

By: Senator(s) McMahan

To: Finance

SENATE BILL NO. 2471

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,  
 2 TO INCREASE FROM 18-1/2% TO 20% THE AMOUNT OF STATE SALES TAX  
 3 REVENUE COLLECTED IN MUNICIPALITIES THAT IS DIVERTED TO  
 4 MUNICIPALITIES WITHIN THE STATE; TO PROVIDE THAT 20% OF THE STATE  
 5 SALES TAX REVENUE COLLECTED FROM BUSINESS ACTIVITIES OUTSIDE THE  
 6 MUNICIPALITIES IN A COUNTY SHALL BE PAID TO THE COUNTY; TO PROVIDE  
 7 THAT SUCH MONIES PAID TO A COUNTY SHALL BE USED FOR REPAIR,  
 8 MAINTENANCE AND RECONSTRUCTION OF ROADS, STREETS AND BRIDGES; TO  
 9 AMEND SECTION 27-65-53, MISSISSIPPI CODE OF 1972, IN CONFORMITY  
 10 THERETO; AND FOR RELATED PURPOSES.

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

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

14 27-65-75. On or before the fifteenth day of each month, the  
 15 revenue collected under the provisions of this chapter during the  
 16 preceding month shall be paid and distributed as follows:

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



23 allocated for distribution to the municipality and paid to the  
24 municipal corporation. Except as otherwise provided in this  
25 paragraph (a), on or before August 15, 1993, and each succeeding  
26 month thereafter through August 15, 2024, eighteen and one-half  
27 percent (18-1/2%) of the total sales tax revenue collected during  
28 the preceding month under the provisions of this chapter, except  
29 that collected under the provisions of Sections 27-65-15,  
30 27-65-19(3), 27-65-21 and 27-65-24, on business activities within  
31 a municipal corporation shall be allocated for distribution to the  
32 municipality and paid to the municipal corporation. Except as  
33 otherwise provided in this paragraph (a), on or before September  
34 15, 2024, and each succeeding month thereafter, twenty percent  
35 (20%) of the total sales tax revenue collected during the  
36 preceding month under the provisions of this chapter, except that  
37 collected under the provisions of Sections 27-65-15, 27-65-19(3),  
38 27-65-21 and 27-65-24, on business activities within a municipal  
39 corporation shall be allocated for distribution to the  
40 municipality and paid to the municipal corporation. However, in  
41 the event the State Auditor issues a certificate of noncompliance  
42 pursuant to Section 21-35-31, the Department of Revenue shall  
43 withhold ten percent (10%) of the allocations and payments to the  
44 municipality that would otherwise be payable to the municipality  
45 under this paragraph (a) until such time that the department  
46 receives written notice of the cancellation of a certificate of  
47 noncompliance from the State Auditor.



48           A municipal corporation, for the purpose of distributing the  
49 tax under this subsection, shall mean and include all incorporated  
50 cities, towns and villages.

51           Monies allocated for distribution and credited to a municipal  
52 corporation under this paragraph may be pledged as security for a  
53 loan if the distribution received by the municipal corporation is  
54 otherwise authorized or required by law to be pledged as security  
55 for such a loan.

56           In any county having a county seat that is not an  
57 incorporated municipality, the distribution provided under this  
58 subsection shall be made as though the county seat was an  
59 incorporated municipality; however, the distribution to the  
60 municipality shall be paid to the county treasury in which the  
61 municipality is located, and those funds shall be used for road,  
62 bridge and street construction or maintenance in the county.

63           (b) On or before August 15, 2006, and each succeeding  
64 month thereafter, eighteen and one-half percent (18-1/2%) of the  
65 total sales tax revenue collected during the preceding month under  
66 the provisions of this chapter, except that collected under the  
67 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
68 business activities on the campus of a state institution of higher  
69 learning or community or junior college whose campus is not  
70 located within the corporate limits of a municipality, shall be  
71 allocated for distribution to the state institution of higher



72 learning or community or junior college and paid to the state  
73 institution of higher learning or community or junior college.

