

By: Representative Powell

To: Ways and Means

HOUSE BILL NO. 95

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT EIGHTEEN AND ONE-HALF PERCENT OF THE SALES TAX
3 REVENUE COLLECTED ON BUSINESS ACTIVITIES WITHIN A COUNTY THAT IS A
4 PART OF THE PEARL RIVER VALLEY WATER SUPPLY DISTRICT ON PROPERTY
5 THAT IS OWNED BY THE DISTRICT AND OUTSIDE OF THE CORPORATE LIMITS
6 OF MUNICIPALITIES IN SUCH COUNTY SHALL BE DISTRIBUTED TO THE PEARL
7 RIVER VALLEY WATER SUPPLY DISTRICT; TO AMEND SECTION 27-65-53,
8 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED
9 PURPOSES.

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

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

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

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

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

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

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

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

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

65 (c) On or before August 15, 2018, and each succeeding
66 month thereafter until August 14, 2019, two percent (2%) of the
67 total sales tax revenue collected during the preceding month under
68 the provisions of this chapter, except that collected under the
69 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
70 27-65-24, on business activities within the corporate limits of
71 the City of Jackson, Mississippi, shall be deposited into the



72 Capitol Complex Improvement District Project Fund created in
73 Section 29-5-215. On or before August 15, 2019, and each
74 succeeding month thereafter until August 14, 2020, four percent
75 (4%) of the total sales tax revenue collected during the preceding
76 month under the provisions of this chapter, except that collected
77 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
78 and 27-65-24, on business activities within the corporate limits
79 of the City of Jackson, Mississippi, shall be deposited into the
80 Capitol Complex Improvement District Project Fund created in
81 Section 29-5-215. On or before August 15, 2020, and each
82 succeeding month thereafter through July 15, 2023, six percent
83 (6%) of the total sales tax revenue collected during the preceding
84 month under the provisions of this chapter, except that collected
85 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
86 and 27-65-24, on business activities within the corporate limits
87 of the City of Jackson, Mississippi, shall be deposited into the
88 Capitol Complex Improvement District Project Fund created in
89 Section 29-5-215. On or before August 15, 2023, and each
90 succeeding month thereafter, nine percent (9%) of the total sales
91 tax revenue collected during the preceding month under the
92 provisions of this chapter, except that collected under the
93 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
94 27-65-24, on business activities within the corporate limits of
95 the City of Jackson, Mississippi, shall be deposited into the



96 Capitol Complex Improvement District Project Fund created in
97 Section 29-5-215.

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

109 1. The county:

110 a. Borders on the Mississippi Sound and
111 the State of Alabama, or

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

115 2. The county has issued bonds under Section
116 21-45-9 to finance all or a portion of a redevelopment project in
117 the redevelopment project area;

118 3. Any debt service for the indebtedness
119 incurred is outstanding; and



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

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

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



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

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



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

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



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

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

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

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

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



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

223 Any reference in the general laws of this state or the
224 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
225 construed to refer and apply to subsection (4) of Section
226 27-65-75.

227 (5) On or before August 15, 2024, and each succeeding month
228 thereafter, One Million Six Hundred Sixty-six Thousand Six Hundred
229 Sixty-six Dollars (\$1,666,666.00) shall be paid into the special
230 fund known as the Education Enhancement Fund created and existing
231 under the provisions of Section 37-61-33.

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

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



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

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

266 (9) On or before August 15, 1994, and each succeeding month
267 thereafter, from the revenue collected under this chapter during
268 the preceding month, Two Hundred Fifty Thousand Dollars
269 (\$250,000.00) shall be paid into the State Aid Road Fund.

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

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

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

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



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

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



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

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

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



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

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

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

362 (18) [Repealed]

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



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

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

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

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

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

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

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

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

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



419 Dollars (\$150,000.00) of the sales tax revenue collected during
420 the preceding month under the provisions of this chapter shall be
421 deposited into the MMEIA Tax Incentive Fund created in Section
422 57-101-3.

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

429 (22) On or before June 1, 2024, and each succeeding month
430 thereafter until December 31, 2057, an amount determined annually
431 by the Mississippi Development Authority of the sales tax revenue
432 collected during the preceding month under the provisions of this
433 chapter shall be deposited into the MMEIA Tax Incentive Fund
434 created in Section 57-125-3. This amount shall be based on
435 estimated payments due within the upcoming year to construction
436 contractors pursuant to construction contracts subject to the tax
437 imposed by Section 27-65-21 for construction to be performed on
438 the project site of a project defined under Section
439 57-75-5(f) (xxxiii) for the 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, 2025, and each succeeding month
473 thereafter, eighteen and one-half percent (18-1/2%) of the total
474 sales tax revenue collected during the preceding month under the
475 provisions of this chapter, except that collected under the
476 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
477 27-65-24, on business activities within a county that is a part of
478 the Pearl River Valley Water Supply District on property that is
479 owned by the district and outside of the corporate limits of
480 municipalities in such county shall be allocated for distribution
481 to the Pearl River Valley Water Supply District and paid to the
482 Pearl River Valley Water Supply District.

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

486 (* * *27) (a) It shall be the duty of the municipal
487 officials of any municipality that expands its limits, or of any
488 community that incorporates as a municipality, to notify the
489 commissioner of that action thirty (30) days before the effective
490 date. Failure to so notify the commissioner shall cause the
491 municipality to forfeit the revenue that it would have been
492 entitled to receive during this period of time when the
493 commissioner had no knowledge of the action.

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

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

516 27-65-53. If the commissioner finds that the taxpayer has
517 overpaid his tax for any reason and the taxpayer has discontinued
518 business and there is no subsequent liability upon which the



519 excess may be credited, or if the amount of the excess so paid
520 shall exceed the estimated liability for the next twelve (12)
521 months, the excess shall be refunded to the taxpayer. Such amount
522 shall be certified to the State Auditor of Public Accounts by the
523 commission. The said auditor is hereby authorized to make such
524 investigation and audit of the claim as he finds necessary. If he
525 finds that the commissioner is correct in his determination, the
526 auditor may issue his warrant to the State Treasurer in favor of
527 the taxpayer for the amount of tax erroneously paid into the State
528 Treasury, such refunds to be made from current sales tax
529 collections. If part of the overpayment has been disbursed to any
530 municipality or state institution of higher learning or to the
531 Pearl River Valley Water Supply District, under authority of
532 Section 27-65-75, the municipality or state institution of higher
533 learning or the Pearl River Valley Water Supply District, having
534 erroneously received the money, shall adjust the amount with the
535 commissioner, or the overpayment may be withheld by the state from
536 any funds due by the state to the municipality or state
537 institution of higher learning or such district.

538 Provided, that where the taxpayer has overpaid his tax, the
539 commissioner may give credit for same and allow the taxpayer to
540 take credit on a subsequent return or, if necessary, in his
541 discretion, have the taxpayer file for a refund as provided
542 herein.



543 If any overpayment of tax as reflected in an application or
544 amended return, or both, filed by the taxpayer, and verified by
545 the commissioner or otherwise determined to be due by the
546 commissioner or commission, is not refunded or credited to a
547 taxpayer's account within ninety (90) days after the application
548 or amended return is filed or the date the commission or
549 commissioner determines a refund is due, whichever is later,
550 interest at the rate of one-half of one percent (1/2 of 1%) per
551 month shall be allowed on such overpayment computed for the period
552 after expiration of the ninety-day period provided herein to the
553 date of payment.

554 **SECTION 3.** This act shall take effect and be in force from
555 and after July 1, 2025.

