

By: Representative Bennett

To: Education;
Appropriations A

HOUSE BILL NO. 1562

1 AN ACT TO AMEND SECTION 37-47-7, MISSISSIPPI CODE OF 1972, TO
 2 REMOVE THE AUTHORITY TO REPEAL THE "STATE PUBLIC SCHOOL BUILDING
 3 FUND" CONTINGENT UPON A TRANSFER OF ALL FUNDS THEREIN TO THE
 4 EDUCATIONAL FACILITIES REVOLVING LOAN; TO REENACT SECTIONS
 5 37-47-11, 37-47-13, 37-47-15, 37-47-17, 37-47-19, 37-47-21,
 6 37-47-23 AND 37-47-29, MISSISSIPPI CODE OF 1972, TO REESTABLISH
 7 THE STATE PUBLIC SCHOOL BUILDING FUND AND ITS ADMINISTRATION,
 8 WHICH WERE REPEALED BY OPERATION OF LAW BY CHAPTER 453, LAWS OF
 9 2022; TO REPEAL SECTION 37-47-24, MISSISSIPPI CODE OF 1972, WHICH
 10 ESTABLISHED THE EDUCATIONAL FACILITIES REVOLVING LOAN FUND PROGRAM
 11 FOR THE PURPOSE OF IMPROVING EDUCATIONAL FACILITIES IN THE STATE
 12 BY ASSISTING PUBLIC SCHOOLS IN PROCURING FUNDS FOR MAKING CERTAIN
 13 CAPITAL IMPROVEMENTS; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE
 14 OF 1972, TO RETURN THE ALLOCATION DIVERTED TO THE EDUCATIONAL
 15 FACILITIES REVOLVING LOAN FUND BEGINNING ON JULY 1, 2022, BACK TO
 16 THE STATE PUBLIC SCHOOL BUILDING FUND; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** Section 37-47-7, Mississippi Code of 1972, is
 19 amended as follows:

20 37-47-7. There shall be, and there is hereby, created in the
 21 state treasury a special fund to be known as the "State Public
 22 School Building Fund." The said fund shall consist of such
 23 amounts as may be paid into said fund by appropriation or other
 24 legislative authorization. * * *



25 **SECTION 2.** Section 37-47-11, Mississippi Code of 1972, is
26 reenacted as follows:

27 37-47-11. The sums becoming due to any school district shall
28 be disposed of in the following order of priority and for the
29 following purposes and for no others:

30 (a) To discharge the principal and interest due the
31 commission by reason of any advance or loan made to any such
32 school district by the commission;

33 (b) To be applied by the school district, subject to
34 the approval of the commission, to defray the cost of any capital
35 improvement;

36 (c) To pay the principal and interest of school
37 district indebtedness represented by bonds or notes issued before
38 July 1, 2022, for capital improvements, provided that the capital
39 improvements for which such bonds or notes were issued fulfill the
40 rules and requirement for new capital improvements and district
41 organization as provided by the commission, or for bonds or notes
42 issued on or after July 1, 2022, for capital improvements which
43 have been approved by the commission as provided in this chapter.

44 **SECTION 3.** Section 37-47-13, Mississippi Code of 1972, is
45 reenacted as follows:

46 37-47-13. When the amounts of the annual grants to school
47 districts have been computed as provided in Section 37-47-9, the
48 commission shall credit each such school district with the amount
49 of the annual grant to which it is entitled and shall issue to



50 each such school district a certificate of credit for the amount
51 of such annual grant. All such certificates of credit shall be
52 signed by the chairman of the commission and countersigned by the
53 executive secretary thereof. Such certificates shall constitute
54 an indebtedness of the State of Mississippi but shall be
55 nontransferable and nonnegotiable and shall bear no interest. All
56 such certificates so issued shall be held and retained by the
57 school district to which same are issued until the expenditure of
58 the funds to the credit of such school district shall be approved
59 by the commission as is otherwise provided in this chapter. Such
60 certificates shall be surrendered to the commission at the time
61 the funds to which the school district is entitled are withdrawn
62 from the public school building fund and deposited to the credit
63 of the school district entitled thereto.

