

By: Representative Creekmore IV

To: Public Health and Human  
Services; Ways and Means

## HOUSE BILL NO. 996

1 AN ACT TO AMEND SECTION 27-69-3, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE DEFINITION OF THE TERM "TOBACCO" UNDER THE TOBACCO TAX  
3 LAW; TO DEFINE THE TERM "VAPOR PRODUCT" UNDER THE TOBACCO TAX LAW;  
4 TO AMEND SECTION 27-69-13, MISSISSIPPI CODE OF 1972, TO LEVY AN  
5 EXCISE TAX ON VAPOR PRODUCTS; TO AMEND SECTIONS 27-69-15,  
6 27-69-27, 27-69-33 AND 27-69-35, MISSISSIPPI CODE OF 1972, IN  
7 CONFORMITY THERETO; TO AMEND SECTION 27-69-75, MISSISSIPPI CODE OF  
8 1972, TO PROVIDE THAT THE REVENUE DERIVED FROM THE EXCISE TAX ON  
9 VAPOR PRODUCTS SHALL BE DEPOSITED INTO THE "MISSISSIPPI COMMUNITY  
10 MENTAL HEALTH CENTERS PATIENT HOUSING FUND" AND THE "DEPARTMENT OF  
11 MENTAL HEALTH 9-8-8 CRISIS RESPONSE SYSTEM FUND" CREATED IN THIS  
12 ACT; TO BRING FORWARD SECTION 27-69-69, MISSISSIPPI CODE OF 1972,  
13 WHICH IS A SECTION OF THE TOBACCO TAX LAW, FOR THE PURPOSES OF  
14 POSSIBLE AMENDMENT; TO CREATE THE "MISSISSIPPI COMMUNITY MENTAL  
15 HEALTH CENTERS PATIENT HOUSING FUND" AS A SPECIAL FUND IN THE  
16 STATE TREASURY; TO PROVIDE THAT MONIES IN THE FUND SHALL BE USED  
17 BY THE DEPARTMENT OF MENTAL HEALTH, UPON APPROPRIATION BY THE  
18 LEGISLATURE, FOR THE PURPOSE OF PROVIDING GRANTS TO COMMUNITY  
19 MENTAL HEALTH CENTERS FOR THE PURPOSE OF INCREASING HOUSING FOR  
20 PATIENTS; TO PROVIDE THAT THE DEPARTMENT OF MENTAL HEALTH SHALL  
21 ESTABLISH A PROGRAM FOR PROVIDING SUCH GRANTS TO COMMUNITY MENTAL  
22 HEALTH CENTERS; TO CREATE THE "DEPARTMENT OF MENTAL HEALTH 9-8-8  
23 CRISIS RESPONSE SYSTEM FUND" AS A SPECIAL FUND IN THE STATE  
24 TREASURY; TO PROVIDE THAT MONIES IN THE FUND SHALL BE EXPENDED BY  
25 THE DEPARTMENT OF MENTAL HEALTH, UPON APPROPRIATION BY THE  
26 LEGISLATURE, FOR THE PURPOSE OF OPERATING THE DEPARTMENT'S 9-8-8  
27 CRISIS RESPONSE SYSTEM; AND FOR RELATED PURPOSES.

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

29 **SECTION 1.** Section 27-69-3, Mississippi Code of 1972, is  
30 amended as follows:



27-69-3. When used in this chapter:

(a) "State" means the State of Mississippi as geographically defined, and any and all waters under the jurisdiction of the State of Mississippi.

(b) "State Auditor" means the Auditor of Public Accounts of the State of Mississippi, or his legally appointed deputy, clerk or agent.

(c) "Commissioner" means the Commissioner of Revenue of the Department of Revenue, and his authorized agents and employees.

(d) "Person" means any individual, company, corporation, partnership, association, joint venture, estate, trust, or any other group, or combination acting as a unit, and the plural as well as the singular, unless the intention to give a more limited meaning is disclosed by the context.

(e) "Consumer" means a person who comes into possession of tobacco for the purpose of consuming it, giving it away, or disposing of it in any way by sale, barter or exchange.

