

By: Senator(s) Michel, DeBar

To: Finance

SENATE BILL NO. 2470

1 AN ACT TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972,  
2 TO MOVE THE BACK-TO-SCHOOL SALES TAX HOLIDAY FROM THE LAST FRIDAY  
3 IN JULY TO THE SECOND FRIDAY IN JULY; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 27-65-111, Mississippi Code of 1972, is  
6 amended as follows:

7 27-65-111. The exemptions from the provisions of this  
8 chapter which are not industrial, agricultural or governmental, or  
9 which do not relate to utilities or taxes, or which are not  
10 properly classified as one (1) of the exemption classifications of  
11 this chapter, shall be confined to persons or property exempted by  
12 this section or by the Constitution of the United States or the  
13 State of Mississippi. No exemptions as now provided by any other  
14 section, except the classified exemption sections of this chapter  
15 set forth herein, shall be valid as against the tax herein levied.  
16 Any subsequent exemption from the tax levied hereunder, except as  
17 indicated above, shall be provided by amendments to this section.



18 No exemption provided in this section shall apply to taxes  
19 levied by Section 27-65-15 or 27-65-21.

20 The tax levied by this chapter shall not apply to the  
21 following:

22 (a) Sales of tangible personal property and services to  
23 hospitals or infirmaries owned and operated by a corporation or  
24 association in which no part of the net earnings inures to the  
25 benefit of any private shareholder, group or individual, and which  
26 are subject to and governed by Sections 41-7-123 through 41-7-127.

27 Only sales of tangible personal property or services which  
28 are ordinary and necessary to the operation of such hospitals and  
29 infirmaries are exempted from tax.

30 (b) Sales of daily or weekly newspapers, and  
31 periodicals or publications of scientific, literary or educational  
32 organizations exempt from federal income taxation under Section  
33 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of  
34 March 31, 1975, and subscription sales of all magazines.

35 (c) Sales of coffins, caskets and other materials used  
36 in the preparation of human bodies for burial.

37 (d) Sales of tangible personal property for immediate  
38 export to a foreign country.

39 (e) Sales of tangible personal property to an  
40 orphanage, old men's or ladies' home, supported wholly or in part  
41 by a religious denomination, fraternal nonprofit organization or  
42 other nonprofit organization.



43 (f) Sales of tangible personal property, labor or  
44 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,  
45 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a  
46 corporation or association in which no part of the net earnings  
47 inures to the benefit of any private shareholder, group or  
48 individual.

49 (g) Sales to elementary and secondary grade schools,  
50 junior and senior colleges owned and operated by a corporation or  
51 association in which no part of the net earnings inures to the  
52 benefit of any private shareholder, group or individual, and which  
53 are exempt from state income taxation, provided that this  
54 exemption does not apply to sales of property or services which  
55 are not to be used in the ordinary operation of the school, or  
56 which are to be resold to the students or the public.

57 (h) The gross proceeds of retail sales and the use or  
58 consumption in this state of drugs and medicines:

59 (i) Prescribed for the treatment of a human being  
60 by a person authorized to prescribe the medicines, and dispensed  
61 or prescription filled by a registered pharmacist in accordance  
62 with law; or

63 (ii) Furnished by a licensed physician, surgeon,  
64 dentist or podiatrist to his own patient for treatment of the  
65 patient; or



66 (iii) Furnished by a hospital for treatment of any  
67 person pursuant to the order of a licensed physician, surgeon,  
68 dentist or podiatrist; or

69 (iv) Sold to a licensed physician, surgeon,  
70 podiatrist, dentist or hospital for the treatment of a human  
71 being; or

72 (v) Sold to this state or any political  
73 subdivision or municipal corporation thereof, for use in the  
74 treatment of a human being or furnished for the treatment of a  
75 human being by a medical facility or clinic maintained by this  
76 state or any political subdivision or municipal corporation  
77 thereof.