64 **SECTION 4.** Section 37-47-15, Mississippi Code of 1972, is
65 reenacted as follows:

66 37-47-15. No grants accruing to any school district shall be
67 expended for any purpose unless such expenditure has been approved
68 by the commission. In order to guide the commission in passing
69 upon requests for the use of grants, the school boards of the
70 respective school districts are directed to prepare a survey of
71 necessary capital improvements and/or a plan for tax relief on
72 school indebtedness within each school district. Such surveys
73 shall show existing facilities, desirable consolidations, the new
74 construction and new facilities necessary and desirable for the



75 efficient operation of the public schools of the school districts,
76 proper compliance with state energy conservation standards, and
77 the plan of tax reduction in the school districts by use of such
78 funds in retiring any outstanding indebtedness for school
79 facilities. The commission shall not approve any application for
80 the use of funds of the said public school building fund from the
81 school board of any school district until such time as an
82 acceptable and reasonably satisfactory plan, looking particularly
83 to efficiency through consolidations of school attendance centers,
84 has been submitted by the school board.

85 Furthermore, the commission shall not approve any application
86 for the use of funds of the public school building fund until such
87 time as an acceptable plan has been submitted by the appropriate
88 board which complies with improved design, heating, cooling,
89 ventilation, lighting, insulation and architectural standards
90 provided by the State of Mississippi to promote maximum energy
91 conservation in new and existing public buildings.

92 All applications from school districts shall conform to the
93 plan of the school board.

94 **SECTION 5.** Section 37-47-17, Mississippi Code of 1972, is
95 reenacted as follows:

96 37-47-17. Applications for the expenditure of funds to the
97 credit of any school district in the state public school building
98 fund shall originate with the school board of the school district
99 entitled to such funds. Before any funds to the credit of a



100 school district shall be expended for capital improvements or the
101 retirement of outstanding bonded indebtedness, the school board of
102 such school district shall prepare and submit an application in
103 such form as may be prescribed by the commission. There shall be
104 included with such application a statement in which there is set
105 forth the enrollment and average daily attendance in the schools
106 of the district divided as to schools and grades, the number of
107 teachers employed, the facilities in use, the facilities to be
108 provided with the funds to be expended, the outstanding school
109 indebtedness, and such other information as the commission may
110 require. Such application and statement shall be submitted
111 directly to the commission and approved or disapproved by it. The
112 decision of the commission shall be final, unless an appeal to the
113 chancery court shall be taken in the manner provided by law. In
114 the event any application shall be disapproved by the commission,
115 the school board submitting same shall be notified of such
116 disapproval, which notice of disapproval shall be accompanied by a
117 statement of the reason or reasons for such disapproval.

118 The commission shall approve only those applications which
119 are found to be proper under the provisions of this chapter and
120 the applicable rules and regulations of the commission. When an
121 application is approved for the expenditure of funds for capital
122 improvements, the contract for the construction of such capital
123 improvements shall be entered into and awarded by the school board
124 of the school district in the manner provided in this chapter;



125 however, the contract for construction of a secondary vocational
126 and technical training center for exclusive use and operation by a
127 school district may be entered into and awarded by the board of
128 trustees of a junior college district where a grant of federal
129 funds by the Appalachian Commission has been made to the board of
130 trustees of such junior college district to assist in financing
131 construction of such secondary vocational and technical training
132 facility for such school district.