(f) "Tobacco" means any cigarettes, cigars, cheroots, stogies, smoking tobacco (including granulated, plug cut, crimp cut, ready rubbed, and other kinds and forms of tobacco, or substitutes therefor, prepared in such manner as to be suitable for smoking in a pipe or cigarette) and including plug and twist chewing tobacco and snuff, when such "tobacco" is manufactured and prepared for sale or personal consumption. The term "tobacco"



56 also includes vapor products. All words used herein, except vapor  
57 products, shall be given the meaning as defined in the regulations  
58 of the Treasury Department of the United States of America. The  
59 term "tobacco" also includes heated tobacco products.

60 (g) "First sale" means and includes the first sale, or  
61 distribution of such tobacco in intrastate commerce, or the first  
62 use or consumption of such tobacco within this state.

63 (h) "Drop shipment" means and includes any delivery of  
64 tobacco received by any person within this state, when payment for  
65 such tobacco is made to the shipper, or seller by or through a  
66 person other than a consignee.

67 (i) "Distributor" includes every person, except  
68 retailers as defined herein, in the state who manufactures or  
69 produces tobacco or who ships, transports, or imports into this  
70 state, or in any manner acquires or possesses tobacco, and makes a  
71 first sale of the same in the state.

72 (j) "Wholesaler" includes dealers, whose principal  
73 business is that of a wholesale dealer or jobber, who is known to  
74 the retail trade as such, and whose place of business is located  
75 in Mississippi or in a state which affords reciprocity to  
76 wholesalers domiciled in Mississippi, who shall sell any taxable  
77 tobacco to retail dealers only for the purpose of resale.

78 (k) "Retailer" includes every person, other than a  
79 wholesale dealer, as defined above, whose principal business is  
80 that of selling merchandise at retail, who shall sell, or offer



81 for sale tobacco to the consumer. The sale of tobacco in quantity  
82 lots by retailers to other retailers, transient vendors, or other  
83 persons, shall not be construed as wholesale and shall not qualify  
84 such retailer for a permit as a wholesaler.

85 (l) "Dealer" includes every person, firm, corporation  
86 or association of persons, except retailers as defined herein, who  
87 manufacture tobacco for distribution, for sale, for use or for  
88 consumption in the State of Mississippi.

89 The word "dealer" is further defined to mean any person,  
90 firm, corporation or association of persons, except retailers as  
91 defined herein, who imports tobacco from any state or foreign  
92 country for distribution, sale, use, or consumption in the State  
93 of Mississippi.

94 (m) "Distributing agent" includes every person in the  
95 state who acts as an agent of any person outside the State of  
96 Mississippi, by receiving tobacco in interstate commerce, and  
97 storing such tobacco in this state subject to distribution, or  
98 delivery upon order from the person outside the state to  
99 distributors, wholesalers, retailers and dealers.

100 (n) "Transient vendor" means and includes every person  
101 commonly and generally termed "peddlers" and every person acting  
102 for himself, or as an agent, employee, salesman, or in any  
103 capacity for another, whether as owner, bailee, or other custodian  
104 of tobacco, and going from person to person, dealer to dealer,  
105 house to house, or place to place, and selling or offering for



106 sale at retail or wholesale tobacco, and every person who does not  
107 keep a regular place of business open at all times in regular  
108 hours, and every person who goes from person to person, dealer to  
109 dealer, house to house, or place to place, and sells or offers for  
110 sale tobacco which he carries with him, and who delivers the same  
111 at the time of, or immediately after the sale, or without  
112 returning to the place of business operations (a permanent place  
113 of business within the state) between the taking of the order and  
114 the delivery of the tobacco, or

115 All persons who go from person to person, house to house,  
116 place to place, or dealer to dealer, soliciting orders by  
117 exhibiting samples, or taking orders, and thereafter making  
118 delivery of tobacco, or filling the order without carrying or  
119 sending the order to the permanent place of business, and  
120 thereafter making delivery of the tobacco pursuant to the terms of  
121 the order, or

122 All persons who go from person to person, place to place,  
123 house to house, or dealer to dealer, carrying samples and selling  
124 tobacco from samples, and afterwards making delivery without  
125 taking and sending an order therefor to a permanent place of  
126 business for the filling of the order, and delivery of the  
127 tobacco, or the exchange of tobacco having become damaged or  
128 unsalable, or the purchase by tobacco of advertising space, or

129 All persons who have in their possession, or under their  
130 control, any tobacco offered, or to be offered for sale or to be



delivered, unless the sale or delivery thereof is to be made in pursuance of a bona fide order for the tobacco, to be sold or delivered, the order to be evidenced by an invoice or memorandum.