78 "Medicines," as used in this paragraph (h), shall mean and  
79 include any substance or preparation intended for use by external  
80 or internal application to the human body in the diagnosis, cure,  
81 mitigation, treatment or prevention of disease and which is  
82 commonly recognized as a substance or preparation intended for  
83 such use; provided that "medicines" do not include any auditory,  
84 prosthetic, ophthalmic or ocular device or appliance, any dentures  
85 or parts thereof or any artificial limbs or their replacement  
86 parts, articles which are in the nature of splints, bandages,  
87 pads, compresses, supports, dressings, instruments, apparatus,  
88 contrivances, appliances, devices or other mechanical, electronic,  
89 optical or physical equipment or article or the component parts



90 and accessories thereof, or any alcoholic beverage or any other  
91 drug or medicine not commonly referred to as a prescription drug.

92 Notwithstanding the preceding sentence of this paragraph (h),  
93 "medicines" as used in this paragraph (h), shall mean and include  
94 sutures, whether or not permanently implanted, bone screws, bone  
95 pins, pacemakers and other articles permanently implanted in the  
96 human body to assist the functioning of any natural organ, artery,  
97 vein or limb and which remain or dissolve in the body.

98 The exemption provided in this paragraph (h) shall not apply  
99 to medical cannabis sold in accordance with the provisions of the  
100 Mississippi Medical Cannabis Act and in compliance with rules and  
101 regulations adopted thereunder.

102 "Hospital," as used in this paragraph (h), shall have the  
103 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
104 1972.

105 Insulin furnished by a registered pharmacist to a person for  
106 treatment of diabetes as directed by a physician shall be deemed  
107 to be dispensed on prescription within the meaning of this  
108 paragraph (h).

109 (i) Retail sales of automobiles, trucks and  
110 truck-tractors if exported from this state within forty-eight (48)  
111 hours and registered and first used in another state.

112 (j) Sales of tangible personal property or services to  
113 the Salvation Army and the Muscular Dystrophy Association, Inc.



114 (k) From July 1, 1985, through December 31, 1992,  
115 retail sales of "alcohol-blended fuel" as such term is defined in  
116 Section 75-55-5. The gasoline-alcohol blend or the straight  
117 alcohol eligible for this exemption shall not contain alcohol  
118 distilled outside the State of Mississippi.

119 (l) Sales of tangible personal property or services to  
120 the Institute for Technology Development.

121 (m) The gross proceeds of retail sales of food and  
122 drink for human consumption made through vending machines serviced  
123 by full-line vendors from and not connected with other taxable  
124 businesses.

125 (n) The gross proceeds of sales of motor fuel.

126 (o) Retail sales of food for human consumption  
127 purchased with food stamps issued by the United States Department  
128 of Agriculture, or other federal agency, from and after October 1,  
129 1987, or from and after the expiration of any waiver granted  
130 pursuant to federal law, the effect of which waiver is to permit  
131 the collection by the state of tax on such retail sales of food  
132 for human consumption purchased with food stamps.

133 (p) Sales of cookies for human consumption by the Girl  
134 Scouts of America no part of the net earnings from which sales  
135 inures to the benefit of any private group or individual.

136 (q) Gifts or sales of tangible personal property or  
137 services to public or private nonprofit museums of art.



138 (r) Sales of tangible personal property or services to  
139 alumni associations of state-supported colleges or universities.

140 (s) Sales of tangible personal property or services to  
141 National Association of Junior Auxiliaries, Inc., and chapters of  
142 the National Association of Junior Auxiliaries, Inc.

143 (t) Sales of tangible personal property or services to  
144 domestic violence shelters which qualify for state funding under  
145 Sections 93-21-101 through 93-21-113.

146 (u) Sales of tangible personal property or services to  
147 the National Multiple Sclerosis Society, Mississippi Chapter.

148 (v) Retail sales of food for human consumption  
149 purchased with food instruments issued the Mississippi Band of  
150 Choctaw Indians under the Women, Infants and Children Program  
151 (WIC) funded by the United States Department of Agriculture.