74 (c) On or before August 15, 2018, and each succeeding  
75 month thereafter until August 14, 2019, two percent (2%) of the  
76 total sales tax revenue collected during the preceding month under  
77 the provisions of this chapter, except that collected under the  
78 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
79 27-65-24, on business activities within the corporate limits of  
80 the City of Jackson, Mississippi, shall be deposited into the  
81 Capitol Complex Improvement District Project Fund created in  
82 Section 29-5-215. On or before August 15, 2019, and each  
83 succeeding month thereafter until August 14, 2020, four percent  
84 (4%) of the total sales tax revenue collected during the preceding  
85 month under the provisions of this chapter, except that collected  
86 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
87 and 27-65-24, on business activities within the corporate limits  
88 of the City of Jackson, Mississippi, shall be deposited into the  
89 Capitol Complex Improvement District Project Fund created in  
90 Section 29-5-215. On or before August 15, 2020, and each  
91 succeeding month thereafter through July 15, 2023, six percent  
92 (6%) of the total sales tax revenue collected during the preceding  
93 month under the provisions of this chapter, except that collected  
94 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
95 and 27-65-24, on business activities within the corporate limits  
96 of the City of Jackson, Mississippi, shall be deposited into the



97 Capitol Complex Improvement District Project Fund created in  
98 Section 29-5-215. On or before August 15, 2023, and each  
99 succeeding month thereafter, nine percent (9%) of the total sales  
100 tax revenue collected during the preceding month under the  
101 provisions of this chapter, except that collected under the  
102 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
103 27-65-24, on business activities within the corporate limits of  
104 the City of Jackson, Mississippi, shall be deposited into the  
105 Capitol Complex Improvement District Project Fund created in  
106 Section 29-5-215.

107 (d) (i) On or before the fifteenth day of the month  
108 that the diversion authorized by this section begins, and each  
109 succeeding month thereafter, eighteen and one-half percent  
110 (18-1/2%) of the total sales tax revenue collected during the  
111 preceding month under the provisions of this chapter, except that  
112 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
113 and 27-65-21, on business activities within a redevelopment  
114 project area developed under a redevelopment plan adopted under  
115 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be  
116 allocated for distribution to the county in which the project area  
117 is located if:

- 118 1. The county:
- 119 a. Borders on the Mississippi Sound and  
120 the State of Alabama, or



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

124                   2. The county has issued bonds under Section  
125 21-45-9 to finance all or a portion of a redevelopment project in  
126 the redevelopment project area;

127                   3. Any debt service for the indebtedness  
128 incurred is outstanding; and

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

132                   (ii) Before any sales tax revenue may be allocated  
133 for distribution to a county under this paragraph, the county  
134 shall certify to the Department of Revenue that the requirements  
135 of this paragraph have been met, the amount of bonded indebtedness  
136 that has been incurred by the county for the redevelopment project  
137 and the expected date the indebtedness incurred by the county will  
138 be satisfied.

139                   (iii) The diversion of sales tax revenue  
140 authorized by this paragraph shall begin the month following the  
141 month in which the Department of Revenue determines that the  
142 requirements of this paragraph have been met. The diversion shall  
143 end the month the indebtedness incurred by the county is  
144 satisfied. All revenue received by the county under this  
145 paragraph shall be deposited in the fund required to be created in



146 the tax increment financing plan under Section 21-45-11 and be  
147 utilized solely to satisfy the indebtedness incurred by the  
148 county.

149 (2) On or before September 15, 1987, and each succeeding  
150 month thereafter, from the revenue collected under this chapter  
151 during the preceding month, One Million One Hundred Twenty-five  
152 Thousand Dollars (\$1,125,000.00) shall be allocated for  
153 distribution to municipal corporations as defined under subsection  
154 (1) of this section in the proportion that the number of gallons  
155 of gasoline and diesel fuel sold by distributors to consumers and  
156 retailers in each such municipality during the preceding fiscal  
157 year bears to the total gallons of gasoline and diesel fuel sold  
158 by distributors to consumers and retailers in municipalities  
159 statewide during the preceding fiscal year. The Department of  
160 Revenue shall require all distributors of gasoline and diesel fuel  
161 to report to the department monthly the total number of gallons of  
162 gasoline and diesel fuel sold by them to consumers and retailers  
163 in each municipality during the preceding month. The Department  
164 of Revenue shall have the authority to promulgate such rules and  
165 regulations as is necessary to determine the number of gallons of  
166 gasoline and diesel fuel sold by distributors to consumers and  
167 retailers in each municipality. In determining the percentage  
168 allocation of funds under this subsection for the fiscal year  
169 beginning July 1, 1987, and ending June 30, 1988, the Department  
170 of Revenue may consider gallons of gasoline and diesel fuel sold



171 for a period of less than one (1) fiscal year. For the purposes  
172 of this subsection, the term "fiscal year" means the fiscal year  
173 beginning July 1 of a year.