(o) "Contraband tobacco" means all tobacco found in the possession of any person whose permit to engage in dealing in tobacco has been revoked by the commissioner; and any cigarettes found in the possession of any person to which the proper tax stamps have not been affixed; and any cigarettes improperly stamped when found in the possession of any person; and all other tobacco upon which the excise tax has not been paid.

(p) "Sale" means an exchange for money or goods, giving away, or distributing any tobacco as defined in this chapter.

(q) "Forty-eight (48) hours" and "seventy-two (72) hours" means two (2) calendar days and three (3) calendar days, respectively, excluding Sundays and legal holidays.

(r) "Stamp" or "stamping," or the import of such word, when used in this chapter, means any manner of stamp or impression permitted by the commissioner that carries out the purposes of the chapter in clearly indicating upon the packages of cigarettes taxed the due payment of the tax and clearly identifying, by serial number or otherwise, the permittee who affixed the stamp to the particular package.

(s) "Manufacturer's list price" means the full sales price at which tobacco is sold or offered for sale by a manufacturer to the wholesaler or distributor in this state



without any deduction for freight, trade discount, cash discounts, special discounts or deals, cash rebates, or any other reduction from the regular selling price. In the event freight charges on shipments to wholesalers or distributors are not paid by the manufacturer, then such freight charges required to be paid by the wholesalers and distributors shall be added to the amount paid to the manufacturer in order to determine "manufacturer's list price." In the case of a wholesaler or distributor whose place of business is located outside this state, the "manufacturer's list price" for tobacco sold in this state by such wholesaler or distributor shall in all cases be considered to be the same as that of a wholesaler or distributor located within this state.

(t) "Heated tobacco products" means a product containing tobacco that produces an inhalable aerosol by (i) heating the tobacco without combustion of the tobacco or (ii) heat generated from a combustion source that only or primarily heats rather than burns the tobacco.

(u) "Vapor product" means an electronic product or device that may be used to deliver any aerosolized or vaporized substance to the person inhaling from the product or device, including, but not limited to, an e-cigar, e-cigarillo, e-pipe, vape pen or e-hookah; and includes any cartridge, component, part or accessory of the electronic product or device, whether or not sold separately, and also includes any liquid, capsule, powder or substance intended to be aerosolized, vaporized or otherwise



ingested during the use of the electronic product or device,  
whether or not the substance contains nicotine. The term "vapor  
product" does not include (i) a product that is a drug under 21  
USCS 321(g) (1); (ii) a product that is a device under 21 USCS  
321(h); or (iii) a combination product described in 21 USCS  
353(g).

**SECTION 2.** Section 27-69-13, Mississippi Code of 1972, is amended as follows:

27-69-13. There is hereby imposed, levied and assessed, to be collected and paid as hereinafter provided in this chapter, an excise tax on each person or dealer in cigarettes, cigars, stogies, snuff, chewing tobacco \* \* \* and smoking tobacco, vapor products, or substitutes therefor, upon the sale, use, consumption, handling or distribution in the State of Mississippi, as follows:

(a) On cigarettes, the rate of tax shall be Three and Four-tenths Cents (3.4¢) on each cigarette sold with a maximum length of one hundred twenty (120) millimeters; any cigarette in excess of this length shall be taxed as if it were two (2) or more cigarettes. Provided, however, if the federal tax rate on cigarettes in effect on June 1, 1985, is reduced, then the rate as provided herein shall be increased by the amount of the federal tax reduction. Such tax increase shall take effect on the first day of the month following the effective date of such reduction in the federal tax rate. Heated tobacco products shall not be taxed





as cigarettes under this paragraph (a); however, this exclusion shall not affect heated tobacco products for any purposes related to Section 27-70-1 et seq.