152 (w) Sales of tangible personal property or services to  
153 a private company, as defined in Section 57-61-5, which is making  
154 such purchases with proceeds of bonds issued under Section 57-61-1  
155 et seq., the Mississippi Business Investment Act.

156 (x) The gross collections from the operation of  
157 self-service, coin-operated car washing equipment and sales of the  
158 service of washing motor vehicles with portable high-pressure  
159 washing equipment on the premises of the customer.

160 (y) Sales of tangible personal property or services to  
161 the Mississippi Technology Alliance.



162 (z) Sales of tangible personal property to nonprofit  
163 organizations that provide foster care, adoption services and  
164 temporary housing for unwed mothers and their children if the  
165 organization is exempt from federal income taxation under Section  
166 501(c)(3) of the Internal Revenue Code.

167 (aa) Sales of tangible personal property to nonprofit  
168 organizations that provide residential rehabilitation for persons  
169 with alcohol and drug dependencies if the organization is exempt  
170 from federal income taxation under Section 501(c)(3) of the  
171 Internal Revenue Code.

172 ( \* \* \* ab) (i) Retail sales of an article of clothing  
173 or footwear designed to be worn on or about the human body and  
174 retail sales of school supplies if the sales price of the article  
175 of clothing or footwear or school supply is less than One Hundred  
176 Dollars (\$100.00) and the sale takes place during a period  
177 beginning at 12:01 a.m. on the \* \* \* second Friday in July and  
178 ending at 12:00 midnight the following Saturday. This paragraph  
179 ( \* \* \* ab) shall not apply to:

180 1. Accessories including jewelry, handbags,  
181 luggage, umbrellas, wallets, watches, briefcases, garment bags and  
182 similar items carried on or about the human body, without regard  
183 to whether worn on the body in a manner characteristic of  
184 clothing;

185 2. The rental of clothing or footwear; and





186                   3. Skis, swim fins, roller blades, skates and  
187 similar items worn on the foot.

188                   (ii) For purposes of this paragraph ( \* \* \*ab),  
189 "school supplies" means items that are commonly used by a student  
190 in a course of study. The following is an all-inclusive list:

- 191                   1. Backpacks;
- 192                   2. Binder pockets;
- 193                   3. Binders;
- 194                   4. Blackboard chalk;
- 195                   5. Book bags;
- 196                   6. Calculators;
- 197                   7. Cellophane tape;
- 198                   8. Clays and glazes;
- 199                   9. Compasses;
- 200                   10. Composition books;
- 201                   11. Crayons;
- 202                   12. Dictionaries and thesauruses;
- 203                   13. Dividers;
- 204                   14. Erasers;
- 205                   15. Folders: expandable, pocket, plastic and  
206 manila;
- 207                   16. Glue, paste and paste sticks;
- 208                   17. Highlighters;
- 209                   18. Index card boxes;
- 210                   19. Index cards;



- 211 20. Legal pads;  
212 21. Lunch boxes;  
213 22. Markers;  
214 23. Notebooks;  
215 24. Paintbrushes for artwork;  
216 25. Paints: acrylic, tempera and oil;  
217 26. Paper: loose-leaf ruled notebook paper,  
218 copy paper, graph paper, tracing paper, manila paper, colored  
219 paper, poster board and construction paper;  
220 27. Pencil boxes and other school supply  
221 boxes;  
222 28. Pencil sharpeners;  
223 29. Pencils;  
224 30. Pens;  
225 31. Protractors;  
226 32. Reference books;  
227 33. Reference maps and globes;  
228 34. Rulers;  
229 35. Scissors;  
230 36. Sheet music;  
231 37. Sketch and drawing pads;  
232 38. Textbooks;  
233 39. Watercolors;  
234 40. Workbooks; and  
235 41. Writing tablets.



