim, assessment, appeal, suit, right or cause of action for  
352 taxes due or accrued under the sales tax laws before the date on  
353 which this act becomes effective, whether such claims,  
354 assessments, appeals, suits or actions have been begun before the  
355 date on which this act becomes effective or are begun thereafter;  
356 and the provisions of the sales tax laws are expressly continued  
357 in full force, effect and operation for the purpose of the



358 assessment, collection and enrollment of liens for any taxes due  
359 or accrued and the execution of any warrant under such laws before  
360 the date on which this act becomes effective, and for the  
361 imposition of any penalties, forfeitures or claims for failure to  
362 comply with such laws.

363         **SECTION 3.** This act shall take effect and be in force from  
364 and after July 1, 2023.

