

By: Representative Roberson

To: Ways and Means

## HOUSE BILL NO. 879

1 AN ACT TO CREATE THE "RETAILER TAX FAIRNESS ACT"; TO DEFINE  
2 CERTAIN TERMS RELATING TO ELECTRONIC PAYMENT TRANSACTIONS; TO  
3 PROVIDE THAT A MERCHANT OR SELLER COLLECTING STATE TAXES OR LOCAL  
4 TAXES FROM A PURCHASER IN ANY ELECTRONIC PAYMENT TRANSACTION FOR  
5 WHICH THE MERCHANT OR SELLER PAYS OR IS CHARGED AN INTERCHANGE FEE  
6 WILL BE ENTITLED TO A CREDIT AGAINST SUCH TAXES; TO PROVIDE FOR  
7 THE AMOUNT OF THE TAX CREDIT; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** This act shall be known and may be cited as the  
10 "Retailer Tax Fairness Act."

11 **SECTION 2.** For the purposes of this act, the following words  
12 shall have the meanings as defined in this section, unless the  
13 context clearly requires otherwise:

14 (a) "Credit card" means any card, plate, coupon book,  
15 or other credit device existing for the purpose of obtaining  
16 money, property, labor, or services on credit.

17 (b) "Debit card" means any card, or other payment code  
18 or device, issued or approved for use through a payment card  
19 network to debit an asset account, regardless of the purpose for  
20 which the account is established, whether authorization is based



21 on signature, personal identification number, or other means. The  
22 term "debit card" includes a general-use prepaid card, as defined  
23 in 15 USC Section 1693l-1(a)(2)(A), and does not include paper  
24 checks.

25 (c) "Electronic payment transaction" means a  
26 transaction in which a person uses a debit card, credit card, or  
27 other payment code or device, issued or approved through a payment  
28 card network to debit a deposit account or use a line of credit,  
29 whether authorization is based on a signature, personal  
30 identification number, or other means.

31 (d) "Interchange fee" means a fee established, charged,  
32 or received by a payment card network for the purpose of  
33 compensating the issuer for its involvement in an electronic  
34 payment transaction.

35 (e) "Issuer" means any entity issuing a debit card or  
36 credit card, or the issuer's agent.

37 (f) "Payment card network" means an entity that:

38 (i) Directly, or through licensed members,  
39 processors, or agents, provides the proprietary services,  
40 infrastructure, and software that routes information and data to  
41 conduct debit card or credit card transaction authorization,  
42 clearance, and settlement; and

43 (ii) A merchant or seller uses in order to accept  
44 as a form of payment a brand of debit card, credit card, or other  
45 device that may be used to carry out debit or credit transactions.



(g) "Settlement" means the transfer of funds from a customer's account to a seller or merchant upon electronic submission of finalized sales transactions to the payment card network.

**SECTION 3.** Each merchant or seller collecting state taxes and/or local taxes shall be entitled to a credit against such state taxes and/or local taxes, respectively, equal to the product of the state taxes and local taxes collected from a purchaser in any electronic payment transaction for which such merchant or seller pays or is charged an interchange fee multiplied by two and one-half percent (2-1/2%).

For the purposes of this section, the term "state taxes" includes the amount of any taxes imposed under Chapter 65, Title 27, Mississippi Code of 1972, as amended, and the amount of all state taxes imposed under Sections 27-55-11, 27-55-519, 27-59-11, 49-17-407 and 65-33-47.

For the purposes of this section, the term "local tax" includes any tax levied and collected under the authority of any local and private law of the State of Mississippi upon hotels, motels, restaurants or otherwise.

**SECTION 4.** This act shall take effect and be in force from and after July 1, 2025.