133 **SECTION 6.** Section 37-47-19, Mississippi Code of 1972, is
134 reenacted as follows:

135 37-47-19. Where the expenditure of any funds to which any
136 school district may be entitled has been authorized, as provided
137 in Section 37-47-17, such funds shall be withdrawn from the public
138 school building fund by the commission and deposited in the school
139 depository to the credit of the school district entitled thereto
140 as a special fund to be known as the "Public School Building Fund"
141 of the school district entitled thereto. Such money so deposited
142 shall be paid out and expended in the same manner as may be now or
143 hereafter provided by law for the expenditure of other school
144 funds belonging to such district; however, where the contract for
145 construction of a secondary vocational and technical training
146 center shall have been entered into and awarded by the board of
147 trustees of a junior college district as authorized by Section
148 37-47-29, the money so deposited in the public school building
149 fund of the school district for which said facility is being



150 constructed may be paid out and expended to pay a part of the cost
151 of construction of such facility.

152 **SECTION 7.** Section 37-47-21, Mississippi Code of 1972, is
153 reenacted as follows:

154 37-47-21. All funds, if any, which may accumulate in the
155 state public school building fund under the provisions of this
156 chapter because school districts entitled thereto do not make
157 application for the expenditure of same for the purposes
158 authorized by this chapter at the time same are credited to such
159 school district may be used as a revolving fund for the purpose of
160 making loans or advances to other school districts as is provided
161 in Section 37-47-25.

162 **SECTION 8.** Section 37-47-23, Mississippi Code of 1972, is
163 reenacted as follows:

164 37-47-23. When any school district holding certificates of
165 credit shall desire to expend funds which have accumulated to its
166 credit under the provisions of this chapter and the expenditure
167 thereof has been approved by the commission but insufficient funds
168 are available in the state public school building fund because of
169 loans or advances having been made to other school districts, the
170 commission shall forthwith transmit to the state bond commission
171 its request for the issuance of state school bonds, as is
172 otherwise provided in this chapter, in an amount sufficient to
173 provide the funds to which the school district holding the



174 certificate of credit is entitled, or such portion of such funds
175 as such school district then desires to expend.

176 **SECTION 9.** Section 37-47-29, Mississippi Code of 1972, is
177 reenacted as follows:

178 37-47-29. All contracts for capital improvements by any
179 school district which are financed in whole or in part with funds
180 received from the state public school building fund pursuant to an
181 application approved by the commission shall be awarded and
182 entered into upon receipt of sealed bids or proposals after the
183 time and place of letting such contracts and the manner of bidding
184 has been duly advertised. The contract shall be let and awarded
185 to the lowest and best bidder but the board of trustees or other
186 governing body of the school district shall have the power to
187 reject any and all bids. No such contract shall be finally
188 awarded or entered into without the prior written approval of the
189 commission. It is hereby expressly provided that in order to bid
190 upon and be awarded contracts for the construction of school
191 facilities under the provisions of this chapter, if such contract,
192 subcontract or undertaking is less than Fifty Thousand Dollars
193 (\$50,000.00), it shall not be necessary that the bidder obtain a
194 certificate of responsibility from the Board of Public Contractors
195 under the provisions of Chapter 3, Title 31, of the Mississippi
196 Code of 1972, or otherwise be qualified under said chapter, and
197 none of the provisions of said chapter shall be applicable to such
198 contracts for the construction of school facilities under the



199 provisions hereof. Notwithstanding the foregoing provisions of
200 this section or any other provisions of law, the contract for
201 construction of a secondary vocational and technical training
202 center for exclusive use and operation by a county school district
203 may be entered into and awarded by the board of trustees of a
204 junior college district where a grant of federal funds by the
205 Appalachian Commission has been made to the board of trustees of
206 such junior college district to assist in financing construction
207 of such secondary vocational and technical training facility for
208 such county school district.

209 **SECTION 10.** Section 37-47-24, which established the
210 Educational Facilities Revolving Loan Fund Program for the purpose
211 of improving educational facilities in the state by assisting
212 public school in procuring funds for making certain capital
213 improvements, is repealed.