174 (3) On or before September 15, 1987, and on or before the  
175 fifteenth day of each succeeding month, until the date specified  
176 in Section 65-39-35, the proceeds derived from contractors' taxes  
177 levied under Section 27-65-21 on contracts for the construction or  
178 reconstruction of highways designated under the highway program  
179 created under Section 65-3-97 shall, except as otherwise provided  
180 in Section 31-17-127, be deposited into the State Treasury to the  
181 credit of the State Highway Fund to be used to fund that highway  
182 program. The Mississippi Department of Transportation shall  
183 provide to the Department of Revenue such information as is  
184 necessary to determine the amount of proceeds to be distributed  
185 under this subsection.

186 (4) On or before August 15, 1994, and on or before the  
187 fifteenth day of each succeeding month through July 15, 1999, from  
188 the proceeds of gasoline, diesel fuel or kerosene taxes as  
189 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
190 (\$4,000,000.00) shall be deposited in the State Treasury to the  
191 credit of a special fund designated as the "State Aid Road Fund,"  
192 created by Section 65-9-17. On or before August 15, 1999, and on  
193 or before the fifteenth day of each succeeding month, from the  
194 total amount of the proceeds of gasoline, diesel fuel or kerosene  
195 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million





196 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
197 one-fourth percent (23-1/4%) of those funds, whichever is the  
198 greater amount, shall be deposited in the State Treasury to the  
199 credit of the "State Aid Road Fund," created by Section 65-9-17.  
200 Those funds shall be pledged to pay the principal of and interest  
201 on state aid road bonds heretofore issued under Sections 19-9-51  
202 through 19-9-77, in lieu of and in substitution for the funds  
203 previously allocated to counties under this section. Those funds  
204 may not be pledged for the payment of any state aid road bonds  
205 issued after April 1, 1981; however, this prohibition against the  
206 pledging of any such funds for the payment of bonds shall not  
207 apply to any bonds for which intent to issue those bonds has been  
208 published for the first time, as provided by law before March 29,  
209 1981. From the amount of taxes paid into the special fund under  
210 this subsection and subsection (9) of this section, there shall be  
211 first deducted and paid the amount necessary to pay the expenses  
212 of the Office of State Aid Road Construction, as authorized by the  
213 Legislature for all other general and special fund agencies. The  
214 remainder of the fund shall be allocated monthly to the several  
215 counties in accordance with the following formula:

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

218           (b) One-third (1/3) shall be allocated to counties  
219 based on the proportion that the total number of rural road miles



220 in a county bears to the total number of rural road miles in all  
221 counties of the state; and

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

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

229 The amount of funds allocated to any county under this  
230 subsection for any fiscal year after fiscal year 1994 shall not be  
231 less than the amount allocated to the county for fiscal year 1994.

232 Any reference in the general laws of this state or the  
233 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
234 construed to refer and apply to subsection (4) of Section  
235 27-65-75.

236 (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
237 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
238 the special fund known as the "Educational Facilities Revolving  
239 Loan Fund" created and existing under the provisions of Section  
240 37-47-24. Those payments into that fund are to be made on the  
241 last day of each succeeding month hereafter. This subsection (5)  
242 shall stand repealed on July 1, 2026.

243 (6) An amount each month beginning August 15, 1983, through  
244 November 15, 1986, as specified in Section 6, Chapter 542, Laws of



245 1983, shall be paid into the special fund known as the  
246 Correctional Facilities Construction Fund created in Section 6,  
247 Chapter 542, Laws of 1983.

