

By: Senator(s) Bryan

To: Highways and  
Transportation; Finance

SENATE BILL NO. 2571

1 AN ACT TO DIRECT AN ANNUAL DISTRIBUTION TO THE STATE HIGHWAY  
 2 FUND OF A PERCENTAGE OF THE TOTAL INCOME TAX REVENUE COLLECTED FOR  
 3 THE PRIOR CALENDAR YEAR; TO AMEND SECTION 27-65-75, MISSISSIPPI  
 4 CODE OF 1972, TO DIRECT A MONTHLY DISTRIBUTION TO THE STATE  
 5 HIGHWAY FUND OF A PERCENTAGE OF THE TOTAL SALES TAX REVENUE  
 6 COLLECTED IN THE PRECEDING MONTH; TO AMEND SECTION 27-67-31,  
 7 MISSISSIPPI CODE OF 1972, TO DIRECT A MONTHLY DISTRIBUTION TO THE  
 8 STATE HIGHWAY FUND OF A PERCENTAGE OF THE TOTAL USE TAX REVENUE  
 9 COLLECTED IN THE PRECEDING MONTH; TO BRING FORWARD SECTION  
 10 27-55-11, MISSISSIPPI CODE OF 1972, WHICH LEVIES AN EXCISE TAX ON  
 11 GASOLINE, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED  
 12 PURPOSES.

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

14 **SECTION 1.** Each calendar year, X percent (X%) of the total  
 15 income tax revenue collected for the prior calendar year under the  
 16 provisions of this article shall be deposited into the State  
 17 Highway Fund. Amounts deposited into the State Highway Fund under  
 18 this section shall be in addition to any other amounts deposited  
 19 into the fund.

20 **SECTION 2.** Section 27-65-75, Mississippi Code of 1972, is  
 21 amended as follows:



22           27-65-75. On or before the fifteenth day of each month, the  
23 revenue collected under the provisions of this chapter during the  
24 preceding month shall be paid and distributed as follows:

25           (1) (a) On or before August 15, 1992, and each succeeding  
26 month thereafter through July 15, 1993, eighteen percent (18%) of  
27 the total sales tax revenue collected during the preceding month  
28 under the provisions of this chapter, except that collected under  
29 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
30 business activities within a municipal corporation shall be  
31 allocated for distribution to the municipality and paid to the  
32 municipal corporation. Except as otherwise provided in this  
33 paragraph (a), on or before August 15, 1993, and each succeeding  
34 month thereafter, eighteen and one-half percent (18-1/2%) of the  
35 total sales tax revenue collected during the preceding month under  
36 the provisions of this chapter, except that collected under the  
37 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
38 27-65-24, on business activities within a municipal corporation  
39 shall be allocated for distribution to the municipality and paid  
40 to the municipal corporation. However, in the event the State  
41 Auditor issues a certificate of noncompliance pursuant to Section  
42 21-35-31, the Department of Revenue shall withhold ten percent  
43 (10%) of the allocations and payments to the municipality that  
44 would otherwise be payable to the municipality under this  
45 paragraph (a) until such time that the department receives written



46 notice of the cancellation of a certificate of noncompliance from  
47 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 \* \* \* this  
227 section.

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 August 15, 2023, and each succeeding month  
465 thereafter, X percent (X%) of the total sales tax revenue  
466 collected during the preceding month under the provisions of this  
467 chapter shall be deposited into the State Highway Fund. Amounts  
468 deposited into the State Highway Fund under this subsection shall  
469 be in addition to any other amounts deposited into the fund.



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

473 ( \* \* \* 26) (a) It shall be the duty of the municipal  
474 officials of any municipality that expands its limits, or of any  
475 community that incorporates as a municipality, to notify the  
476 commissioner of that action thirty (30) days before the effective  
477 date. Failure to so notify the commissioner shall cause the  
478 municipality to forfeit the revenue that it would have been  
479 entitled to receive during this period of time when the  
480 commissioner had no knowledge of the action.

481 (b) (i) Except as otherwise provided in subparagraph  
482 (ii) of this paragraph, if any funds have been erroneously  
483 disbursed to any municipality or any overpayment of tax is  
484 recovered by the taxpayer, the commissioner may make correction  
485 and adjust the error or overpayment with the municipality by  
486 withholding the necessary funds from any later payment to be made  
487 to the municipality.

488 (ii) Subject to the provisions of Sections  
489 27-65-51 and 27-65-53, if any funds have been erroneously  
490 disbursed to a municipality under subsection (1) of this section  
491 for a period of three (3) years or more, the maximum amount that  
492 may be recovered or withheld from the municipality is the total  
493 amount of funds erroneously disbursed for a period of three (3)  
494 years beginning with the date of the first erroneous disbursement.



