

By: Representatives Kinkade, Bounds,  
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To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 733

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT A PORTION OF THE STATE SALES TAX REVENUE DERIVED  
3 FROM SALES OF BUSINESSES WITH A CERTAIN NORTH AMERICAN INDUSTRY  
4 CLASSIFICATION SYSTEM CODE SHALL BE DEPOSITED INTO THE MISSISSIPPI  
5 OUTDOOR STEWARDSHIP TRUST FUND; TO AMEND SECTION 49-39-7,  
6 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED  
7 PURPOSES.

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

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

11 27-65-75. On or before the fifteenth day of each month, the  
12 revenue collected under the provisions of this chapter during the  
13 preceding month shall be paid and distributed as follows:

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



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

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

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



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

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

63           (c) On or before August 15, 2018, and each succeeding  
64 month thereafter until August 14, 2019, two percent (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), 27-65-21 and  
68 27-65-24, on business activities within the corporate limits of  
69 the City of Jackson, Mississippi, shall be deposited into the



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



94 Capitol Complex Improvement District Project Fund created in  
95 Section 29-5-215.

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

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



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

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

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

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



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

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



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

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





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

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

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

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

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



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

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

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

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

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



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

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

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



268 the preceding month, Two Hundred Fifty Thousand Dollars  
269 (\$250,000.00) shall be paid into the State Aid Road Fund.

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

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

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



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

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



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

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

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



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

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

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

362 (18) [Repealed]

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



368 57-91-1 through 57-91-11, and the revenue collected on the gross  
369 proceeds of sales from sales made to a business enterprise located  
370 in a redevelopment project area under the provisions of Sections  
371 57-91-1 through 57-91-11 (provided that such sales made to a  
372 business enterprise are made on the premises of the business  
373 enterprise), shall, except as otherwise provided in this  
374 subsection (19), be deposited, after all diversions, into the  
375 Redevelopment Project Incentive Fund as created in Section  
376 57-91-9.

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

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





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

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

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

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

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

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



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

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

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



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

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



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

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

473 (25) On or before August 15, 2024, and each succeeding month  
474 thereafter, One Million Two Hundred Fifty Thousand Dollars  
475 (\$1,250,000.00) of the total sales tax revenue collected during  
476 the preceding month under the provisions of this chapter from  
477 businesses with the North American Industry Classification System  
478 Code of 451110 shall be deposited into the Mississippi Outdoor  
479 Stewardship Trust Fund created in Section 49-39-7.

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

483 ( \* \* \* 27) (a) It shall be the duty of the municipal  
484 officials of any municipality that expands its limits, or of any  
485 community that incorporates as a municipality, to notify the  
486 commissioner of that action thirty (30) days before the effective  
487 date. Failure to so notify the commissioner shall cause the  
488 municipality to forfeit the revenue that it would have been



489 entitled to receive during this period of time when the  
490 commissioner had no knowledge of the action.

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

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

511 **SECTION 2.** Section 49-39-7, Mississippi Code of 1972, is  
512 amended as follows:



513           49-39-7. (1) (a) There is created in the State Treasury a  
514 special fund to be designated the "Mississippi Outdoor Stewardship  
515 Trust Fund." The special fund shall consist of monies  
516 appropriated or otherwise made available by the Legislature in any  
517 manner. Monies shall be accounted for in such a manner to be  
518 termed unobligated funds or obligated funds. Unexpended amounts  
519 remaining in the special fund at the end of a fiscal year shall  
520 not lapse into the State General Fund, and any investment earnings  
521 or interest earned on amounts in the special fund shall be  
522 deposited to the credit of the special fund; however, any  
523 unobligated monies in excess of Twenty Million Dollars  
524 (\$20,000,000.00), excluding federal funds, remaining in the  
525 special fund at the end of a fiscal year that have not been  
526 appropriated shall lapse into the State General Fund. Monies in  
527 the special fund may be used upon selection by the board. The  
528 board and the Department of Finance and Administration may use not  
529 more than two percent (2%) of monies in the special fund to defray  
530 the board's expenses in carrying out its duties under this  
531 chapter.

532           (b) Subject to the provisions of this chapter, monies  
533 in the special fund may be used and expended by the board to  
534 provide funds for grants to counties, municipalities, state  
535 agencies and nongovernmental entities for:

536                   (i) Improvement of state park outdoor recreation  
537 features and trails;



538 (ii) Acquisition and improvement of parks and  
539 trails by counties and municipalities, if such parks and trails  
540 lie within the jurisdiction of such counties and municipalities;

541 (iii) Restoration or enhancement projects to  
542 create or improve access to public waters and lands for public  
543 outdoor recreation, conservation education, or the safe use and  
544 enjoyment of permanently protected conservation land;

545 (iv) Restoration or enhancement on privately owned  
546 working agricultural lands and forests that support conservation  
547 of soil, water, habitat of fish and wildlife resources;

548 (v) Restoration or enhancement of wetlands, native  
549 forests, native grasslands and other unique habitats important for  
550 Mississippi's fish and wildlife; and

551 (vi) Acquisition of critical areas for the  
552 provision or protection of clean water, wildlife, hunting,  
553 fishing, military installation buffering or natural resource-based  
554 outdoor recreation. Real property may only be acquired under this  
555 subparagraph (vi) when the property:

556 1. Is, at the time of acquisition, being  
557 leased by the state as a wildlife management area;

558 2. Adjoins or is in close proximity to state  
559 or federal wildlife management areas or state parks, or would  
560 provide better public access to such areas;

561 3. Is identified in a wildlife action plan  
562 developed by a state agency;



563                   4. Constitutes riparian lands, and its  
564 acquisition is for the purpose of protecting any drinking water  
565 supply; or

566                   5. Surrounds a military base or military  
567 installation.