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

216 27-65-75. On or before the fifteenth day of each month, the
217 revenue collected under the provisions of this chapter during the
218 preceding month shall be paid and distributed as follows:

219 (1) (a) On or before August 15, 1992, and each succeeding
220 month thereafter through July 15, 1993, eighteen percent (18%) of
221 the total sales tax revenue collected during the preceding month
222 under the provisions of this chapter, except that collected under
223 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on



224 business activities within a municipal corporation shall be
225 allocated for distribution to the municipality and paid to the
226 municipal corporation. Except as otherwise provided in this
227 paragraph (a), on or before August 15, 1993, and each succeeding
228 month thereafter, eighteen and one-half percent (18-1/2%) of the
229 total sales tax revenue collected during the preceding month under
230 the provisions of this chapter, except that collected under the
231 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
232 27-65-24, on business activities within a municipal corporation
233 shall be allocated for distribution to the municipality and paid
234 to the municipal corporation. However, in the event the State
235 Auditor issues a certificate of noncompliance pursuant to Section
236 21-35-31, the Department of Revenue shall withhold ten percent
237 (10%) of the allocations and payments to the municipality that
238 would otherwise be payable to the municipality under this
239 paragraph (a) until such time that the department receives written
240 notice of the cancellation of a certificate of noncompliance from
241 the State Auditor.

242 A municipal corporation, for the purpose of distributing the
243 tax under this subsection, shall mean and include all incorporated
244 cities, towns and villages.

245 Monies allocated for distribution and credited to a municipal
246 corporation under this paragraph may be pledged as security for a
247 loan if the distribution received by the municipal corporation is



248 otherwise authorized or required by law to be pledged as security
249 for such a loan.

250 In any county having a county seat that is not an
251 incorporated municipality, the distribution provided under this
252 subsection shall be made as though the county seat was an
253 incorporated municipality; however, the distribution to the
254 municipality shall be paid to the county treasury in which the
255 municipality is located, and those funds shall be used for road,
256 bridge and street construction or maintenance in the county.

257 (b) On or before August 15, 2006, and each succeeding
258 month thereafter, eighteen and one-half percent (18-1/2%) of the
259 total sales tax revenue collected during the preceding month under
260 the provisions of this chapter, except that collected under the
261 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
262 business activities on the campus of a state institution of higher
263 learning or community or junior college whose campus is not
264 located within the corporate limits of a municipality, shall be
265 allocated for distribution to the state institution of higher
266 learning or community or junior college and paid to the state
267 institution of higher learning or community or junior college.

268 (c) On or before August 15, 2018, and each succeeding
269 month thereafter until August 14, 2019, two percent (2%) of the
270 total sales tax revenue collected during the preceding month under
271 the provisions of this chapter, except that collected under the
272 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and



273 27-65-24, on business activities within the corporate limits of
274 the City of Jackson, Mississippi, shall be deposited into the
275 Capitol Complex Improvement District Project Fund created in
276 Section 29-5-215. On or before August 15, 2019, and each
277 succeeding month thereafter until August 14, 2020, four percent
278 (4%) of the total sales tax revenue collected during the preceding
279 month under the provisions of this chapter, except that collected
280 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
281 and 27-65-24, on business activities within the corporate limits
282 of the City of Jackson, Mississippi, shall be deposited into the
283 Capitol Complex Improvement District Project Fund created in
284 Section 29-5-215. On or before August 15, 2020, and each
285 succeeding month thereafter through July 15, 2023, six percent
286 (6%) of the total sales tax revenue collected during the preceding
287 month under the provisions of this chapter, except that collected
288 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
289 and 27-65-24, on business activities within the corporate limits
290 of the City of Jackson, Mississippi, shall be deposited into the
291 Capitol Complex Improvement District Project Fund created in
292 Section 29-5-215. On or before August 15, 2023, and each
293 succeeding month thereafter, nine percent (9%) of the total sales
294 tax revenue collected during the preceding month under the
295 provisions of this chapter, except that collected under the
296 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
297 27-65-24, on business activities within the corporate limits of



298 the City of Jackson, Mississippi, shall be deposited into the
299 Capitol Complex Improvement District Project Fund created in
300 Section 29-5-215.