495 However, if during such period, a municipality provides written  
496 notice to the Department of Revenue indicating the erroneous  
497 disbursement of funds, then the maximum amount that may be  
498 recovered or withheld from the municipality is the total amount of  
499 funds erroneously disbursed for a period of one (1) year beginning  
500 with the date of the first erroneous disbursement.

501 **SECTION 3.** Section 27-67-31, Mississippi Code of 1972, is  
502 amended as follows:

503 27-67-31. All administrative provisions of the sales tax  
504 law, and amendments thereto, including those which fix damages,  
505 penalties and interest for failure to comply with the provisions  
506 of said sales tax law, and all other requirements and duties  
507 imposed upon taxpayer, shall apply to all persons liable for use  
508 taxes under the provisions of this article. The commissioner  
509 shall exercise all power and authority and perform all duties with  
510 respect to taxpayers under this article as are provided in said  
511 sales tax law, except where there is conflict, then the provisions  
512 of this article shall control.

513 The commissioner may require transportation companies to  
514 permit the examination of waybills, freight bills, or other  
515 documents covering shipments of tangible personal property into  
516 this state.

517 On or before the fifteenth day of each month, the amount  
518 received from taxes, damages and interest under the provisions of



519 this article during the preceding month shall be paid and  
520 distributed as follows:

521 (a) On or before July 15, 1994, through July 15, 2000,  
522 and each succeeding month thereafter, two and two hundred  
523 sixty-six one-thousandths percent (2.266%) of the total use tax  
524 revenue collected during the preceding month under the provisions  
525 of this article shall be deposited in the School Ad Valorem Tax  
526 Reduction Fund created pursuant to Section 37-61-35. On or before  
527 August 15, 2000, and each succeeding month thereafter, two and two  
528 hundred sixty-six one-thousandths percent (2.266%) of the total  
529 use tax revenue collected during the preceding month under the  
530 provisions of this chapter shall be deposited into the School Ad  
531 Valorem Tax Reduction Fund created under Section 37-61-35 until  
532 such time that the total amount deposited into the fund during a  
533 fiscal year equals Four Million Dollars (\$4,000,000.00).  
534 Thereafter, the amounts diverted under this paragraph (a) during  
535 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)  
536 shall be deposited into the Education Enhancement Fund created  
537 under Section 37-61-33 for appropriation by the Legislature as  
538 other education needs and shall not be subject to the percentage  
539 appropriation requirements set forth in Section 37-61-33.

540 (b) On or before July 15, 1994, and each succeeding  
541 month thereafter, nine and seventy-three one-thousandths percent  
542 (9.073%) of the total use tax revenue collected during the  
543 preceding month under the provisions of this article shall be



544 deposited into the Education Enhancement Fund created pursuant to  
545 Section 37-61-33.

546 (c) On or before July 15, 1997, and on or before the  
547 fifteenth day of each succeeding month thereafter, the revenue  
548 collected under the provisions of this article imposed and levied  
549 as a result of Section 27-65-17(2) and the corresponding levy in  
550 Section 27-65-23 on the rental or lease of private carriers of  
551 passengers and light carriers of property as defined in Section  
552 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax  
553 Reduction Fund created pursuant to Section 27-51-105.

554 (d) On or before July 15, 1997, and on or before the  
555 fifteenth day of each succeeding month thereafter and after the  
556 deposits required by paragraphs (a) and (b) of this section are  
557 made, the remaining revenue collected under the provisions of this  
558 article imposed and levied as a result of Section 27-65-17(1) and  
559 the corresponding levy in Section 27-65-23 on the rental or lease  
560 of private carriers of passengers and light carriers of property  
561 as defined in Section 27-51-101 shall be deposited into the Motor  
562 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section  
563 27-51-105.

564 (e) On or before August 15, 2019, and each succeeding  
565 month thereafter through July 15, 2020, three and three-fourths  
566 percent (3-3/4%) of the total use tax revenue collected during the  
567 preceding month under the provisions of this article shall be  
568 deposited into the special fund created in Section 27-67-35(1).



