

By: Representative Powell

To: Ways and Means

HOUSE BILL NO. 341

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,  
 2 TO PROVIDE THAT EIGHTEEN AND ONE-HALF PERCENT OF THE SALES TAX  
 3 REVENUE COLLECTED ON BUSINESS ACTIVITIES WITHIN A COUNTY THAT IS A  
 4 PART OF THE PEARL RIVER VALLEY WATER SUPPLY DISTRICT ON PROPERTY  
 5 THAT IS OWNED BY THE DISTRICT AND OUTSIDE OF THE CORPORATE LIMITS  
 6 OF MUNICIPALITIES IN SUCH COUNTY SHALL BE DISTRIBUTED TO THE PEARL  
 7 RIVER VALLEY WATER SUPPLY DISTRICT; TO AMEND SECTION 27-65-53,  
 8 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED  
 9 PURPOSES.

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

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

13 27-65-75. On or before the fifteenth day of each month, the  
 14 revenue collected under the provisions of this chapter during the  
 15 preceding month shall be paid and distributed as follows:

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



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

39 A municipal corporation, for the purpose of distributing the  
40 tax under this subsection, shall mean and include all incorporated  
41 cities, towns and villages.

42 Monies allocated for distribution and credited to a municipal  
43 corporation under this paragraph may be pledged as security for a  
44 loan if the distribution received by the municipal corporation is  
45 otherwise authorized or required by law to be pledged as security  
46 for such a loan.



47 In any county having a county seat that is not an  
48 incorporated municipality, the distribution provided under this  
49 subsection shall be made as though the county seat was an  
50 incorporated municipality; however, the distribution to the  
51 municipality shall be paid to the county treasury in which the  
52 municipality is located, and those funds shall be used for road,  
53 bridge and street construction or maintenance in the county.

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

65 (c) On or before August 15, 2018, and each succeeding  
66 month thereafter until August 14, 2019, two percent (2%) of the  
67 total sales tax revenue collected during the preceding month under  
68 the provisions of this chapter, except that collected under the  
69 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
70 27-65-24, on business activities within the corporate limits of  
71 the City of Jackson, Mississippi, shall be deposited into the



72 Capitol Complex Improvement District Project Fund created in  
73 Section 29-5-215. On or before August 15, 2019, and each  
74 succeeding month thereafter until August 14, 2020, four percent  
75 (4%) of the total sales tax revenue collected during the preceding  
76 month under the provisions of this chapter, except that collected  
77 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
78 and 27-65-24, on business activities within the corporate limits  
79 of the City of Jackson, Mississippi, shall be deposited into the  
80 Capitol Complex Improvement District Project Fund created in  
81 Section 29-5-215. On or before August 15, 2020, and each  
82 succeeding month thereafter through July 15, 2023, six percent  
83 (6%) of the total sales tax revenue collected during the preceding  
84 month under the provisions of this chapter, except that collected  
85 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
86 and 27-65-24, on business activities within the corporate limits  
87 of the City of Jackson, Mississippi, shall be deposited into the  
88 Capitol Complex Improvement District Project Fund created in  
89 Section 29-5-215. On or before August 15, 2023, and each  
90 succeeding month thereafter, nine percent (9%) of the total sales  
91 tax revenue collected during the preceding month under the  
92 provisions of this chapter, except that collected under the  
93 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
94 27-65-24, on business activities within the corporate limits of  
95 the City of Jackson, Mississippi, shall be deposited into the



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

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

- 109 1. The county:
- 110 a. Borders on the Mississippi Sound and  
111 the State of Alabama, or
- 112 b. Is Harrison County, Mississippi, and  
113 the project area is within a radius of two (2) miles from the  
114 intersection of Interstate 10 and Menge Avenue;
- 115 2. The county has issued bonds under Section  
116 21-45-9 to finance all or a portion of a redevelopment project in  
117 the redevelopment project area;
- 118 3. Any debt service for the indebtedness  
119 incurred is outstanding; and



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

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

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

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



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

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



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

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





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

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

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

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

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



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

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

227 (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
228 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
229 the special fund known as the "Educational Facilities Revolving  
230 Loan Fund" created and existing under the provisions of Section  
231 37-47-24. Those payments into that fund are to be made on the  
232 last day of each succeeding month hereafter. This subsection (5)  
233 shall stand repealed on July 1, 2026.

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

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



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

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

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



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

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

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

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



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

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



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

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

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



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

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

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

364 (18) [Repealed]

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



370 57-91-1 through 57-91-11, and the revenue collected on the gross  
371 proceeds of sales from sales made to a business enterprise located  
372 in a redevelopment project area under the provisions of Sections  
373 57-91-1 through 57-91-11 (provided that such sales made to a  
374 business enterprise are made on the premises of the business  
375 enterprise), shall, except as otherwise provided in this  
376 subsection (19), be deposited, after all diversions, into the  
377 Redevelopment Project Incentive Fund as created in Section  
378 57-91-9.

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

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





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

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

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

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

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

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



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

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

431 (22) On or before June 1, 2024, and each succeeding month  
432 thereafter until December 31, 2057, an amount determined annually  
433 by the Mississippi Development Authority of the sales tax revenue  
434 collected during the preceding month under the provisions of this  
435 chapter shall be deposited into the MMEIA Tax Incentive Fund  
436 created in Section 18 of \* \* \* Senate Bill No. 2001, 2024 Second  
437 Extraordinary Session. This amount shall be based on estimated  
438 payments due within the upcoming year to construction contractors  
439 pursuant to construction contracts subject to the tax imposed by  
440 Section 27-65-21 for construction to be performed on the project  
441 site of a project defined under Section 57-75-5(f)(xxxiii) for the  
442 coming year.



