

By: Representatives Arnold, Darnell, Ford (73rd), Newman, Crudup, Weathersby, Boyd (19th), McGee, Scoggin, Hulum, Williamson, Mickens, Sanders, Hood, Pigott, Byrd, Turner, Rushing, Patterson, Stamps, Mangold, Porter, Yates, Anthony, Faulkner

To: Ways and Means

HOUSE BILL NO. 1233

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE FROM EIGHTEEN AND ONE-HALF PERCENT TO TWENTY PERCENT  
3 THE AMOUNT OF STATE SALES TAX REVENUE COLLECTED IN MUNICIPALITIES  
4 THAT IS DIVERTED TO MUNICIPALITIES WITHIN THE STATE; TO PROVIDE  
5 THAT TWENTY PERCENT OF THE STATE SALES TAX REVENUE COLLECTED FROM  
6 BUSINESS ACTIVITIES OUTSIDE THE MUNICIPALITIES IN A COUNTY SHALL  
7 BE PAID TO THE COUNTY; TO PROVIDE THAT SUCH MONIES PAID TO A  
8 COUNTY SHALL BE USED FOR REPAIR, MAINTENANCE AND RECONSTRUCTION OF  
9 ROADS, STREETS AND BRIDGES; TO AMEND SECTION 27-65-53, MISSISSIPPI  
10 CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 27-65-75, Mississippi Code of 1972, is  
13 amended as follows:

14 27-65-75. On or before the fifteenth day of each month, the  
15 revenue collected under the provisions of this chapter during the  
16 preceding month shall be paid and distributed as follows:

17 (1) (a) On or before August 15, 1992, and each succeeding  
18 month thereafter through July 15, 1993, eighteen percent (18%) of  
19 the total sales tax revenue collected during the preceding month  
20 under the provisions of this chapter, except that collected under  
21 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
22 business activities within a municipal corporation shall be



23 allocated for distribution to the municipality and paid to the  
24 municipal corporation. Except as otherwise provided in this  
25 paragraph (a), on or before August 15, 1993, and each succeeding  
26 month thereafter through August 15, 2023, eighteen and one-half  
27 percent (18-1/2%) of the total sales tax revenue collected during  
28 the preceding month under the provisions of this chapter, except  
29 that collected under the provisions of Sections 27-65-15,  
30 27-65-19(3), 27-65-21 and 27-65-24, on business activities within  
31 a municipal corporation shall be allocated for distribution to the  
32 municipality and paid to the municipal corporation. Except as  
33 otherwise provided in this paragraph (a), on or before September  
34 15, 2023, and each succeeding month thereafter, twenty percent  
35 (20%) of the total sales tax revenue collected during the  
36 preceding month under the provisions of this chapter, except that  
37 collected under the provisions of Sections 27-65-15, 27-65-19(3),  
38 27-65-21 and 27-65-24, on business activities within a municipal  
39 corporation shall be allocated for distribution to the  
40 municipality and paid to the municipal corporation. However, in  
41 the event the State Auditor issues a certificate of noncompliance  
42 pursuant to Section 21-35-31, the Department of Revenue shall  
43 withhold ten percent (10%) of the allocations and payments to the  
44 municipality that would otherwise be payable to the municipality  
45 under this paragraph (a) until such time that the department  
46 receives written notice of the cancellation of a certificate of  
47 noncompliance from the State Auditor.



48           A municipal corporation, for the purpose of distributing the  
49 tax under this subsection, shall mean and include all incorporated  
50 cities, towns and villages.

51           Monies allocated for distribution and credited to a municipal  
52 corporation under this paragraph may be pledged as security for a  
53 loan if the distribution received by the municipal corporation is  
54 otherwise authorized or required by law to be pledged as security  
55 for such a loan.

56           In any county having a county seat that is not an  
57 incorporated municipality, the distribution provided under this  
58 subsection shall be made as though the county seat was an  
59 incorporated municipality; however, the distribution to the  
60 municipality shall be paid to the county treasury in which the  
61 municipality is located, and those funds shall be used for road,  
62 bridge and street construction or maintenance in the county.