(b) On cigars, cheroots, stogies, snuff, chewing and smoking tobacco and all other tobacco products except cigarettes \* \* \*, heated tobacco products and vapor products, the rate of tax shall be fifteen percent (15%) of the manufacturer's list price.

(c) On heated tobacco products, the rate of tax shall be one and twenty-five one-hundredths cents (1.25¢) on each disposable heated tobacco unit or stick sold to be used for consumption by insertion into a heated tobacco product heating system device.

(d) On vapor products, the rate of tax shall be twenty-five percent (25%) of the manufacturer's list price.

No stamp evidencing the tax herein levied on cigarettes shall be of a denomination of less than One Cent (1¢), and whenever the tax computed at the rates herein prescribed on cigarettes shall be a specified amount, plus a fractional part of One Cent (1¢), the package shall be stamped for the next full cent; however, the additional face value of stamps purchased to comply with taxes imposed by this section after June 1, 1985, shall be subject to a four percent (4%) discount or compensation to dealers for their services rather than the eight percent (8%) discount or compensation allowed by Section 27-69-31.



Every wholesaler shall purchase stamps as provided in this chapter, and affix the same to all packages of cigarettes handled by him as herein provided.

The above tax is levied upon the sale, use, gift, possession or consumption of tobacco within the State of Mississippi, and the impact of the tax levied by this chapter is hereby declared to be on the vendee, user, consumer or possessor of tobacco in this state; and when said tax is paid by any other person, such payment shall be considered as an advance payment and shall thereafter be added to the price of the tobacco and recovered from the ultimate consumer or user.

**SECTION 3.** Section 27-69-15, Mississippi Code of 1972, is amended as follows:

27-69-15. Any retailer, transient vendor, distributing agent, salesman, or other dealer who shall receive any cigarettes other than from a wholesaler having a permit as herein provided, and not having the necessary stamps already affixed, shall, after the receipt of such cigarettes, within the time limit herein provided, present the same to some wholesaler having such permit, for the affixing of the stamps required, and it shall be the duty of such wholesaler, thereupon and upon the payment to him by such retailer of the face value of the stamps required, to affix the stamps to said cigarettes in the same manner as if the cigarettes were handled and sold by such wholesaler, provided, that such wholesaler, before affixing the stamps, shall require of the



256 retailer, transient vendor, distributing agent, salesman, or other  
257 dealer, the original invoice for the cigarettes to be stamped, and  
258 such wholesaler shall in each instance note upon the invoice, the  
259 denominations and number of stamps affixed to the cigarettes  
260 covered by said invoice, the notation to be made in ink, or other  
261 manner not easy to erase, at the time the stamps are affixed.

262       It is further provided that, in addition hereto, the  
263 wholesaler shall keep a separate record of all stamps affixed to  
264 taxable cigarettes presented by retailers, transient vendors,  
265 distributing agents, salesmen, or other dealers, showing the name  
266 of the retailer, transient vendor, distributing agent, salesman,  
267 or other dealer, name of the shipper, date of shipper's invoice,  
268 the date stamps were affixed, denomination of stamps affixed, and  
269 total value of stamps affixed.

270       When the request is made to any wholesaler in this state by a  
271 retailer, transient vendor, distributing agent, salesman, or other  
272 dealer in this state, said request being duly and seasonably made  
273 for the affixing of stamps, and the request is accompanied by  
274 proper remittance and invoice, and such wholesaler refuses to  
275 affix the stamps to cigarettes as requested, said wholesaler shall  
276 forfeit to the state a penalty of Twenty-five Dollars (\$25.00) for  
277 each offense, the same to be collected by the commissioner and, in  
278 addition thereto, in the discretion of the commissioner, forfeit  
279 his permit to handle stamps. In the event of such refusal on the  
280 part of any wholesaler to affix stamps said retailer, transient



281 vendor, distributing agent, salesman, or other dealer may make  
282 application to the commissioner for stamps to be placed on the  
283 cigarettes upon which the wholesaler refused to affix the stamps,  
284 said application to be accompanied by an affidavit from the  
285 retailer, transient vendor, distributing agent, salesman, or other  
286 dealer, or some other credible person, setting forth the facts,  
287 whereupon the commissioner may issue and sell to such retailer,  
288 transient vendor, distributing agent, salesman, or other dealer, a  
289 sufficient number of stamps to be affixed to the cigarettes.