569 On or before August 15, 2020, and each succeeding month thereafter  
570 through July 15, 2021, seven and one-half percent (7-1/2%) of the  
571 total use tax revenue collected during the preceding month under  
572 the provisions of this article shall be deposited into the special  
573 fund created in Section 27-67-35(1). On or before August 15,  
574 2021, and each succeeding month thereafter through July 15, 2022,  
575 eleven and one-fourth percent (11-1/4%) of the total use tax  
576 revenue collected during the preceding month under the provisions  
577 of this article shall be deposited into the special fund created  
578 in Section 27-67-35(1). On or before August 15, 2022, and each  
579 succeeding month thereafter, fifteen percent (15%) of the total  
580 use tax revenue collected during the preceding month under the  
581 provisions of this article shall be deposited into the special  
582 fund created in Section 27-67-35(1).

583 (f) On or before August 15, 2019, and each succeeding  
584 month thereafter through July 15, 2020, three and three-fourths  
585 percent (3-3/4%) of the total use tax revenue collected during the  
586 preceding month under the provisions of this article shall be  
587 deposited into the special fund created in Section 27-67-35(2).  
588 On or before August 15, 2020, and each succeeding month thereafter  
589 through July 15, 2021, seven and one-half percent (7-1/2%) of the  
590 total use tax revenue collected during the preceding month under  
591 the provisions of this article shall be deposited into the special  
592 fund created in Section 27-67-35(2). On or before August 15,  
593 2021, and each succeeding month thereafter through July 15, 2022,





594 eleven and one-fourth percent (11-1/4%) of the total use tax  
595 revenue collected during the preceding month under the provisions  
596 of this article shall be deposited into the special fund created  
597 in Section 27-67-35(2). On or before August 15, 2022, and each  
598 succeeding month thereafter, fifteen percent (15%) of the total  
599 use tax revenue collected during the preceding month under the  
600 provisions of this article shall be deposited into the special  
601 fund created in Section 27-67-35(2).

602 (g) On or before August 15, 2019, and each succeeding  
603 month thereafter through July 15, 2020, Four Hundred Sixteen  
604 Thousand Six Hundred Sixty-six Dollars and Sixty-seven Cents  
605 (\$416,666.67) or one and one-fourth percent (1-1/4%) of the total  
606 use tax revenue collected during the preceding month under the  
607 provisions of this article, whichever is the greater amount, shall  
608 be deposited into the Local System Bridge Replacement and  
609 Rehabilitation Fund created in Section 65-37-13. On or before  
610 August 15, 2020, and each succeeding month thereafter through July  
611 15, 2021, Eight Hundred Thirty-three Thousand Three Hundred  
612 Thirty-three Dollars and Thirty-four Cents (\$833,333.34) or two  
613 and one-half percent (2-1/2%) of the total use tax revenue  
614 collected during the preceding month under the provisions of this  
615 article, whichever is the greater amount, shall be deposited into  
616 the Local System Bridge Replacement and Rehabilitation Fund  
617 created in Section 65-37-13. On or before August 15, 2021, and  
618 each succeeding month thereafter through July 15, 2022, One



619 Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) or  
620 three and three-fourths percent (3-3/4%) of the total use tax  
621 revenue collected during the preceding month under the provisions  
622 of this article, whichever is the greater amount, shall be  
623 deposited into the Local System Bridge Replacement and  
624 Rehabilitation Fund created in Section 65-37-13. On or before  
625 August 15, 2022, and each succeeding month thereafter, One Million  
626 Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars and  
627 Sixty-seven Cents (\$1,666,666.67) or five percent (5%) of the  
628 total use tax revenue collected during the preceding month under  
629 the provisions of this article, whichever is the greater amount,  
630 shall be deposited into the Local System Bridge Replacement and  
631 Rehabilitation Fund created in Section 65-37-13.

632 (h) On or before August 15, 2020, and each succeeding  
633 month thereafter through July 15, 2022, One Million Dollars  
634 (\$1,000,000.00) of the total use tax revenue collected during the  
635 preceding month under the provisions of this article shall be  
636 deposited into the Local System Bridge Replacement and  
637 Rehabilitation Fund created in Section 65-37-13. Amounts  
638 deposited into the Local System Bridge Replacement and  
639 Rehabilitation Fund under this paragraph (h) shall be in addition  
640 to amounts deposited into the fund under paragraph (g) of this  
641 section.

642 (i) On or before August 15, 2023, and each succeeding  
643 month thereafter, X percent (X%) of the total use tax revenue



644 collected during the preceding month under the provisions of this  
645 article shall be deposited into the State Highway Fund. Amounts  
646 deposited into the State Highway Fund under this paragraph shall  
647 be in addition to any other amounts deposited into the fund.

648 ( \* \* \*j) The remainder of the amount received from  
649 taxes, damages and interest under the provisions of this article  
650 shall be paid into the General Fund of the State Treasury by the  
651 commissioner.

