

By: Representative Kinkade

To: Ways and Means

HOUSE BILL NO. 1656

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 COLLECTED
 3 ON BUSINESS ACTIVITIES WITHIN THE CHICKASAW TRAIL TAX DISTRICT IN
 4 MARSHALL COUNTY, MISSISSIPPI, SHALL BE ALLOCATED FOR DISTRIBUTION
 5 TO AND PAID TO THE COUNTY; TO AMEND SECTION 27-65-53, MISSISSIPPI
 6 CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

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

10 27-65-75. On or before the fifteenth day of each month, the
 11 revenue collected under the provisions of this chapter during the
 12 preceding month shall be paid and distributed as follows:

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



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

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

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

44 In any county having a county seat that is not an
45 incorporated municipality, the distribution provided under this



46 subsection shall be made as though the county seat was an
47 incorporated municipality; however, the distribution to the
48 municipality shall be paid to the county treasury in which the
49 municipality is located, and those funds shall be used for road,
50 bridge and street construction or maintenance in the county.

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

62 (c) On or before August 15, 2018, and each succeeding
63 month thereafter until August 14, 2019, two percent (2%) of the
64 total sales tax revenue collected during the preceding month under
65 the provisions of this chapter, except that collected under the
66 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
67 27-65-24, on business activities within the corporate limits of
68 the City of Jackson, Mississippi, shall be deposited into the
69 Capitol Complex Improvement District Project Fund created in
70 Section 29-5-215. On or before August 15, 2019, and each



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



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

- 106 1. The county:
 - 107 a. Borders on the Mississippi Sound and
108 the State of Alabama, or
 - 109 b. Is Harrison County, Mississippi, and
110 the project area is within a radius of two (2) miles from the
111 intersection of Interstate 10 and Menge Avenue;
- 112 2. The county has issued bonds under Section
113 21-45-9 to finance all or a portion of a redevelopment project in
114 the redevelopment project area;
- 115 3. Any debt service for the indebtedness
116 incurred is outstanding; and
- 117 4. A development with a value of Ten Million
118 Dollars (\$10,000,000.00) or more is, or will be, located in the
119 redevelopment area.



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

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

137 (2) On or before September 15, 1987, and each succeeding
138 month thereafter, from the revenue collected under this chapter
139 during the preceding month, One Million One Hundred Twenty-five
140 Thousand Dollars (\$1,125,000.00) shall be allocated for
141 distribution to municipal corporations as defined under subsection
142 (1) of this section in the proportion that the number of gallons
143 of gasoline and diesel fuel sold by distributors to consumers and
144 retailers in each such municipality during the preceding fiscal



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

162 (3) On or before September 15, 1987, and on or before the
163 fifteenth day of each succeeding month, until the date specified
164 in Section 65-39-35, the proceeds derived from contractors' taxes
165 levied under Section 27-65-21 on contracts for the construction or
166 reconstruction of highways designated under the highway program
167 created under Section 65-3-97 shall, except as otherwise provided
168 in Section 31-17-127, be deposited into the State Treasury to the
169 credit of the State Highway Fund to be used to fund that highway



170 program. The Mississippi Department of Transportation shall
171 provide to the Department of Revenue such information as is
172 necessary to determine the amount of proceeds to be distributed
173 under this subsection.

174 (4) On or before August 15, 1994, and on or before the
175 fifteenth day of each succeeding month through July 15, 1999, from
176 the proceeds of gasoline, diesel fuel or kerosene taxes as
177 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
178 (\$4,000,000.00) shall be deposited in the State Treasury to the
179 credit of a special fund designated as the "State Aid Road Fund,"
180 created by Section 65-9-17. On or before August 15, 1999, and on
181 or before the fifteenth day of each succeeding month, from the
182 total amount of the proceeds of gasoline, diesel fuel or kerosene
183 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
184 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
185 one-fourth percent (23-1/4%) of those funds, whichever is the
186 greater amount, shall be deposited in the State Treasury to the
187 credit of the "State Aid Road Fund," created by Section 65-9-17.
188 Those funds shall be pledged to pay the principal of and interest
189 on state aid road bonds heretofore issued under Sections 19-9-51
190 through 19-9-77, in lieu of and in substitution for the funds
191 previously allocated to counties under this section. Those funds
192 may not be pledged for the payment of any state aid road bonds
193 issued after April 1, 1981; however, this prohibition against the
194 pledging of any such funds for the payment of bonds shall not