236 (iii) From and after January 1, 2010, the  
237 governing authorities of a municipality, for retail sales  
238 occurring within the corporate limits of the municipality, may  
239 suspend the application of the exemption provided for in this  
240 paragraph ( \* \* \*ab) by adoption of a resolution to that effect  
241 stating the date upon which the suspension shall take effect. A  
242 certified copy of the resolution shall be furnished to the  
243 Department of Revenue at least ninety (90) days prior to the date  
244 upon which the municipality desires such suspension to take  
245 effect.

246 ( \* \* \*ac) The gross proceeds of sales of tangible  
247 personal property made for the sole purpose of raising funds for a  
248 school or an organization affiliated with a school.

249 As used in this paragraph ( \* \* \*ac), "school" means any  
250 public or private school that teaches courses of instruction to  
251 students in any grade from kindergarten through Grade 12.

252 ( \* \* \*ad) Sales of durable medical equipment and home  
253 medical supplies when ordered or prescribed by a licensed  
254 physician for medical purposes of a patient. As used in this  
255 paragraph ( \* \* \*ad), "durable medical equipment" and "home  
256 medical supplies" mean equipment, including repair and replacement  
257 parts for the equipment or supplies listed under Title XVIII of  
258 the Social Security Act or under the state plan for medical  
259 assistance under Title XIX of the Social Security Act,  
260 prosthetics, orthotics, hearing aids, hearing devices,



261 prescription eyeglasses, oxygen and oxygen equipment. Payment  
262 does not have to be made, in whole or in part, by any particular  
263 person to be eligible for this exemption. Purchases of home  
264 medical equipment and supplies by a provider of home health  
265 services or a provider of hospice services are eligible for this  
266 exemption if the purchases otherwise meet the requirements of this  
267 paragraph.

268 ( \* \* \*ae) Sales of tangible personal property or  
269 services to Mississippi Blood Services.

270 ( \* \* \*af) (i) Subject to the provisions of this  
271 paragraph ( \* \* \*af), retail sales of firearms, ammunition and  
272 hunting supplies if sold during the annual Mississippi Second  
273 Amendment Weekend holiday beginning at 12:01 a.m. on the last  
274 Friday in August and ending at 12:00 midnight the following  
275 Sunday. For the purposes of this paragraph ( \* \* \*af), "hunting  
276 supplies" means tangible personal property used for hunting,  
277 including, and limited to, archery equipment, firearm and archery  
278 cases, firearm and archery accessories, hearing protection,  
279 holsters, belts and slings. Hunting supplies does not include  
280 animals used for hunting.

281 (ii) This paragraph ( \* \* \*af) shall apply only if  
282 one or more of the following occur:

283 1. Title to and/or possession of an eligible  
284 item is transferred from a seller to a purchaser; and/or



285                   2. A purchaser orders and pays for an  
286 eligible item and the seller accepts the order for immediate  
287 shipment, even if delivery is made after the time period provided  
288 in subparagraph (i) of this paragraph ( \* \* \*af), provided that  
289 the purchaser has not requested or caused the delay in shipment.

290                   ( \* \* \*ag) Sales of nonperishable food items to  
291 charitable organizations that are exempt from federal income  
292 taxation under Section 501(c)(3) of the Internal Revenue Code and  
293 operate a food bank or food pantry or food lines.

294                   ( \* \* \*ah) Sales of tangible personal property or  
295 services to the United Way of the Pine Belt Region, Inc.

296                   ( \* \* \*ai) Sales of tangible personal property or  
297 services to the Mississippi Children's Museum or any subsidiary or  
298 affiliate thereof operating a satellite or branch museum within  
299 this state.

300                   ( \* \* \*aj) Sales of tangible personal property or  
301 services to the Jackson Zoological Park.

302                   ( \* \* \*ak) Sales of tangible personal property or  
303 services to the Hattiesburg Zoo.

304                   ( \* \* \*al) Gross proceeds from sales of food,  
305 merchandise or other concessions at an event held solely for  
306 religious or charitable purposes at livestock facilities,  
307 agriculture facilities or other facilities constructed, renovated  
308 or expanded with funds for the grant program authorized under  
309 Section 18, Chapter 530, Laws of 1995.