63           (b) On or before August 15, 2006, and each succeeding  
64 month thereafter, eighteen and one-half percent (18-1/2%) of the  
65 total sales tax revenue collected during the preceding month under  
66 the provisions of this chapter, except that collected under the  
67 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
68 business activities on the campus of a state institution of higher  
69 learning or community or junior college whose campus is not  
70 located within the corporate limits of a municipality, shall be  
71 allocated for distribution to the state institution of higher



72 learning or community or junior college and paid to the state  
73 institution of higher learning or community or junior college.

74 (c) On or before August 15, 2018, and each succeeding  
75 month thereafter until August 14, 2019, two percent (2%) of the  
76 total sales tax revenue collected during the preceding month under  
77 the provisions of this chapter, except that collected under the  
78 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
79 27-65-24, on business activities within the corporate limits of  
80 the City of Jackson, Mississippi, shall be deposited into the  
81 Capitol Complex Improvement District Project Fund created in  
82 Section 29-5-215. On or before August 15, 2019, and each  
83 succeeding month thereafter until August 14, 2020, four percent  
84 (4%) of the total sales tax revenue collected during the preceding  
85 month under the provisions of this chapter, except that collected  
86 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
87 and 27-65-24, on business activities within the corporate limits  
88 of the City of Jackson, Mississippi, shall be deposited into the  
89 Capitol Complex Improvement District Project Fund created in  
90 Section 29-5-215. On or before August 15, 2020, and each  
91 succeeding month thereafter, six percent (6%) of the total sales  
92 tax revenue collected during the preceding month under the  
93 provisions of this chapter, except that collected under the  
94 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
95 27-65-24, on business activities within the corporate limits of  
96 the City of Jackson, Mississippi, shall be deposited into the



97 Capitol Complex Improvement District Project Fund created in  
98 Section 29-5-215.

99 (d) (i) On or before the fifteenth day of the month  
100 that the diversion authorized by this section begins, and each  
101 succeeding month thereafter, eighteen and one-half percent  
102 (18-1/2%) of the total sales tax revenue collected during the  
103 preceding month under the provisions of this chapter, except that  
104 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
105 and 27-65-21, on business activities within a redevelopment  
106 project area developed under a redevelopment plan adopted under  
107 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be  
108 allocated for distribution to the county in which the project area  
109 is located if:

110 1. The county:

111 a. Borders on the Mississippi Sound and  
112 the State of Alabama, or

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

116 2. The county has issued bonds under Section  
117 21-45-9 to finance all or a portion of a redevelopment project in  
118 the redevelopment project area;

119 3. Any debt service for the indebtedness  
120 incurred is outstanding; and



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

124                   (ii) Before any sales tax revenue may be allocated  
125 for distribution to a county under this paragraph, the county  
126 shall certify to the Department of Revenue that the requirements  
127 of this paragraph have been met, the amount of bonded indebtedness  
128 that has been incurred by the county for the redevelopment project  
129 and the expected date the indebtedness incurred by the county will  
130 be satisfied.

131                   (iii) The diversion of sales tax revenue  
132 authorized by this paragraph shall begin the month following the  
133 month in which the Department of Revenue determines that the  
134 requirements of this paragraph have been met. The diversion shall  
135 end the month the indebtedness incurred by the county is  
136 satisfied. All revenue received by the county under this  
137 paragraph shall be deposited in the fund required to be created in  
138 the tax increment financing plan under Section 21-45-11 and be  
139 utilized solely to satisfy the indebtedness incurred by the  
140 county.