301 (d) (i) On or before the fifteenth day of the month
302 that the diversion authorized by this section begins, and each
303 succeeding month thereafter, eighteen and one-half percent
304 (18-1/2%) of the total sales tax revenue collected during the
305 preceding month under the provisions of this chapter, except that
306 collected under the provisions of Sections 27-65-15, 27-65-19(3)
307 and 27-65-21, on business activities within a redevelopment
308 project area developed under a redevelopment plan adopted under
309 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be
310 allocated for distribution to the county in which the project area
311 is located if:

312 1. The county:

313 a. Borders on the Mississippi Sound and
314 the State of Alabama, or

315 b. Is Harrison County, Mississippi, and
316 the project area is within a radius of two (2) miles from the
317 intersection of Interstate 10 and Menge Avenue;

318 2. The county has issued bonds under Section
319 21-45-9 to finance all or a portion of a redevelopment project in
320 the redevelopment project area;

321 3. Any debt service for the indebtedness
322 incurred is outstanding; and



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

326 (ii) Before any sales tax revenue may be allocated
327 for distribution to a county under this paragraph, the county
328 shall certify to the Department of Revenue that the requirements
329 of this paragraph have been met, the amount of bonded indebtedness
330 that has been incurred by the county for the redevelopment project
331 and the expected date the indebtedness incurred by the county will
332 be satisfied.

333 (iii) The diversion of sales tax revenue
334 authorized by this paragraph shall begin the month following the
335 month in which the Department of Revenue determines that the
336 requirements of this paragraph have been met. The diversion shall
337 end the month the indebtedness incurred by the county is
338 satisfied. All revenue received by the county under this
339 paragraph shall be deposited in the fund required to be created in
340 the tax increment financing plan under Section 21-45-11 and be
341 utilized solely to satisfy the indebtedness incurred by the
342 county.

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



348 (1) of this section in the proportion that the number of gallons
349 of gasoline and diesel fuel sold by distributors to consumers and
350 retailers in each such municipality during the preceding fiscal
351 year bears to the total gallons of gasoline and diesel fuel sold
352 by distributors to consumers and retailers in municipalities
353 statewide during the preceding fiscal year. The Department of
354 Revenue shall require all distributors of gasoline and diesel fuel
355 to report to the department monthly the total number of gallons of
356 gasoline and diesel fuel sold by them to consumers and retailers
357 in each municipality during the preceding month. The Department
358 of Revenue shall have the authority to promulgate such rules and
359 regulations as is necessary to determine the number of gallons of
360 gasoline and diesel fuel sold by distributors to consumers and
361 retailers in each municipality. In determining the percentage
362 allocation of funds under this subsection for the fiscal year
363 beginning July 1, 1987, and ending June 30, 1988, the Department
364 of Revenue may consider gallons of gasoline and diesel fuel sold
365 for a period of less than one (1) fiscal year. For the purposes
366 of this subsection, the term "fiscal year" means the fiscal year
367 beginning July 1 of a year.

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



373 created under Section 65-3-97 shall, except as otherwise provided
374 in Section 31-17-127, be deposited into the State Treasury to the
375 credit of the State Highway Fund to be used to fund that highway
376 program. The Mississippi Department of Transportation shall
377 provide to the Department of Revenue such information as is
378 necessary to determine the amount of proceeds to be distributed
379 under this subsection.

380 (4) On or before August 15, 1994, and on or before the
381 fifteenth day of each succeeding month through July 15, 1999, from
382 the proceeds of gasoline, diesel fuel or kerosene taxes as
383 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
384 (\$4,000,000.00) shall be deposited in the State Treasury to the
385 credit of a special fund designated as the "State Aid Road Fund,"
386 created by Section 65-9-17. On or before August 15, 1999, and on
387 or before the fifteenth day of each succeeding month, from the
388 total amount of the proceeds of gasoline, diesel fuel or kerosene
389 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
390 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
391 one-fourth percent (23-1/4%) of those funds, whichever is the
392 greater amount, shall be deposited in the State Treasury to the
393 credit of the "State Aid Road Fund," created by Section 65-9-17.
394 Those funds shall be pledged to pay the principal of and interest
395 on state aid road bonds heretofore issued under Sections 19-9-51
396 through 19-9-77, in lieu of and in substitution for the funds
397 previously allocated to counties under this section. Those funds