290       Stamps shall not be affixed to any cigarettes except by a  
291 wholesale dealer having a permit, except as otherwise provided in  
292 this chapter.

293       Stamps shall not be required to be affixed to any cigarettes  
294 while the same is in interstate commerce.

295       Any person who receives cigars, smoking tobacco, chewing  
296 tobacco, snuff, vapor products or any other tobacco products  
297 except cigarettes from anyone other than a wholesaler having a  
298 tobacco permit issued by this state and the excise tax on the  
299 tobacco received has not been paid, shall compute the excise tax  
300 due the State of Mississippi at the rate prescribed herein on  
301 forms furnished by the commissioner for that purpose. Such report  
302 shall be accompanied by the remittance for the tax due and shall  
303 be filed with the commissioner within forty-eight (48) hours after  
304 receipt of the tobacco by such person.



In no case shall the provisions of this chapter be construed to require the payment of a tax upon any tobacco upon which the tax herein levied has once been paid to the state.

**SECTION 4.** Section 27-69-27, Mississippi Code of 1972, is amended as follows:

27-69-27. The payment of the tax imposed by this chapter shall be evidenced by affixing stamps to each individual package of cigarettes usually sold to consumers, as distinguished from cartons or larger units which are composed of a number of individual packages.

Except as otherwise provided in this paragraph, the stamp shall be affixed within seventy-two (72) hours after the receipt of the cigarettes by the wholesaler, and within forty-eight (48) hours after receipt of the cigarettes by the retailer; provided, that in the case a dealer conducts a wholesale and retail business at one (1) place of business, stamps shall be affixed within forty-eight (48) hours after receipt of the cigarettes. However, the provisions of this paragraph shall not apply to tobacco at the point it is purchased at a sale under Section 27-69-56. The stamp must be so securely affixed as to require the continued application of water or of steam to remove it, or so that it cannot be otherwise removed without destruction or mutilation.

The excise tax imposed on cigars, smoking tobacco, chewing tobacco, snuff, vapor products and all other tobacco products except cigarettes and heated tobacco products shall be computed by



the application of the excise tax rate to the manufacturer's list price on all purchases of such tobacco. The excise tax shall be due and payable on or before the fifteenth day of the month next succeeding the month in which the tax accrues. The tax shall be filed with the commissioner on forms prescribed by the commissioner.

Provided, however, manufacturers or other wholesale distributors of tobacco, which are subject to the excise taxes imposed by Section 27-69-13 of this chapter for the privilege of selling or using such tobaccos within this state, who maintain "terminals" or warehouses in which such tobaccos are stored, and who sell only to licensed wholesale dealers within the state who are qualified to purchase and affix the stamps required, may maintain such "spot stocks," intended only for such sales, without affixing the stamps or filing returns and paying the tax.

Any person desiring to maintain such "terminal" or warehouse, shall make application to the commissioner and obtain a permit to maintain such stocks without affixing stamps thereto, for sale exclusively to out-of-state purchasers, or licensed wholesale dealers within this state, and the commissioner is hereby authorized to grant such permit upon the execution and filing with the commissioner, by the applicant, a bond with surety companies, authorized to do business in Mississippi, as surety thereon, and conditioned for the strict compliance by the applicant, with the following conditions under which said privilege may be granted.



355       The person maintaining such stock of untaxed tobacco shall  
356 supply to the commissioner monthly, or at such times as the  
357 commissioner may require, complete invoices of all tobaccos  
358 received, and shall also supply correct invoices of all tobaccos  
359 removed from such "terminal" or warehouse, said invoices to  
360 contain the correct name and address of all persons to whom such  
361 tobacco shall be delivered or consigned, whether within or without  
362 the State of Mississippi.

363       The penalty of such bond shall be determined by the  
364 commissioner, in an amount sufficient to protect the State of  
365 Mississippi from any loss of revenue which might occur by reason  
366 of the failure of principal to strictly adhere to the requirement  
367 that no tobacco would be sold from such stock within the State of  
368 Mississippi, except to licensed wholesale dealers.