195 apply to any bonds for which intent to issue those bonds has been
196 published for the first time, as provided by law before March 29,
197 1981. From the amount of taxes paid into the special fund under
198 this subsection and subsection (9) of this section, there shall be
199 first deducted and paid the amount necessary to pay the expenses
200 of the Office of State Aid Road Construction, as authorized by the
201 Legislature for all other general and special fund agencies. The
202 remainder of the fund shall be allocated monthly to the several
203 counties in accordance with the following formula:

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

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

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

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

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



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

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

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

236 (7) On or before August 15, 1992, and each succeeding month
237 thereafter through July 15, 2000, two and two hundred sixty-six
238 one-thousandths percent (2.266%) of the total sales tax revenue
239 collected during the preceding month under the provisions of this
240 chapter, except that collected under the provisions of Section
241 27-65-17(2), shall be deposited by the department into the School
242 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
243 or before August 15, 2000, and each succeeding month thereafter,
244 two and two hundred sixty-six one-thousandths percent (2.266%) of



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

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

265 (9) On or before August 15, 1994, and each succeeding month
266 thereafter, from the revenue collected under this chapter during
267 the preceding month, Two Hundred Fifty Thousand Dollars
268 (\$250,000.00) shall be paid into the State Aid Road Fund.



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

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

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

292 (13) On or before July 15, 1994, and on or before the
293 fifteenth day of each succeeding month thereafter, that portion of



294 the avails of the tax imposed in Section 27-65-22 that is derived
295 from activities held on the Mississippi State Fairgrounds Complex
296 shall be paid into a special fund that is created in the State
297 Treasury and shall be expended upon legislative appropriation
298 solely to defray the costs of repairs and renovation at the Trade
299 Mart and Coliseum.

300 (14) On or before August 15, 1998, and each succeeding month
301 thereafter through July 15, 2005, that portion of the avails of
302 the tax imposed in Section 27-65-23 that is derived from sales by
303 cotton compresses or cotton warehouses and that would otherwise be
304 paid into the General Fund shall be deposited in an amount not to
305 exceed Two Million Dollars (\$2,000,000.00) into the special fund
306 created under Section 69-37-39. On or before August 15, 2007, and
307 each succeeding month thereafter through July 15, 2010, that
308 portion of the avails of the tax imposed in Section 27-65-23 that
309 is derived from sales by cotton compresses or cotton warehouses
310 and that would otherwise be paid into the General Fund shall be
311 deposited in an amount not to exceed Two Million Dollars
312 (\$2,000,000.00) into the special fund created under Section
313 69-37-39 until all debts or other obligations incurred by the
314 Certified Cotton Growers Organization under the Mississippi Boll
315 Weevil Management Act before January 1, 2007, are satisfied in
316 full. On or before August 15, 2010, and each succeeding month
317 thereafter through July 15, 2011, fifty percent (50%) of that
318 portion of the avails of the tax imposed in Section 27-65-23 that



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

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

339 (16) (a) On or before August 15, 2000, and each succeeding
340 month thereafter, the sales tax revenue collected during the
341 preceding month under the provisions of this chapter on the gross
342 proceeds of sales of a project as defined in Section 57-30-1 shall
343 be deposited, after all diversions except the diversion provided



344 for in subsection (1) of this section, into the Sales Tax
345 Incentive Fund created in Section 57-30-3.

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

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

361 (18) [Repealed]

362 (19) (a) On or before August 15, 2005, and each succeeding
363 month thereafter, the sales tax revenue collected during the
364 preceding month under the provisions of this chapter on the gross
365 proceeds of sales of a business enterprise located within a
366 redevelopment project area under the provisions of Sections
367 57-91-1 through 57-91-11, and the revenue collected on the gross
368 proceeds of sales from sales made to a business enterprise located



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

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

389 (i) For the first six (6) years in which payments
390 are made to a developer from the Redevelopment Project Incentive
391 Fund, one hundred percent (100%) of the diversion shall be
392 deposited into the fund;



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

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

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

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

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

416 (21) (a) On or before April 15, 2007, and each succeeding
417 month thereafter through June 15, 2013, One Hundred Fifty Thousand



418 Dollars (\$150,000.00) of the sales tax revenue collected during
419 the preceding month under the provisions of this chapter shall be
420 deposited into the MMEIA Tax Incentive Fund created in Section
421 57-101-3.