398 may not be pledged for the payment of any state aid road bonds
399 issued after April 1, 1981; however, this prohibition against the
400 pledging of any such funds for the payment of bonds shall not
401 apply to any bonds for which intent to issue those bonds has been
402 published for the first time, as provided by law before March 29,
403 1981. From the amount of taxes paid into the special fund under
404 this subsection and subsection (9) of this section, there shall be
405 first deducted and paid the amount necessary to pay the expenses
406 of the Office of State Aid Road Construction, as authorized by the
407 Legislature for all other general and special fund agencies. The
408 remainder of the fund shall be allocated monthly to the several
409 counties in accordance with the following formula:

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

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

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

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



423 The amount of funds allocated to any county under this
424 subsection for any fiscal year after fiscal year 1994 shall not be
425 less than the amount allocated to the county for fiscal year 1994.

426 Any reference in the general laws of this state or the
427 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
428 construed to refer and apply to subsection (4) of Section
429 27-65-75.

430 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
431 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
432 the special fund known as the " * * * State Public School Building
433 Fund" created and existing under the provisions of * * * Sections
434 37-47-1 through 37-47-67. Those payments into that fund are to be
435 made on the last day of each succeeding month hereafter. * * *

436 (6) An amount each month beginning August 15, 1983, through
437 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
438 1983, shall be paid into the special fund known as the
439 Correctional Facilities Construction Fund created in Section 6,
440 Chapter 542, Laws of 1983.

441 (7) On or before August 15, 1992, and each succeeding month
442 thereafter through July 15, 2000, two and two hundred sixty-six
443 one-thousandths percent (2.266%) of the total sales tax revenue
444 collected during the preceding month under the provisions of this
445 chapter, except that collected under the provisions of Section
446 27-65-17(2), shall be deposited by the department into the School
447 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On



448 or before August 15, 2000, and each succeeding month thereafter,
449 two and two hundred sixty-six one-thousandths percent (2.266%) of
450 the total sales tax revenue collected during the preceding month
451 under the provisions of this chapter, except that collected under
452 the provisions of Section 27-65-17(2), shall be deposited into the
453 School Ad Valorem Tax Reduction Fund created under Section
454 37-61-35 until such time that the total amount deposited into the
455 fund during a fiscal year equals Forty-two Million Dollars
456 (\$42,000,000.00). Thereafter, the amounts diverted under this
457 subsection (7) during the fiscal year in excess of Forty-two
458 Million Dollars (\$42,000,000.00) shall be deposited into the
459 Education Enhancement Fund created under Section 37-61-33 for
460 appropriation by the Legislature as other education needs and
461 shall not be subject to the percentage appropriation requirements
462 set forth in Section 37-61-33.

463 (8) On or before August 15, 1992, and each succeeding month
464 thereafter, nine and seventy-three one-thousandths percent
465 (9.073%) of the total sales tax revenue collected during the
466 preceding month under the provisions of this chapter, except that
467 collected under the provisions of Section 27-65-17(2), shall be
468 deposited into the Education Enhancement Fund created under
469 Section 37-61-33.

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



472 the preceding month, Two Hundred Fifty Thousand Dollars
473 (\$250,000.00) shall be paid into the State Aid Road Fund.

474 (10) On or before August 15, 1994, and each succeeding month
475 thereafter through August 15, 1995, from the revenue collected
476 under this chapter during the preceding month, Two Million Dollars
477 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
478 Valorem Tax Reduction Fund established in Section 27-51-105.