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



146 (1) of this section in the proportion that the number of gallons  
147 of gasoline and diesel fuel sold by distributors to consumers and  
148 retailers in each such municipality during the preceding fiscal  
149 year bears to the total gallons of gasoline and diesel fuel sold  
150 by distributors to consumers and retailers in municipalities  
151 statewide during the preceding fiscal year. The Department of  
152 Revenue shall require all distributors of gasoline and diesel fuel  
153 to report to the department monthly the total number of gallons of  
154 gasoline and diesel fuel sold by them to consumers and retailers  
155 in each municipality during the preceding month. The Department  
156 of Revenue shall have the authority to promulgate such rules and  
157 regulations as is necessary to determine the number of gallons of  
158 gasoline and diesel fuel sold by distributors to consumers and  
159 retailers in each municipality. In determining the percentage  
160 allocation of funds under this subsection for the fiscal year  
161 beginning July 1, 1987, and ending June 30, 1988, the Department  
162 of Revenue may consider gallons of gasoline and diesel fuel sold  
163 for a period of less than one (1) fiscal year. For the purposes  
164 of this subsection, the term "fiscal year" means the fiscal year  
165 beginning July 1 of a year.

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



171 created under Section 65-3-97 shall, except as otherwise provided  
172 in Section 31-17-127, be deposited into the State Treasury to the  
173 credit of the State Highway Fund to be used to fund that highway  
174 program. The Mississippi Department of Transportation shall  
175 provide to the Department of Revenue such information as is  
176 necessary to determine the amount of proceeds to be distributed  
177 under this subsection.

178 (4) On or before August 15, 1994, and on or before the  
179 fifteenth day of each succeeding month through July 15, 1999, from  
180 the proceeds of gasoline, diesel fuel or kerosene taxes as  
181 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
182 (\$4,000,000.00) shall be deposited in the State Treasury to the  
183 credit of a special fund designated as the "State Aid Road Fund,"  
184 created by Section 65-9-17. On or before August 15, 1999, and on  
185 or before the fifteenth day of each succeeding month, from the  
186 total amount of the proceeds of gasoline, diesel fuel or kerosene  
187 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million  
188 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
189 one-fourth percent (23-1/4%) of those funds, whichever is the  
190 greater amount, shall be deposited in the State Treasury to the  
191 credit of the "State Aid Road Fund," created by Section 65-9-17.  
192 Those funds shall be pledged to pay the principal of and interest  
193 on state aid road bonds heretofore issued under Sections 19-9-51  
194 through 19-9-77, in lieu of and in substitution for the funds  
195 previously allocated to counties under this section. Those funds





196 may not be pledged for the payment of any state aid road bonds  
197 issued after April 1, 1981; however, this prohibition against the  
198 pledging of any such funds for the payment of bonds shall not  
199 apply to any bonds for which intent to issue those bonds has been  
200 published for the first time, as provided by law before March 29,  
201 1981. From the amount of taxes paid into the special fund under  
202 this subsection and subsection (9) of this section, there shall be  
203 first deducted and paid the amount necessary to pay the expenses  
204 of the Office of State Aid Road Construction, as authorized by the  
205 Legislature for all other general and special fund agencies. The  
206 remainder of the fund shall be allocated monthly to the several  
207 counties in accordance with the following formula:

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

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

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

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



221           The amount of funds allocated to any county under this  
222 subsection for any fiscal year after fiscal year 1994 shall not be  
223 less than the amount allocated to the county for fiscal year 1994.

224           Any reference in the general laws of this state or the  
225 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
226 construed to refer and apply to subsection (4) of Section  
227 27-65-75.

228           (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
229 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
230 the special fund known as the "Educational Facilities Revolving  
231 Loan Fund" created and existing under the provisions of Section  
232 37-47-24. Those payments into that fund are to be made on the  
233 last day of each succeeding month hereafter. This subsection (5)  
234 shall stand repealed on July 1, 2023.

235           (6) An amount each month beginning August 15, 1983, through  
236 November 15, 1986, as specified in Section 6, Chapter 542, Laws of  
237 1983, shall be paid into the special fund known as the  
238 Correctional Facilities Construction Fund created in Section 6,  
239 Chapter 542, Laws of 1983.