310 ( \* \* \*am) Sales of tangible personal property and  
311 services to the Diabetes Foundation of Mississippi and the  
312 Mississippi Chapter of the Juvenile Diabetes Research Foundation.

313 ( \* \* \*an) Sales of potting soil, mulch, or other soil  
314 amendments used in growing ornamental plants which bear no fruit  
315 of commercial value when sold to commercial plant nurseries that  
316 operate exclusively at wholesale and where no retail sales can be  
317 made.

318 ( \* \* \*ao) Sales of tangible personal property or  
319 services to the University of Mississippi Medical Center Research  
320 Development Foundation.

321 ( \* \* \*ap) Sales of tangible personal property or  
322 services to Keep Mississippi Beautiful, Inc., and all affiliates  
323 of Keep Mississippi Beautiful, Inc.

324 ( \* \* \*aq) Sales of tangible personal property or  
325 services to the Friends of Children's Hospital.

326 ( \* \* \*ar) Sales of tangible personal property or  
327 services to the Pinecrest Weekend Backpacks for Kids located in  
328 Corinth, Mississippi.

329 ( \* \* \*as) Sales of hearing aids when ordered or  
330 prescribed by a licensed physician, audiologist or hearing aid  
331 specialist for the medical purposes of a patient.

332 ( \* \* \*at) Sales exempt under the Facilitating Business  
333 Rapid Response to State Declared Disasters Act of 2015 (Sections  
334 27-113-1 through 27-113-9).



335 ( \* \* \*au) Sales of tangible personal property or  
336 services to the Junior League of Jackson.

337 ( \* \* \*av) Sales of tangible personal property or  
338 services to the Mississippi's Toughest Kids Foundation for use in  
339 the construction, furnishing and equipping of buildings and  
340 related facilities and infrastructure at Camp Kamassa in Copiah  
341 County, Mississippi. This paragraph ( \* \* \*av) shall stand  
342 repealed on July 1, 2025.

343 ( \* \* \*aw) Sales of tangible personal property or  
344 services to MS Gulf Coast Buddy Sports, Inc.

345 ( \* \* \*ax) Sales of tangible personal property or  
346 services to Biloxi Lions, Inc.

347 ( \* \* \*ay) Sales of tangible personal property or  
348 services to Lions Sight Foundation of Mississippi, Inc.

349 ( \* \* \*az) Sales of tangible personal property and  
350 services to the Goldring/Woldenberg Institute of Southern Jewish  
351 Life (ISJL).

352 ( \* \* \*ba) Sales of coins, currency, and bullion. For  
353 the purposes of this paragraph ( \* \* \*ba), the following words and  
354 phrases shall have the meanings ascribed in this paragraph

355 ( \* \* \*ba) unless the context clearly indicates otherwise:

356 (i) "Bullion" means a bar, ingot, or coin:

357 1. Manufactured, in whole or in part, of  
358 gold, silver, platinum, or palladium;



359                   2. That was or is used solely as a medium of  
360 exchange, security, or commodity by any state, the United States  
361 Government, or a foreign nation; and

362                   3. Sold based on the intrinsic value of the  
363 bar, ingot, or coin as a precious metal or collectible item rather  
364 than its form or representative value as a medium of exchange.

365                   (ii) "Coin or currency" means a coin or currency:

366                   1. Manufactured, in whole or in part, of  
367 gold, silver, other metal, or paper;

368                   2. That was or is used solely as a medium of  
369 exchange, security, or commodity by any state, the United States  
370 Government, or a foreign nation; and

371                   3. Sold based on the intrinsic value of the  
372 coin or currency as a precious metal or collectible item rather  
373 than its form or representative value as a medium of exchange.

374 "Coin or currency" does not include a coin or currency that has  
375 been incorporated into jewelry.

376                   **SECTION 2.** This act shall take effect and be in force from  
377 and after July 1, 2024.