479 (11) Notwithstanding any other provision of this section to
480 the contrary, on or before February 15, 1995, and each succeeding
481 month thereafter, the sales tax revenue collected during the
482 preceding month under the provisions of Section 27-65-17(2) and
483 the corresponding levy in Section 27-65-23 on the rental or lease
484 of private carriers of passengers and light carriers of property
485 as defined in Section 27-51-101 shall be deposited, without
486 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
487 established in Section 27-51-105.

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



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

505 (14) On or before August 15, 1998, and each succeeding month
506 thereafter through July 15, 2005, that portion of the avails of
507 the tax imposed in Section 27-65-23 that is derived from sales by
508 cotton compresses or cotton warehouses and that would otherwise be
509 paid into the General Fund shall be deposited in an amount not to
510 exceed Two Million Dollars (\$2,000,000.00) into the special fund
511 created under Section 69-37-39. On or before August 15, 2007, and
512 each succeeding month thereafter through July 15, 2010, that
513 portion of the avails of the tax imposed in Section 27-65-23 that
514 is derived from sales by cotton compresses or cotton warehouses
515 and that would otherwise be paid into the General Fund shall be
516 deposited in an amount not to exceed Two Million Dollars
517 (\$2,000,000.00) into the special fund created under Section
518 69-37-39 until all debts or other obligations incurred by the
519 Certified Cotton Growers Organization under the Mississippi Boll
520 Weevil Management Act before January 1, 2007, are satisfied in
521 full. On or before August 15, 2010, and each succeeding month



522 thereafter through July 15, 2011, fifty percent (50%) of that
523 portion of the avails of the tax imposed in Section 27-65-23 that
524 is derived from sales by cotton compresses or cotton warehouses
525 and that would otherwise be paid into the General Fund shall be
526 deposited into the special fund created under Section 69-37-39
527 until such time that the total amount deposited into the fund
528 during a fiscal year equals One Million Dollars (\$1,000,000.00).
529 On or before August 15, 2011, and each succeeding month
530 thereafter, that portion of the avails of the tax imposed in
531 Section 27-65-23 that is derived from sales by cotton compresses
532 or cotton warehouses and that would otherwise be paid into the
533 General Fund shall be deposited into the special fund created
534 under Section 69-37-39 until such time that the total amount
535 deposited into the fund during a fiscal year equals One Million
536 Dollars (\$1,000,000.00).

537 (15) Notwithstanding any other provision of this section to
538 the contrary, on or before September 15, 2000, and each succeeding
539 month thereafter, the sales tax revenue collected during the
540 preceding month under the provisions of Section
541 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
542 without diversion, into the Telecommunications Ad Valorem Tax
543 Reduction Fund established in Section 27-38-7.

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



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

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

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

566 (18) [Repealed]

567 (19) (a) On or before August 15, 2005, and each succeeding
568 month thereafter, the sales tax revenue collected during the
569 preceding month under the provisions of this chapter on the gross
570 proceeds of sales of a business enterprise located within a
571 redevelopment project area under the provisions of Sections



572 57-91-1 through 57-91-11, and the revenue collected on the gross
573 proceeds of sales from sales made to a business enterprise located
574 in a redevelopment project area under the provisions of Sections
575 57-91-1 through 57-91-11 (provided that such sales made to a
576 business enterprise are made on the premises of the business
577 enterprise), shall, except as otherwise provided in this
578 subsection (19), be deposited, after all diversions, into the
579 Redevelopment Project Incentive Fund as created in Section
580 57-91-9.

581 (b) For a municipality participating in the Economic
582 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
583 the diversion provided for in subsection (1) of this section
584 attributable to the gross proceeds of sales of a business
585 enterprise located within a redevelopment project area under the
586 provisions of Sections 57-91-1 through 57-91-11, and attributable
587 to the gross proceeds of sales from sales made to a business
588 enterprise located in a redevelopment project area under the
589 provisions of Sections 57-91-1 through 57-91-11 (provided that
590 such sales made to a business enterprise are made on the premises
591 of the business enterprise), shall be deposited into the
592 Redevelopment Project Incentive Fund as created in Section
593 57-91-9, as follows:

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



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

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

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

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

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

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



621 (21) (a) On or before April 15, 2007, and each succeeding
622 month thereafter through June 15, 2013, One Hundred Fifty Thousand
623 Dollars (\$150,000.00) of the sales tax revenue collected during
624 the preceding month under the provisions of this chapter shall be
625 deposited into the MMEIA Tax Incentive Fund created in Section
626 57-101-3.