248 (7) On or before August 15, 1992, and each succeeding month  
249 thereafter through July 15, 2000, two and two hundred sixty-six  
250 one-thousandths percent (2.266%) of the total sales tax revenue  
251 collected during the preceding month under the provisions of this  
252 chapter, except that collected under the provisions of Section  
253 27-65-17(2), shall be deposited by the department into the School  
254 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
255 or before August 15, 2000, and each succeeding month thereafter,  
256 two and two hundred sixty-six one-thousandths percent (2.266%) of  
257 the total sales tax revenue collected during the preceding month  
258 under the provisions of this chapter, except that collected under  
259 the provisions of Section 27-65-17(2), shall be deposited into the  
260 School Ad Valorem Tax Reduction Fund created under Section  
261 37-61-35 until such time that the total amount deposited into the  
262 fund during a fiscal year equals Forty-two Million Dollars  
263 (\$42,000,000.00). Thereafter, the amounts diverted under this  
264 subsection (7) during the fiscal year in excess of Forty-two  
265 Million Dollars (\$42,000,000.00) shall be deposited into the  
266 Education Enhancement Fund created under Section 37-61-33 for  
267 appropriation by the Legislature as other education needs and  
268 shall not be subject to the percentage appropriation requirements  
269 set forth in Section 37-61-33.



270 (8) On or before August 15, 1992, and each succeeding month  
271 thereafter, nine and seventy-three one-thousandths percent  
272 (9.073%) of the total sales tax revenue collected during the  
273 preceding month under the provisions of this chapter, except that  
274 collected under the provisions of Section 27-65-17(2), shall be  
275 deposited into the Education Enhancement Fund created under  
276 Section 37-61-33.

277 (9) On or before August 15, 1994, and each succeeding month  
278 thereafter, from the revenue collected under this chapter during  
279 the preceding month, Two Hundred Fifty Thousand Dollars  
280 (\$250,000.00) shall be paid into the State Aid Road Fund.

281 (10) On or before August 15, 1994, and each succeeding month  
282 thereafter through August 15, 1995, from the revenue collected  
283 under this chapter during the preceding month, Two Million Dollars  
284 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
285 Valorem Tax Reduction Fund established in Section 27-51-105.

286 (11) Notwithstanding any other provision of this section to  
287 the contrary, on or before February 15, 1995, and each succeeding  
288 month thereafter, the sales tax revenue collected during the  
289 preceding month under the provisions of Section 27-65-17(2) and  
290 the corresponding levy in Section 27-65-23 on the rental or lease  
291 of private carriers of passengers and light carriers of property  
292 as defined in Section 27-51-101 shall be deposited, without  
293 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
294 established in Section 27-51-105.



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

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

312 (14) On or before August 15, 1998, and each succeeding month  
313 thereafter through July 15, 2005, that portion of the avails of  
314 the tax imposed in Section 27-65-23 that is derived from sales by  
315 cotton compresses or cotton warehouses and that would otherwise be  
316 paid into the General Fund shall be deposited in an amount not to  
317 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
318 created under Section 69-37-39. On or before August 15, 2007, and  
319 each succeeding month thereafter through July 15, 2010, that



320 portion of the avails of the tax imposed in Section 27-65-23 that  
321 is derived from sales by cotton compresses or cotton warehouses  
322 and that would otherwise be paid into the General Fund shall be  
323 deposited in an amount not to exceed Two Million Dollars  
324 (\$2,000,000.00) into the special fund created under Section  
325 69-37-39 until all debts or other obligations incurred by the  
326 Certified Cotton Growers Organization under the Mississippi Boll  
327 Weevil Management Act before January 1, 2007, are satisfied in  
328 full. On or before August 15, 2010, and each succeeding month  
329 thereafter through July 15, 2011, fifty percent (50%) of that  
330 portion of the avails of the tax imposed in Section 27-65-23 that  
331 is derived from sales by cotton compresses or cotton warehouses  
332 and that would otherwise be paid into the General Fund shall be  
333 deposited into the special fund created under Section 69-37-39  
334 until such time that the total amount deposited into the fund  
335 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
336 On or before August 15, 2011, and each succeeding month  
337 thereafter, that portion of the avails of the tax imposed in  
338 Section 27-65-23 that is derived from sales by cotton compresses  
339 or cotton warehouses and that would otherwise be paid into the  
340 General Fund shall be deposited into the special fund created  
341 under Section 69-37-39 until such time that the total amount  
342 deposited into the fund during a fiscal year equals One Million  
343 Dollars (\$1,000,000.00).



344 (15) Notwithstanding any other provision of this section to  
345 the contrary, on or before September 15, 2000, and each succeeding  
346 month thereafter, the sales tax revenue collected during the  
347 preceding month under the provisions of Section  
348 27-65-19(1) (d) (i)2, and 27-65-19(1) (d) (i)3 shall be deposited,  
349 without diversion, into the Telecommunications Ad Valorem Tax  
350 Reduction Fund established in Section 27-38-7.