240           (7) On or before August 15, 1992, and each succeeding month  
241 thereafter through July 15, 2000, two and two hundred sixty-six  
242 one-thousandths percent (2.266%) of the total sales tax revenue  
243 collected during the preceding month under the provisions of this  
244 chapter, except that collected under the provisions of Section  
245 27-65-17(2), shall be deposited by the department into the School



246 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
247 or before August 15, 2000, and each succeeding month thereafter,  
248 two and two hundred sixty-six one-thousandths percent (2.266%) of  
249 the total sales tax revenue collected during the preceding month  
250 under the provisions of this chapter, except that collected under  
251 the provisions of Section 27-65-17(2), shall be deposited into the  
252 School Ad Valorem Tax Reduction Fund created under Section  
253 37-61-35 until such time that the total amount deposited into the  
254 fund during a fiscal year equals Forty-two Million Dollars  
255 (\$42,000,000.00). Thereafter, the amounts diverted under this  
256 subsection (7) during the fiscal year in excess of Forty-two  
257 Million Dollars (\$42,000,000.00) shall be deposited into the  
258 Education Enhancement Fund created under Section 37-61-33 for  
259 appropriation by the Legislature as other education needs and  
260 shall not be subject to the percentage appropriation requirements  
261 set forth in Section 37-61-33.

262 (8) On or before August 15, 1992, and each succeeding month  
263 thereafter, nine and seventy-three one-thousandths percent  
264 (9.073%) of the total sales tax revenue collected during the  
265 preceding month under the provisions of this chapter, except that  
266 collected under the provisions of Section 27-65-17(2), shall be  
267 deposited into the Education Enhancement Fund created under  
268 Section 37-61-33.

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



271 the preceding month, Two Hundred Fifty Thousand Dollars  
272 (\$250,000.00) shall be paid into the State Aid Road Fund.

273 (10) On or before August 15, 1994, and each succeeding month  
274 thereafter through August 15, 1995, from the revenue collected  
275 under this chapter during the preceding month, Two Million Dollars  
276 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
277 Valorem Tax Reduction Fund established in Section 27-51-105.

278 (11) Notwithstanding any other provision of this section to  
279 the contrary, on or before February 15, 1995, and each succeeding  
280 month thereafter, the sales tax revenue collected during the  
281 preceding month under the provisions of Section 27-65-17(2) and  
282 the corresponding levy in Section 27-65-23 on the rental or lease  
283 of private carriers of passengers and light carriers of property  
284 as defined in Section 27-51-101 shall be deposited, without  
285 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
286 established in Section 27-51-105.

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



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

304 (14) On or before August 15, 1998, and each succeeding month  
305 thereafter through July 15, 2005, that portion of the avails of  
306 the tax imposed in Section 27-65-23 that is derived from sales by  
307 cotton compresses or cotton warehouses and that would otherwise be  
308 paid into the General Fund shall be deposited in an amount not to  
309 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
310 created under Section 69-37-39. On or before August 15, 2007, and  
311 each succeeding month thereafter through July 15, 2010, that  
312 portion of the avails of the tax imposed in Section 27-65-23 that  
313 is derived from sales by cotton compresses or cotton warehouses  
314 and that would otherwise be paid into the General Fund shall be  
315 deposited in an amount not to exceed Two Million Dollars  
316 (\$2,000,000.00) into the special fund created under Section  
317 69-37-39 until all debts or other obligations incurred by the  
318 Certified Cotton Growers Organization under the Mississippi Boll  
319 Weevil Management Act before January 1, 2007, are satisfied in  
320 full. On or before August 15, 2010, and each succeeding month



321 thereafter through July 15, 2011, fifty percent (50%) of that  
322 portion of the avails of the tax imposed in Section 27-65-23 that  
323 is derived from sales by cotton compresses or cotton warehouses  
324 and that would otherwise be paid into the General Fund shall be  
325 deposited into the special fund created under Section 69-37-39  
326 until such time that the total amount deposited into the fund  
327 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
328 On or before August 15, 2011, and each succeeding month  
329 thereafter, that portion of the avails of the tax imposed in  
330 Section 27-65-23 that is derived from sales by cotton compresses  
331 or cotton warehouses and that would otherwise be paid into the  
332 General Fund shall be deposited into the special fund created  
333 under Section 69-37-39 until such time that the total amount  
334 deposited into the fund during a fiscal year equals One Million  
335 Dollars (\$1,000,000.00).