652 **SECTION 4.** Section 27-55-11, Mississippi Code of 1972, is  
653 brought forward as follows:

654 27-55-11. Any person in business as a distributor of  
655 gasoline or who acts as a distributor of gasoline, as defined in  
656 this article, shall pay for the privilege of engaging in such  
657 business or acting as such distributor an excise tax equal to  
658 Eighteen Cents (18¢) per gallon until the date specified in  
659 Section 65-39-35, and Fourteen and Four-tenths Cents (14.4¢) per  
660 gallon thereafter, on all gasoline and blend stock stored, sold,  
661 distributed, manufactured, refined, distilled, blended or  
662 compounded in this state or received in this state for sale, use  
663 on the highways, storage, distribution, or for any purpose.

664 Any person in business as a distributor of aviation gasoline,  
665 or who acts as a distributor of aviation gasoline, shall pay for  
666 the privilege of engaging in such business or acting as such  
667 distributor an excise tax equal to Six and Four-tenths Cents  
668 (6.4¢) per gallon on all aviation gasoline stored, sold,



669 distributed, manufactured, refined, distilled, blended or  
670 compounded in this state or received in this state for sale,  
671 storage, distribution or for any purpose.

672 The excise taxes collected under this section shall be paid  
673 and distributed in accordance with Section 27-5-101.

674 The tax herein imposed and assessed shall be collected and  
675 paid to the State of Mississippi but once in respect to any  
676 gasoline. The basis for determining the tax liability shall be  
677 the correct invoiced gallons, adjusted to sixty (60) degrees  
678 Fahrenheit at the refinery or point of origin of shipment when  
679 such shipment is made by tank car or by motor carrier. The point  
680 of origin of shipment of gasoline transported into this state by  
681 pipelines shall be deemed to be that point in this state where  
682 such gasoline is withdrawn from the pipeline for storage or  
683 distribution, and adjustment to sixty (60) degrees Fahrenheit  
684 shall there be made. The basis for determining the tax liability  
685 on gasoline shipped into this state in barge cargoes and by  
686 pipeline shall be the actual number of gallons adjusted to sixty  
687 (60) degrees Fahrenheit unloaded into storage tanks or other  
688 containers in this state, such gallonage to be determined by  
689 measurement and/or gauge of storage tank or tanks or by any other  
690 method authorized by the commission. The tank or tanks into which  
691 barge cargoes of gasoline are discharged, or into which gasoline  
692 transported by pipeline is discharged, shall have correct gauge  
693 tables listing capacity, such gauge tables to be prepared by some



694 recognized calibrating agency and to be approved by the  
695 commission.

696 The tax levied herein shall accrue at the time gasoline is  
697 withdrawn from a refinery in this state except when withdrawal is  
698 by pipeline, barge, ship or vessel. The refiner shall pay to the  
699 commission the tax levied herein when gasoline is sold or  
700 delivered to persons who do not hold gasoline distributor permits.  
701 The refiner shall report to the commission all sales and  
702 deliveries of gasoline to bonded distributors of gasoline. The  
703 bonded distributor of gasoline who purchases, receives or acquires  
704 gasoline from a refinery in this state shall report such gasoline  
705 and pay the tax levied herein.

706 Gasoline imported by common carrier shall be deemed to be  
707 received by the distributor of gasoline, and the tax levied herein  
708 shall accrue, when the car or tank truck containing such gasoline  
709 is unloaded by the carrier.

710 With respect to distributors or other persons who bring,  
711 ship, have transported, or have brought into this state gasoline  
712 by means other than through a common carrier, the tax accrues and  
713 the tax liability attaches on the distributor or other person for  
714 each gallon of gasoline brought into the state at the time when  
715 and at the point where such gasoline is brought into the state.

716 The tax levied herein shall accrue on blend stock at the time  
717 it is blended with gasoline. The blender shall pay to the  
718 commission the tax levied herein when blend stock is sold or



719 delivered to persons who do not hold gasoline distributor permits.  
720 The blender shall report to the commission all sales and  
721 deliveries of blend stock to bonded distributors of gasoline. The  
722 bonded distributor of gasoline who purchases, receives or acquires  
723 blend stock from a blender in this state shall report blend stock  
724 and pay the tax levied herein.

725         **SECTION 5.** Section 1 of this act shall be codified in Title  
726 27, Chapter 7, Article 1, Mississippi Code of 1972.

727         **SECTION 6.** This act shall take effect and be in force from  
728 and after July 1, 2023.