351 (16) (a) On or before August 15, 2000, and each succeeding  
352 month thereafter, the sales tax revenue collected during the  
353 preceding month under the provisions of this chapter on the gross  
354 proceeds of sales of a project as defined in Section 57-30-1 shall  
355 be deposited, after all diversions except the diversion provided  
356 for in subsection (1) of this section, into the Sales Tax  
357 Incentive Fund created in Section 57-30-3.

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

366 (17) Notwithstanding any other provision of this section to  
367 the contrary, on or before April 15, 2002, and each succeeding  
368 month thereafter, the sales tax revenue collected during the



369 preceding month under Section 27-65-23 on sales of parking  
370 services of parking garages and lots at airports shall be  
371 deposited, without diversion, into the special fund created under  
372 Section 27-5-101(d).

373 (18) [Repealed]

374 (19) (a) On or before August 15, 2005, and each succeeding  
375 month thereafter, the sales tax revenue collected during the  
376 preceding month under the provisions of this chapter on the gross  
377 proceeds of sales of a business enterprise located within a  
378 redevelopment project area under the provisions of Sections  
379 57-91-1 through 57-91-11, and the revenue collected on the gross  
380 proceeds of sales from sales made to a business enterprise located  
381 in a redevelopment project area under the provisions of Sections  
382 57-91-1 through 57-91-11 (provided that such sales made to a  
383 business enterprise are made on the premises of the business  
384 enterprise), shall, except as otherwise provided in this  
385 subsection (19), be deposited, after all diversions, into the  
386 Redevelopment Project Incentive Fund as created in Section  
387 57-91-9.

388 (b) For a municipality participating in the Economic  
389 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
390 the diversion provided for in subsection (1) of this section  
391 attributable to the gross proceeds of sales of a business  
392 enterprise located within a redevelopment project area under the  
393 provisions of Sections 57-91-1 through 57-91-11, and attributable





394 to the gross proceeds of sales from sales made to a business  
395 enterprise located in a redevelopment project area under the  
396 provisions of Sections 57-91-1 through 57-91-11 (provided that  
397 such sales made to a business enterprise are made on the premises  
398 of the business enterprise), shall be deposited into the  
399 Redevelopment Project Incentive Fund as created in Section  
400 57-91-9, as follows:

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

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

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

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



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

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

428 (21) (a) On or before April 15, 2007, and each succeeding  
429 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
430 Dollars (\$150,000.00) of the sales tax revenue collected during  
431 the preceding month under the provisions of this chapter shall be  
432 deposited into the MMEIA Tax Incentive Fund created in Section  
433 57-101-3.

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

440 (22) On or before June 1, 2024, and each succeeding month  
441 thereafter until December 31, 2057, an amount determined annually



442 by the Mississippi Development Authority of the sales tax revenue  
443 collected during the preceding month under the provisions of this  
444 chapter shall be deposited into the MMEIA Tax Incentive Fund  
445 created in Section 18 of \* \* \* Senate Bill No. 2001, 2024 2nd  
446 Extraordinary Session. This amount shall be based on estimated  
447 payments due within the upcoming year to construction contractors  
448 pursuant to construction contracts subject to the tax imposed by  
449 Section 27-65-21 for construction to be performed on the project  
450 site of a project defined under Section 57-75-5(f)(xxxiii) for the  
451 coming year.

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

458 (24) On or before September 15, 2024, and each succeeding  
459 month thereafter, twenty percent (20%) of the total sales tax  
460 revenue collected during the preceding month under the provisions  
461 of this chapter, except that collected under the provisions of  
462 Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business  
463 activities within a county that occur outside of the  
464 municipalities in the county shall be allocated for distribution  
465 to the county and paid to the county. Monies allocated for and  
466 paid to a county pursuant to this subsection (24) shall not be



467 considered by the county as general fund revenue but shall be  
468 dedicated to and expended solely for repair, maintenance and/or  
469 reconstruction of roads, streets and bridges. The amount paid to  
470 a county under this subsection (24) shall be in addition to any  
471 other funds allocated for distribution to the various counties  
472 under this section.