336 (15) Notwithstanding any other provision of this section to  
337 the contrary, on or before September 15, 2000, and each succeeding  
338 month thereafter, the sales tax revenue collected during the  
339 preceding month under the provisions of Section  
340 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,  
341 without diversion, into the Telecommunications Ad Valorem Tax  
342 Reduction Fund established in Section 27-38-7.

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



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

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

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

365 (18) [Repealed]

366 (19) (a) On or before August 15, 2005, and each succeeding  
367 month thereafter, the sales tax revenue collected during the  
368 preceding month under the provisions of this chapter on the gross  
369 proceeds of sales of a business enterprise located within a  
370 redevelopment project area under the provisions of Sections



371 57-91-1 through 57-91-11, and the revenue collected on the gross  
372 proceeds of sales from sales made to a business enterprise located  
373 in a redevelopment project area under the provisions of Sections  
374 57-91-1 through 57-91-11 (provided that such sales made to a  
375 business enterprise are made on the premises of the business  
376 enterprise), shall, except as otherwise provided in this  
377 subsection (19), be deposited, after all diversions, into the  
378 Redevelopment Project Incentive Fund as created in Section  
379 57-91-9.

380 (b) For a municipality participating in the Economic  
381 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
382 the diversion provided for in subsection (1) of this section  
383 attributable to the gross proceeds of sales of a business  
384 enterprise located within a redevelopment project area under the  
385 provisions of Sections 57-91-1 through 57-91-11, and attributable  
386 to the gross proceeds of sales from sales made to a business  
387 enterprise located in a redevelopment project area under the  
388 provisions of Sections 57-91-1 through 57-91-11 (provided that  
389 such sales made to a business enterprise are made on the premises  
390 of the business enterprise), shall be deposited into the  
391 Redevelopment Project Incentive Fund as created in Section  
392 57-91-9, as follows:

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





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

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

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

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

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

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



420 (21) (a) On or before April 15, 2007, and each succeeding  
421 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
422 Dollars (\$150,000.00) of the sales tax revenue collected during  
423 the preceding month under the provisions of this chapter shall be  
424 deposited into the MMEIA Tax Incentive Fund created in Section  
425 57-101-3.

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

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

438 (23) (a) On or before August 15, 2019, and each month  
439 thereafter through July 15, 2020, one percent (1%) of the total  
440 sales tax revenue collected during the preceding month from  
441 restaurants and hotels shall be allocated for distribution to the  
442 Mississippi Development Authority Tourism Advertising Fund  
443 established under Section 57-1-64, to be used exclusively for the  
444 purpose stated therein. On or before August 15, 2020, and each



445 month thereafter through July 15, 2021, two percent (2%) of the  
446 total sales tax revenue collected during the preceding month from  
447 restaurants and hotels shall be allocated for distribution to the  
448 Mississippi Development Authority Tourism Advertising Fund  
449 established under Section 57-1-64, to be used exclusively for the  
450 purpose stated therein. On or before August 15, 2021, and each  
451 month thereafter, three percent (3%) of the total sales tax  
452 revenue collected during the preceding month from restaurants and  
453 hotels shall be allocated for distribution to the Mississippi  
454 Development Authority Tourism Advertising Fund established under  
455 Section 57-1-64, to be used exclusively for the purpose stated  
456 therein. The revenue diverted pursuant to this subsection shall  
457 not be available for expenditure until February 1, 2020.

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

464 (24) On or before September 15, 2023, and each succeeding  
465 month thereafter, twenty percent (20%) of the total sales tax  
466 revenue collected during the preceding month under the provisions  
467 of this chapter, except that collected under the provisions of  
468 Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business  
469 activities within a county that occur outside of the



470 municipalities in the county shall be allocated for distribution  
471 to the county and paid to the county. Monies allocated for and  
472 paid to a county pursuant to this subsection (24) shall not be  
473 considered by the county as general fund revenue but shall be  
474 dedicated to and expended solely for repair, maintenance and/or  
475 reconstruction of roads, streets and bridges. The amount paid to  
476 a county under this subsection (24) shall be in addition to any  
477 other funds allocated for distribution to the various counties  
478 under this section.

