

By: Representatives Gunn, Stamps, Boyd  
(19th)

To: Ways and Means

HOUSE BILL NO. 1702

1 AN ACT TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972,  
2 TO EXEMPT FROM SALES TAXATION SALES OF BOOKS AT THE MISSISSIPPI  
3 BOOK FESTIVAL IF SOLD DURING A PERIOD BEGINNING AT 9:00 A.M. ON  
4 FRIDAY DURING THE FESTIVAL AND ENDING AT 12:00 NOON THE FOLLOWING  
5 SUNDAY; TO EXEMPT FROM SALES TAXATION SALES OF BOOKS AT CERTAIN  
6 BOOKSTORES IN THIS STATE IF SOLD DURING A PERIOD CORRESPONDING  
7 WITH THE MISSISSIPPI BOOK FESTIVAL AND BEGINNING AT 9:00 A.M. ON  
8 FRIDAY DURING THE FESTIVAL AND ENDING AT 12:00 NOON THE FOLLOWING  
9 SUNDAY; AND FOR RELATED PURPOSES.

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

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

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



22 Any subsequent exemption from the tax levied hereunder, except as  
23 indicated above, shall be provided by amendments to this section.

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

26 The tax levied by this chapter shall not apply to the  
27 following:

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

33 Only sales of tangible personal property or services which  
34 are ordinary and necessary to the operation of such hospitals and  
35 infirmaries are exempted from tax.

36 (b) Sales of daily or weekly newspapers, and  
37 periodicals or publications of scientific, literary or educational  
38 organizations exempt from federal income taxation under Section  
39 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of  
40 March 31, 1975, and subscription sales of all magazines.

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

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

45 (e) Sales of tangible personal property to an  
46 orphanage, old men's or ladies' home, supported wholly or in part



47 by a religious denomination, fraternal nonprofit organization or  
48 other nonprofit organization.

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

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

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

65 (i) Prescribed for the treatment of a human being  
66 by a person authorized to prescribe the medicines, and dispensed  
67 or prescription filled by a registered pharmacist in accordance  
68 with law; or

69 (ii) Furnished by a licensed physician, surgeon,  
70 dentist or podiatrist to his own patient for treatment of the  
71 patient; or



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

75 (iv) Sold to a licensed physician, surgeon,  
76 podiatrist, dentist or hospital for the treatment of a human  
77 being; or

78 (v) Sold to this state or any political  
79 subdivision or municipal corporation thereof, for use in the  
80 treatment of a human being or furnished for the treatment of a  
81 human being by a medical facility or clinic maintained by this  
82 state or any political subdivision or municipal corporation  
83 thereof.

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



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

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

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

108 "Hospital," as used in this paragraph (h), shall have the  
109 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
110 1972.

111 Insulin furnished by a registered pharmacist to a person for  
112 treatment of diabetes as directed by a physician shall be deemed  
113 to be dispensed on prescription within the meaning of this  
114 paragraph (h).

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

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



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

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

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

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

132 (o) Retail sales of food for human consumption  
133 purchased with food stamps issued by the United States Department  
134 of Agriculture, or other federal agency, from and after October 1,  
135 1987, or from and after the expiration of any waiver granted  
136 pursuant to federal law, the effect of which waiver is to permit  
137 the collection by the state of tax on such retail sales of food  
138 for human consumption purchased with food stamps.

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

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



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

146 (s) Sales of tangible personal property or services to  
147 National Association of Junior Auxiliaries, Inc., and chapters of  
148 the National Association of Junior Auxiliaries, Inc.

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

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

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

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

162 (x) The gross collections from the operation of  
163 self-service, coin-operated car washing equipment and sales of the  
164 service of washing motor vehicles with portable high-pressure  
165 washing equipment on the premises of the customer.

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



168           (z) Sales of tangible personal property to nonprofit  
169 organizations that provide foster care, adoption services and  
170 temporary housing for unwed mothers and their children if the  
171 organization is exempt from federal income taxation under Section  
172 501(c) (3) of the Internal Revenue Code.