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

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

440 (23) Notwithstanding any other provision of this section to
441 the contrary, on or before August 15, 2009, and each succeeding
442 month thereafter, the sales tax revenue collected during the



443 preceding month under the provisions of Section 27-65-201 shall be
444 deposited, without diversion, into the Motor Vehicle Ad Valorem
445 Tax Reduction Fund established in Section 27-51-105.

446 (24) (a) On or before August 15, 2019, and each month
447 thereafter through July 15, 2020, one percent (1%) of the total
448 sales tax revenue collected during the preceding month from
449 restaurants and hotels shall be allocated for distribution to the
450 Mississippi Development Authority Tourism Advertising Fund
451 established under Section 57-1-64, to be used exclusively for the
452 purpose stated therein. On or before August 15, 2020, and each
453 month thereafter through July 15, 2021, two percent (2%) of the
454 total sales tax revenue collected during the preceding month from
455 restaurants and hotels shall be allocated for distribution to the
456 Mississippi Development Authority Tourism Advertising Fund
457 established under Section 57-1-64, to be used exclusively for the
458 purpose stated therein. On or before August 15, 2021, and each
459 month thereafter, three percent (3%) of the total sales tax
460 revenue collected during the preceding month from restaurants and
461 hotels shall be allocated for distribution to the Mississippi
462 Development Authority Tourism Advertising Fund established under
463 Section 57-1-64, to be used exclusively for the purpose stated
464 therein. The revenue diverted pursuant to this subsection shall
465 not be available for expenditure until February 1, 2020.

466 (b) The Joint Legislative Committee on Performance
467 Evaluation and Expenditure Review (PEER) must provide an annual



468 report to the Legislature indicating the amount of funds deposited
469 into the Mississippi Development Authority Tourism Advertising
470 Fund established under Section 57-1-64, and a detailed record of
471 how the funds are spent.

472 (25) On or before August 15, 2024, and each succeeding month
473 thereafter, ten percent (10%) of the total sales tax revenue
474 collected during the preceding month under the provisions of this
475 chapter, except that collected under the provisions of Sections
476 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business
477 activities within the Chickasaw Trail Tax District in Marshall
478 County, Mississippi, shall be allocated for distribution to and
479 paid to Marshall County. For the purposes of this paragraph (25),
480 the term Chickasaw Trail Tax District means the land and area more
481 particularly described as follows:

482 Beginning at the point of intersection of the centerline of
483 Quinn Road and the north boundary line of Marshall County, said
484 north boundary line also being the Mississippi-Tennessee State
485 line and said point also being in the south one-half of Section
486 18, Township 1 South, Range 4 West, Marshall County, Mississippi;
487 run thence east a distance of seven (7) and a fraction section
488 miles to the point of intersection of said north boundary line and
489 said State line and the centerline of Coopwood Road, said point of
490 intersection also being on the east section line of Section 17,
491 Township 1 South, Range 3 West; run thence south, leaving said
492 north County boundary line and said State line, a distance of two



493 (2) and a fraction section miles along the east section lines of
494 Sections 17, 20, 29 and 32, Township 1 South, Range 3 West, to the
495 point of intersection of the east section line of said Section 32
496 and the centerline of Mt. Pleasant Road; run thence northwesterly
497 along the centerline of Mt. Pleasant Road to the point of
498 intersection of said centerline and the north section line of
499 Section 32, Township 1 South, Range 3 West; run thence west along
500 said north section line to the northwest corner of said Section
501 32; run thence south a distance of one-quarter (1/4) section mile
502 to the southeast corner of the northeast one-quarter (1/4) of the
503 northeast one-quarter (1/4) of Section 31, Township 1 South, Range
504 3 West; run thence west along quarter section lines through said
505 Section 31 and Sections 36, 35, 34 and 33, Township 1 South, Range
506 4 West, a distance of four and one-half (4 1/2) section miles to
507 the northeast corner of the southeast one-quarter (1/4) of the
508 northwest one-quarter (1/4) of Section 33, Township 1 South, Range
509 4 West; run thence south along the north-south centerline of said
510 Section 33 to the point of intersection of said north-south
511 section line and the centerline of Dogwood Road; run thence
512 westerly along the centerline of Dogwood Road to the point of
513 intersection of said centerline and the southwest corner of the
514 southeast one-quarter (1/4) of the southwest one-quarter (1/4) of
515 Section 32, Township 1 South, Range 4 West; run thence north along
516 one-quarter (1/4) section lines a distance of three-quarter (3/4)
517 section miles to the southeast corner of the northwest one-quarter