479 ( \* \* \*25) The remainder of the amounts collected under the  
480 provisions of this chapter shall be paid into the State Treasury  
481 to the credit of the General Fund.

482 ( \* \* \*26) (a) It shall be the duty of the municipal  
483 officials of any municipality that expands its limits, or of any  
484 community that incorporates as a municipality, to notify the  
485 commissioner of that action thirty (30) days before the effective  
486 date. Failure to so notify the commissioner shall cause the  
487 municipality to forfeit the revenue that it would have been  
488 entitled to receive during this period of time when the  
489 commissioner had no knowledge of the action.

490 (b) (i) Except as otherwise provided in subparagraph  
491 (ii) of this paragraph, if any funds have been erroneously  
492 disbursed to any municipality or county or any overpayment of tax  
493 is recovered by the taxpayer, the commissioner may make correction  
494 and adjust the error or overpayment with the municipality or



495 county by withholding the necessary funds from any later payment  
496 to be made to the municipality or county.

497 (ii) Subject to the provisions of Sections  
498 27-65-51 and 27-65-53, if any funds have been erroneously  
499 disbursed to a municipality under subsection (1) of this section  
500 for a period of three (3) years or more, the maximum amount that  
501 may be recovered or withheld from the municipality is the total  
502 amount of funds erroneously disbursed for a period of three (3)  
503 years beginning with the date of the first erroneous disbursement.  
504 However, if during such period, a municipality provides written  
505 notice to the Department of Revenue indicating the erroneous  
506 disbursement of funds, then the maximum amount that may be  
507 recovered or withheld from the municipality is the total amount of  
508 funds erroneously disbursed for a period of one (1) year beginning  
509 with the date of the first erroneous disbursement.

510 **SECTION 2.** Section 27-65-53, Mississippi Code of 1972, is  
511 amended as follows:

512 27-65-53. If the commissioner finds that the taxpayer has  
513 overpaid his tax for any reason and the taxpayer has discontinued  
514 business and there is no subsequent liability upon which the  
515 excess may be credited, or if the amount of the excess so paid  
516 shall exceed the estimated liability for the next twelve (12)  
517 months, the excess shall be refunded to the taxpayer. Such amount  
518 shall be certified to the State Auditor of Public Accounts by the  
519 commission. The said auditor is hereby authorized to make such



520 investigation and audit of the claim as he finds necessary. If he  
521 finds that the commissioner is correct in his determination, the  
522 auditor may issue his warrant to the State Treasurer in favor of  
523 the taxpayer for the amount of tax erroneously paid into the State  
524 Treasury, such refunds to be made from current sales tax  
525 collections. If part of the overpayment has been disbursed to any  
526 municipality \* \* \*, state institution of higher learning or  
527 county, under authority of Section 27-65-75, the  
528 municipality \* \* \*, state institution of higher learning or  
529 county, having erroneously received the money, shall adjust the  
530 amount with the commissioner, or the overpayment may be withheld  
531 by the state from any funds due by the state to the  
532 municipality \* \* \*, state institution of higher learning or  
533 county.

534         Provided, that where the taxpayer has overpaid his tax, the  
535 commissioner may give credit for same and allow the taxpayer to  
536 take credit on a subsequent return or, if necessary, in his  
537 discretion, have the taxpayer file for a refund as provided  
538 herein.

539         If any overpayment of tax as reflected in an application or  
540 amended return, or both, filed by the taxpayer, and verified by  
541 the commissioner or otherwise determined to be due by the  
542 commissioner or commission, is not refunded or credited to a  
543 taxpayer's account within ninety (90) days after the application  
544 or amended return is filed or the date the commission or



545 commissioner determines a refund is due, whichever is later,  
546 interest at the rate of one-half of one percent (1/2 of 1%) per  
547 month shall be allowed on such overpayment computed for the period  
548 after expiration of the ninety-day period provided herein to the  
549 date of payment.

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