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

178           (bb) (i) Retail sales of an article of clothing or  
179 footwear designed to be worn on or about the human body and retail  
180 sales of school supplies if the sales price of the article of  
181 clothing or footwear or school supply is less than One Hundred  
182 Dollars (\$100.00) and the sale takes place during a period  
183 beginning at 12:01 a.m. on the last Friday in July and ending at  
184 12:00 midnight the following Saturday. This paragraph (bb) shall  
185 not apply to:

186                           1. Accessories including jewelry, handbags,  
187 luggage, umbrellas, wallets, watches, briefcases, garment bags and  
188 similar items carried on or about the human body, without regard  
189 to whether worn on the body in a manner characteristic of  
190 clothing;

191                           2. The rental of clothing or footwear; and





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

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

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



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



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

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

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

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



267 whole or in part, by any particular person to be eligible for this  
268 exemption. Purchases of home medical equipment and supplies by a  
269 provider of home health services or a provider of hospice services  
270 are eligible for this exemption if the purchases otherwise meet  
271 the requirements of this paragraph.

272 (ee) Sales of tangible personal property or services to  
273 Mississippi Blood Services.

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

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

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

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



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

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

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

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

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

304 (kk) Sales of tangible personal property or services to  
305 the Hattiesburg Zoo.

306 (ll) Gross proceeds from sales of food, merchandise or  
307 other concessions at an event held solely for religious or  
308 charitable purposes at livestock facilities, agriculture  
309 facilities or other facilities constructed, renovated or expanded  
310 with funds for the grant program authorized under Section 18,  
311 Chapter 530, Laws of 1995.

312 (mm) Sales of tangible personal property and services  
313 to the Diabetes Foundation of Mississippi and the Mississippi  
314 Chapter of the Juvenile Diabetes Research Foundation.



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

320           (oo) Sales of tangible personal property or services to  
321 the University of Mississippi Medical Center Research Development  
322 Foundation.

323           (pp) Sales of tangible personal property or services to  
324 Keep Mississippi Beautiful, Inc., and all affiliates of Keep  
325 Mississippi Beautiful, Inc.

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

328           (rr) Sales of tangible personal property or services to  
329 the Pinecrest Weekend Backpacks for Kids located in Corinth,  
330 Mississippi.

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

334           (tt) Sales exempt under the Facilitating Business Rapid  
335 Response to State Declared Disasters Act of 2015 (Sections  
336 27-113-1 through 27-113-9).

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



339 (vv) Sales of tangible personal property or services to  
340 the Mississippi's Toughest Kids Foundation for use in the  
341 construction, furnishing and equipping of buildings and related  
342 facilities and infrastructure at Camp Kamassa in Copiah County,  
343 Mississippi. This paragraph (vv) shall stand repealed on July 1,  
344 2025.

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

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

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

351 (zz) Sales of tangible personal property and services  
352 to the Goldring/Woldenberg Institute of Southern Jewish Life  
353 (ISJL).

354 (aaa) (i) Sales of books at the Mississippi Book  
355 Festival if sold during a period beginning at 9:00 a.m. on Friday  
356 during the festival and ending at 12:00 noon the following Sunday;  
357 and

358 (ii) Sales of books by any new bookstore in this  
359 state at such a bookstore if sold during a period corresponding  
360 with the Mississippi Book Festival and beginning at 9:00 a.m. on  
361 Friday during the festival and ending at 12:00 noon the following  
362 Sunday. For the purposes of this subparagraph (ii), the term "new



363 bookstore" means a business that sells physical books and other  
364 merchandise and for which:

365 1. The inventory of physical books and all  
366 other merchandise consists of more than sixty percent (60%) new  
367 physical books, and

368 2. The inventory of physical books consists  
369 of more than sixty percent (60%) new physical books.

370 **SECTION 2.** This act shall take effect and be in force from  
371 and after July 1, 2023.