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

633 (22) On or before June 1, 2024, and each succeeding month
634 thereafter until December 31, 2057, an amount determined annually
635 by the Mississippi Development Authority of the sales tax revenue
636 collected during the preceding month under the provisions of this
637 chapter shall be deposited into the MMEIA Tax Incentive Fund
638 created in Section 18 of * * * Senate Bill No. 2001, 2024 Second
639 Extraordinary Session. This amount shall be based on estimated
640 payments due within the upcoming year to construction contractors
641 pursuant to construction contracts subject to the tax imposed by
642 Section 27-65-21 for construction to be performed on the project
643 site of a project defined under Section 57-75-5(f)(xxxiii) for the
644 coming year.



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

651 (24) (a) On or before August 15, 2019, and each month
652 thereafter through July 15, 2020, one percent (1%) of the total
653 sales tax revenue collected during the preceding month from
654 restaurants and hotels shall be allocated for distribution to the
655 Mississippi Development Authority Tourism Advertising Fund
656 established under Section 57-1-64, to be used exclusively for the
657 purpose stated therein. On or before August 15, 2020, and each
658 month thereafter through July 15, 2021, two percent (2%) of the
659 total sales tax revenue collected during the preceding month from
660 restaurants and hotels shall be allocated for distribution to the
661 Mississippi Development Authority Tourism Advertising Fund
662 established under Section 57-1-64, to be used exclusively for the
663 purpose stated therein. On or before August 15, 2021, and each
664 month thereafter, three percent (3%) of the total sales tax
665 revenue collected during the preceding month from restaurants and
666 hotels shall be allocated for distribution to the Mississippi
667 Development Authority Tourism Advertising Fund established under
668 Section 57-1-64, to be used exclusively for the purpose stated



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

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

677 (25) The remainder of the amounts collected under the
678 provisions of this chapter shall be paid into the State Treasury
679 to the credit of the General Fund.

680 (26) (a) It shall be the duty of the municipal officials of
681 any municipality that expands its limits, or of any community that
682 incorporates as a municipality, to notify the commissioner of that
683 action thirty (30) days before the effective date. Failure to so
684 notify the commissioner shall cause the municipality to forfeit
685 the revenue that it would have been entitled to receive during
686 this period of time when the commissioner had no knowledge of the
687 action.

688 (b) (i) Except as otherwise provided in subparagraph
689 (ii) of this paragraph, if any funds have been erroneously
690 disbursed to any municipality or any overpayment of tax is
691 recovered by the taxpayer, the commissioner may make correction
692 and adjust the error or overpayment with the municipality by



693 withholding the necessary funds from any later payment to be made
694 to the municipality.

695 (ii) Subject to the provisions of Sections
696 27-65-51 and 27-65-53, if any funds have been erroneously
697 disbursed to a municipality under subsection (1) of this section
698 for a period of three (3) years or more, the maximum amount that
699 may be recovered or withheld from the municipality is the total
700 amount of funds erroneously disbursed for a period of three (3)
701 years beginning with the date of the first erroneous disbursement.
702 However, if during such period, a municipality provides written
703 notice to the Department of Revenue indicating the erroneous
704 disbursement of funds, then the maximum amount that may be
705 recovered or withheld from the municipality is the total amount of
706 funds erroneously disbursed for a period of one (1) year beginning
707 with the date of the first erroneous disbursement.

708 **SECTION 12.** This act shall take effect and be in force from
709 and after July 1, 2024.