473 ( \* \* \*25) (a) On or before August 15, 2019, and each month  
474 thereafter through July 15, 2020, one percent (1%) of the total  
475 sales tax revenue collected during the preceding month from  
476 restaurants and hotels shall be allocated for distribution to the  
477 Mississippi Development Authority Tourism Advertising Fund  
478 established under Section 57-1-64, to be used exclusively for the  
479 purpose stated therein. On or before August 15, 2020, and each  
480 month thereafter through July 15, 2021, two percent (2%) of the  
481 total sales tax revenue collected during the preceding month from  
482 restaurants and hotels shall be allocated for distribution to the  
483 Mississippi Development Authority Tourism Advertising Fund  
484 established under Section 57-1-64, to be used exclusively for the  
485 purpose stated therein. On or before August 15, 2021, and each  
486 month thereafter, three percent (3%) of the total sales tax  
487 revenue collected during the preceding month from restaurants and  
488 hotels shall be allocated for distribution to the Mississippi  
489 Development Authority Tourism Advertising Fund established under  
490 Section 57-1-64, to be used exclusively for the purpose stated



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

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

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

502 ( \* \* \* 27) (a) It shall be the duty of the municipal  
503 officials of any municipality that expands its limits, or of any  
504 community that incorporates as a municipality, to notify the  
505 commissioner of that action thirty (30) days before the effective  
506 date. Failure to so notify the commissioner shall cause the  
507 municipality to forfeit the revenue that it would have been  
508 entitled to receive during this period of time when the  
509 commissioner had no knowledge of the action.

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



515 county by withholding the necessary funds from any later payment  
516 to be made to the municipality or county.

517 (ii) Subject to the provisions of Sections  
518 27-65-51 and 27-65-53, if any funds have been erroneously  
519 disbursed to a municipality under subsection (1) of this section  
520 for a period of three (3) years or more, the maximum amount that  
521 may be recovered or withheld from the municipality is the total  
522 amount of funds erroneously disbursed for a period of three (3)  
523 years beginning with the date of the first erroneous disbursement.  
524 However, if during such period, a municipality provides written  
525 notice to the Department of Revenue indicating the erroneous  
526 disbursement of funds, then the maximum amount that may be  
527 recovered or withheld from the municipality is the total amount of  
528 funds erroneously disbursed for a period of one (1) year beginning  
529 with the date of the first erroneous disbursement.

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

532 27-65-53. If the commissioner finds that the taxpayer has  
533 overpaid his tax for any reason and the taxpayer has discontinued  
534 business and there is no subsequent liability upon which the  
535 excess may be credited, or if the amount of the excess so paid  
536 shall exceed the estimated liability for the next twelve (12)  
537 months, the excess shall be refunded to the taxpayer. Such amount  
538 shall be certified to the State Auditor of Public Accounts by the  
539 commission. The said auditor is hereby authorized to make such



540 investigation and audit of the claim as he finds necessary. If he  
541 finds that the commissioner is correct in his determination, the  
542 auditor may issue his warrant to the State Treasurer in favor of  
543 the taxpayer for the amount of tax erroneously paid into the State  
544 Treasury, such refunds to be made from current sales tax  
545 collections. If part of the overpayment has been disbursed to any  
546 municipality \* \* \*, state institution of higher learning or  
547 county, under authority of Section 27-65-75, the  
548 municipality \* \* \*, state institution of higher learning or  
549 county, having erroneously received the money, shall adjust the  
550 amount with the commissioner, or the overpayment may be withheld  
551 by the state from any funds due by the state to the  
552 municipality \* \* \*, state institution of higher learning or  
553 county.

554         Provided, that where the taxpayer has overpaid his tax, the  
555 commissioner may give credit for same and allow the taxpayer to  
556 take credit on a subsequent return or, if necessary, in his  
557 discretion, have the taxpayer file for a refund as provided  
558 herein.

559         If any overpayment of tax as reflected in an application or  
560 amended return, or both, filed by the taxpayer, and verified by  
561 the commissioner or otherwise determined to be due by the  
562 commissioner or commission, is not refunded or credited to a  
563 taxpayer's account within ninety (90) days after the application  
564 or amended return is filed or the date the commission or



565 commissioner determines a refund is due, whichever is later,  
566 interest at the rate of one-half of one percent (1/2 of 1%) per  
567 month shall be allowed on such overpayment computed for the period  
568 after expiration of the ninety-day period provided herein to the  
569 date of payment.

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

