

By: Representative Roberson

To: Ways and Means

HOUSE BILL NO. 676

1 AN ACT TO CREATE THE "RETAILER TAX FAIRNESS ACT"; TO DEFINE
 2 CERTAIN TERMS RELATING TO ELECTRONIC PAYMENT TRANSACTIONS; TO
 3 PROVIDE THAT A MERCHANT OR SELLER COLLECTING STATE TAXES OR LOCAL
 4 TAXES FROM A PURCHASER IN ANY ELECTRONIC PAYMENT TRANSACTION FOR
 5 WHICH THE MERCHANT OR SELLER PAYS OR IS CHARGED AN INTERCHANGE FEE
 6 WILL BE ENTITLED TO A CREDIT AGAINST SUCH TAXES; TO PROVIDE FOR
 7 THE AMOUNT OF THE TAX CREDIT; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** This act shall be known and may be cited as the
 10 "Retailer Tax Fairness Act."

11 **SECTION 2.** For purposes of this act, the following words
 12 shall have the meanings as defined in this section, unless the
 13 context clearly requires otherwise:

14 (a) "Credit card" means any card, plate, coupon book,
 15 or other credit device existing for the purpose of obtaining
 16 money, property, labor, or services on credit.

17 (b) "Debit card" means any card, or other payment code
 18 or device, issued or approved for use through a payment card
 19 network to debit an asset account, regardless of the purpose for
 20 which the account is established, whether authorization is based



21 on signature, personal identification number, or other means. The
22 term "debit card" includes a general-use prepaid card, as defined
23 in 15 USC Section 16931-1(a)(2)(A), and does not include paper
24 checks.

25 (c) "Electronic payment transaction" means a
26 transaction in which a person uses a debit card, credit card, or
27 other payment code or device, issued or approved through a payment
28 card network to debit a deposit account or use a line of credit,
29 whether authorization is based on a signature, personal
30 identification number, or other means.

31 (d) "Interchange fee" means a fee established, charged,
32 or received by a payment card network for the purpose of
33 compensating the issuer for its involvement in an electronic
34 payment transaction.

35 (e) "Issuer" means any entity issuing a debit card or
36 credit card, or the issuer's agent.

37 (f) "Payment card network" means an entity that:

38 (i) Directly, or through licensed members,
39 processors, or agents, provides the proprietary services,
40 infrastructure, and software that routes information and data to
41 conduct debit card or credit card transaction authorization,
42 clearance, and settlement; and

43 (ii) A merchant or seller uses in order to accept
44 as a form of payment a brand of debit card, credit card, or other
45 device that may be used to carry out debit or credit transactions.



46 (g) "Settlement" means the transfer of funds from a
47 customer's account to a seller or merchant upon electronic
48 submission of finalized sales transactions to the payment card
49 network.

50 **SECTION 3.** Each merchant or seller collecting state taxes
51 and/or local taxes shall be entitled to a credit against such
52 state taxes and/or local taxes, respectively, equal to the product
53 of the state taxes and local taxes collected from a purchaser in
54 any electronic payment transaction for which such merchant or
55 seller pays or is charged an interchange fee multiplied by two and
56 one-half percent (2 1/2%).

57 For purposes of this section, the term "state taxes" includes
58 the amount of any taxes imposed under Chapter 65, Title 27,
59 Mississippi Code of 1972, as amended, and the amount of all state
60 taxes imposed under Sections 27-55-11, 27-55-519, 27-59-11,
61 49-17-407 and 65-33-47.

62 For purposes of this section, the term "local tax" includes
63 any tax levied and collected under the authority of any local and
64 private law of the State of Mississippi upon hotels, motels,
65 restaurants or otherwise.

66 **SECTION 4.** This act shall take effect and be in force from
67 and after July 1, 2024.