443 (23) Notwithstanding any other provision of this section to  
444 the contrary, on or before August 15, 2009, and each succeeding  
445 month thereafter, the sales tax revenue collected during the  
446 preceding month under the provisions of Section 27-65-201 shall be  
447 deposited, without diversion, into the Motor Vehicle Ad Valorem  
448 Tax Reduction Fund established in Section 27-51-105.

449 (24) (a) On or before August 15, 2019, and each month  
450 thereafter through July 15, 2020, one percent (1%) of the total  
451 sales tax revenue collected during the preceding month from  
452 restaurants and hotels shall be allocated for distribution to the  
453 Mississippi Development Authority Tourism Advertising Fund  
454 established under Section 57-1-64, to be used exclusively for the  
455 purpose stated therein. On or before August 15, 2020, and each  
456 month thereafter through July 15, 2021, two percent (2%) of the  
457 total sales tax revenue collected during the preceding month from  
458 restaurants and hotels shall be allocated for distribution to the  
459 Mississippi Development Authority Tourism Advertising Fund  
460 established under Section 57-1-64, to be used exclusively for the  
461 purpose stated therein. On or before August 15, 2021, and each  
462 month thereafter, three percent (3%) of the total sales tax  
463 revenue collected during the preceding month from restaurants and  
464 hotels shall be allocated for distribution to the Mississippi  
465 Development Authority Tourism Advertising Fund established under  
466 Section 57-1-64, to be used exclusively for the purpose stated



467 therein. The revenue diverted pursuant to this subsection shall  
468 not be available for expenditure until February 1, 2020.

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

475 (25) On or before August 15, 2024, and each succeeding month  
476 thereafter, eighteen and one-half percent (18-1/2%) of the total  
477 sales tax revenue collected during the preceding month under the  
478 provisions of this chapter, except that collected under the  
479 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
480 27-65-24, on business activities within a county that is a part of  
481 the Pearl River Valley Water Supply District on property that is  
482 owned by the district and outside of the corporate limits of  
483 municipalities in such county shall be allocated for distribution  
484 to the Pearl River Valley Water Supply District and paid to the  
485 Pearl River Valley Water Supply District.

486 ( \* \* \* 26) The remainder of the amounts collected under the  
487 provisions of this chapter shall be paid into the State Treasury  
488 to the credit of the General Fund.

489 ( \* \* \* 27) (a) It shall be the duty of the municipal  
490 officials of any municipality that expands its limits, or of any  
491 community that incorporates as a municipality, to notify the



492 commissioner of that action thirty (30) days before the effective  
493 date. Failure to so notify the commissioner shall cause the  
494 municipality to forfeit the revenue that it would have been  
495 entitled to receive during this period of time when the  
496 commissioner had no knowledge of the action.

497 (b) (i) Except as otherwise provided in subparagraph  
498 (ii) of this paragraph, if any funds have been erroneously  
499 disbursed to any municipality or any overpayment of tax is  
500 recovered by the taxpayer, the commissioner may make correction  
501 and adjust the error or overpayment with the municipality by  
502 withholding the necessary funds from any later payment to be made  
503 to the municipality.

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



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

519           27-65-53. If the commissioner finds that the taxpayer has  
520 overpaid his tax for any reason and the taxpayer has discontinued  
521 business and there is no subsequent liability upon which the  
522 excess may be credited, or if the amount of the excess so paid  
523 shall exceed the estimated liability for the next twelve (12)  
524 months, the excess shall be refunded to the taxpayer. Such amount  
525 shall be certified to the State Auditor of Public Accounts by the  
526 commission. The said auditor is hereby authorized to make such  
527 investigation and audit of the claim as he finds necessary. If he  
528 finds that the commissioner is correct in his determination, the  
529 auditor may issue his warrant to the State Treasurer in favor of  
530 the taxpayer for the amount of tax erroneously paid into the State  
531 Treasury, such refunds to be made from current sales tax  
532 collections. If part of the overpayment has been disbursed to any  
533 municipality or state institution of higher learning or to the  
534 Pearl River Valley Water Supply District, under authority of  
535 Section 27-65-75, the municipality or state institution of higher  
536 learning or the Pearl River Valley Water Supply District, having  
537 erroneously received the money, shall adjust the amount with the  
538 commissioner, or the overpayment may be withheld by the state from  
539 any funds due by the state to the municipality or state  
540 institution of higher learning or such district.



541            Provided, that where the taxpayer has overpaid his tax, the  
542 commissioner may give credit for same and allow the taxpayer to  
543 take credit on a subsequent return or, if necessary, in his  
544 discretion, have the taxpayer file for a refund as provided  
545 herein.

546            If any overpayment of tax as reflected in an application or  
547 amended return, or both, filed by the taxpayer, and verified by  
548 the commissioner or otherwise determined to be due by the  
549 commissioner or commission, is not refunded or credited to a  
550 taxpayer's account within ninety (90) days after the application  
551 or amended return is filed or the date the commission or  
552 commissioner determines a refund is due, whichever is later,  
553 interest at the rate of one-half of one percent (1/2 of 1%) per  
554 month shall be allowed on such overpayment computed for the period  
555 after expiration of the ninety-day period provided herein to the  
556 date of payment.

557            **SECTION 3.** This act shall take effect and be in force from  
558 and after July 1, 2024.