568           Acquisition of land under this subparagraph (vi) may not be  
569 made through the exercise of any power of eminent domain or any  
570 condemnation proceeding.

571           (c) Unless otherwise authorized by the board, a county,  
572 municipality, state agency or nongovernmental entity receiving  
573 funds for a project under this section must expend the funds for  
574 the project within two (2) years after receipt of the funds in  
575 order to be eligible to apply for additional funds for the project  
576 under this section. If a county, municipality, state agency or  
577 nongovernmental entity receiving funds for a project does not  
578 expend the funds within two (2) years after receipt of the funds,  
579 then the county, municipality, state agency or nongovernmental  
580 entity must provide an accounting of such unused funds and the  
581 reason for failure to expend the funds. If the board determines  
582 that the project will not be completed in a timely manner, the  
583 county, municipality, state agency or nongovernmental entity must  
584 then return any unexpended funds.

585           (d) Monies in the special fund may not be used,  
586 expended or transferred for any other purpose other than  
587 authorized in this chapter.





588           (2)   (a)   The board shall accept applications from counties,  
589 municipalities, state agencies and nongovernmental entities for  
590 project proposals eligible for funding under this section. The  
591 board shall evaluate the proposals received in accordance with  
592 this chapter.

593                   (b)   A county, municipality, state agency or  
594 nongovernmental entity desiring assistance under this section must  
595 submit a complete application to the board. The application must  
596 include a description of the purpose for which assistance is  
597 requested, the type and amount of assistance requested and any  
598 other information required by the board.

599                   (c)   The board shall require annual independent audits  
600 of all expenditures from the special fund and present those  
601 findings to the Governor, Lieutenant Governor, Speaker of the  
602 House, Chairs of the Senate and House Appropriations Committees,  
603 Chairs of the Senate Finance and House Ways and Means Committees  
604 and Chairs of the Senate and House Wildlife, Fisheries and Parks  
605 Committees.

606                   (d)   To be eligible for funding, any nongovernmental  
607 entity applicant must submit its most recent audit, disclose any  
608 audit deficiencies in the previous five (5) years, submit its  
609 certificate of good standing from the Mississippi Secretary of  
610 State, and submit a current list of its board members for purposes  
611 of conflicts of interest.



612 (e) For funds to be spent on private land, the  
613 applicant must show demonstrably that the project will benefit the  
614 public.

615 (f) Projects that acquire property shall not be  
616 considered for approval until after July 1, 2024.

617 (3) The board, at its first meeting of each calendar year,  
618 shall prepare a list of priorities and criteria to guide the  
619 selection of projects. The board shall give increased priority to  
620 projects:

621 (a) Supporting the public recreation and conservation  
622 efforts of state agencies, counties and municipalities;

623 (b) Leveraging or matching other nonfederal or federal  
624 funds available for similar purposes;

625 (c) Supporting and promoting recreation in the form of  
626 archery, boating, hiking, camping, fishing, hunting, running,  
627 jogging, biking, walking, shooting or similar outdoor activities;

628 (d) Contributing to the improvement of the quality and  
629 quantity of surface water and groundwater; or

630 (e) Contributing to the conservation of soil, water,  
631 and fish and wildlife resources on privately owned working  
632 agricultural lands or forests.

633 (4) Upon approval of the total list of projects by the  
634 board, the list of projects shall be submitted to the Lieutenant  
635 Governor, Speaker of the House, Chairs of the Senate and House  
636 Appropriations Committees, Chairs of the Senate Finance and House



637 Ways and Means Committees and Chairs of the Senate and House  
638 Wildlife, Fisheries and Parks Committees. If federal funds or  
639 guidelines become available and are certified by the Executive  
640 Director of the Department of Finance and Administration or the  
641 Executive Director of the Mississippi Outdoor Stewardship Fund,  
642 the board shall be authorized to expend funds from the Mississippi  
643 Outdoor Stewardship Trust Fund and shall notify the Lieutenant  
644 Governor, Speaker of the House, Chairs of the Senate and House  
645 Appropriations Committees, Chairs of the Senate Finance and House  
646 Ways and Means Committees, Chairs of the Senate and House  
647 Wildlife, Fisheries and Parks Committees, and Legislative Budget  
648 Office of such expenditures prior to their distribution to certain  
649 projects approved by the board.

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