518 (1/4) of the northwest one-quarter (1/4) of said Section 32; run
519 thence west a distance of three-quarter (3/4) section miles along
520 quarter section lines to the southwest corner of the northwest
521 one-quarter (1/4) of the northeast one-quarter (1/4) of Section
522 31, Township 1 South, Range 4 West; run thence north along the
523 north-south centerline of said Section 31 and the north-south
524 centerline of Section 30, Township 1 South, Range 4 West to a
525 point in the centerline of Quinn Road in the south one-half of
526 said Section 30; run thence northerly along the centerline of
527 Quinn Road through Sections 30, 19, and 18, Township 1 South,
528 Range 4 West to the point of intersection of the centerline of
529 Quinn Road and the north boundary line of Marshall County, MS,
530 said point also being on the Mississippi-Tennessee State line and
531 the point of beginning of this description.

532 (* * *26) The remainder of the amounts collected under the
533 provisions of this chapter shall be paid into the State Treasury
534 to the credit of the General Fund.

535 (* * *27) (a) It shall be the duty of the municipal
536 officials of any municipality that expands its limits, or of any
537 community that incorporates as a municipality, to notify the
538 commissioner of that action thirty (30) days before the effective
539 date. Failure to so notify the commissioner shall cause the
540 municipality to forfeit the revenue that it would have been
541 entitled to receive during this period of time when the
542 commissioner had no knowledge of the action.



543 (b) (i) Except as otherwise provided in subparagraph
544 (ii) of this paragraph, if any funds have been erroneously
545 disbursed to any municipality or county or any overpayment of tax
546 is recovered by the taxpayer, the commissioner may make correction
547 and adjust the error or overpayment with the municipality or
548 county by withholding the necessary funds from any later payment
549 to be made to the municipality or county.

550 (ii) Subject to the provisions of Sections
551 27-65-51 and 27-65-53, if any funds have been erroneously
552 disbursed to a municipality under subsection (1) of this section
553 for a period of three (3) years or more, the maximum amount that
554 may be recovered or withheld from the municipality is the total
555 amount of funds erroneously disbursed for a period of three (3)
556 years beginning with the date of the first erroneous disbursement.
557 However, if during such period, a municipality provides written
558 notice to the Department of Revenue indicating the erroneous
559 disbursement of funds, then the maximum amount that may be
560 recovered or withheld from the municipality is the total amount of
561 funds erroneously disbursed for a period of one (1) year beginning
562 with the date of the first erroneous disbursement.

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

565 27-65-53. If the commissioner finds that the taxpayer has
566 overpaid his tax for any reason and the taxpayer has discontinued
567 business and there is no subsequent liability upon which the



568 excess may be credited, or if the amount of the excess so paid
569 shall exceed the estimated liability for the next twelve (12)
570 months, the excess shall be refunded to the taxpayer. Such amount
571 shall be certified to the State Auditor of Public Accounts by the
572 commission. The said auditor is hereby authorized to make such
573 investigation and audit of the claim as he finds necessary. If he
574 finds that the commissioner is correct in his determination, the
575 auditor may issue his warrant to the State Treasurer in favor of
576 the taxpayer for the amount of tax erroneously paid into the State
577 Treasury, such refunds to be made from current sales tax
578 collections. If part of the overpayment has been disbursed to any
579 municipality * * *, state institution of higher learning or
580 county, under authority of Section 27-65-75, the
581 municipality * * *, state institution of higher learning or
582 county, having erroneously received the money, shall adjust the
583 amount with the commissioner, or the overpayment may be withheld
584 by the state from any funds due by the state to the
585 municipality * * *, state institution of higher learning or
586 county.

587 Provided, that where the taxpayer has overpaid his tax, the
588 commissioner may give credit for same and allow the taxpayer to
589 take credit on a subsequent return or, if necessary, in his
590 discretion, have the taxpayer file for a refund as provided
591 herein.



592 If any overpayment of tax as reflected in an application or
593 amended return, or both, filed by the taxpayer, and verified by
594 the commissioner or otherwise determined to be due by the
595 commissioner or commission, is not refunded or credited to a
596 taxpayer's account within ninety (90) days after the application
597 or amended return is filed or the date the commission or
598 commissioner determines a refund is due, whichever is later,
599 interest at the rate of one-half of one percent (1/2 of 1%) per
600 month shall be allowed on such overpayment computed for the period
601 after expiration of the ninety-day period provided herein to the
602 date of payment.

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