369       **SECTION 5.** Section 27-69-33, Mississippi Code of 1972, is  
370 amended as follows:

371       27-69-33. Manufacturers, distributors and wholesalers of  
372 cigars, cigarettes \* \* \*, smoking tobacco or vapor products  
373 subject to the tax under this chapter, doing both intrastate and  
374 interstate business in such tobacco, must qualify as interstate  
375 dealers in such tobacco by applying to the commissioner for  
376 permission to engage in such business, and, upon receipt of such  
377 permission, he shall be permitted to set aside such part of his  
378 stock as may be absolutely necessary for the conduct of such  
379 interstate business, without affixing the stamps to cigarettes



required by this chapter. Said interstate stock shall be kept in an entirely separate part of the building, separate and apart from intrastate stock, and the said interstate business shall be conducted by the said wholesale dealer in accordance with rules and regulations to be promulgated by the commissioner.

It is further provided that shipment of such merchandise be made only by a railroad, express company, boat line, or motor freight line certified by the Mississippi Public Service Commission as a common carrier, or by registered or insured parcel post.

It is further provided that any manufacturer, distributor, or wholesaler of cigars, cigarettes \* \* \*, smoking tobacco or vapor products, engaged in interstate commerce in such tobaccos, shall report to the commissioner on or before the fifteenth day of each month, on forms prescribed by the commissioner, all sales of cigarettes made in interstate commerce during the preceding month to which Mississippi stamps were not affixed. These reports must be made supplementary to the reports required to be filed by Section 27-69-35 of this chapter.

Each shipment must be covered by a complete copy of invoice of the consignor, and supported by properly receipted bill of lading of the transportation company, or post office department as specified in the foregoing, and the receipted bills of lading and invoices shall be subject to inspection by the commissioner for a period of three (3) years.





The commissioner is further authorized to verify the actual delivery to the consignee of such unstamped taxable cigarettes before allowing credit, and for the purpose of such verification, the commissioner may exchange information with the proper authorities of other states as to movement of taxable tobacco to and from other states into and from the State of Mississippi.

**SECTION 6.** Section 27-69-35, Mississippi Code of 1972, is amended as follows:

27-69-35. It shall be the duty of every person subject to the provisions of this chapter, to keep an accurate set of records, showing all transactions had with reference to the purchase, sale or gift of cigars, cigarettes, \* \* \*, smoking tobacco or vapor products, and such person shall keep separately all invoices of cigars, cigarettes \* \* \*, smoking tobacco or vapor products, and shall keep a record of all stamps purchased, and such records, and all stocks of cigars, cigarettes \* \* \*, smoking tobacco or vapor products on hand, shall be open to inspection at all reasonable times to the commissioner; provided, however, that all retail dealers, transient vendors, distributing agents, or other dealers purchasing, or receiving cigars, cigarettes, \* \* \*, smoking tobacco or vapor products from without the state, whether the same shall have been ordered through a wholesaler, or jobber in this state, or by drop shipment, or otherwise, shall within five (5) days after receipt of the same, mail a duplicate invoice of all such purchases, or receipts, to the commissioner, and



430 failure to furnish such duplicate invoices shall be deemed a  
431 misdemeanor.

432 It is further provided that all manufacturers, distributors  
433 and wholesalers of cigars, cigarettes \* \* \*, smoking tobacco or  
434 vapor products, who have a permit required by this chapter shall  
435 furnish the commissioner with a statement monthly, showing the  
436 amount of taxable tobacco received, and must also furnish the  
437 commissioner with duplicate invoices covering stamps affixed to  
438 drop shipments purchased by retailers.

439 In the examination of such books, records, etc., the  
440 commissioner shall have the power to administer oaths to any  
441 person, and any person answering falsely, under oath, any of such  
442 questions, shall be guilty of perjury.

443 If any person being so examined, fails to answer questions  
444 propounded to him by the commissioner, or if any person, being  
445 summoned to appear and answer such questions, shall fail or refuse  
446 to do so, or if any person shall fail or refuse to permit the  
447 inspection of his stock of merchandise, or invoices, or books, or  
448 papers pertaining to any dealers in cigars, cigarettes \* \* \*,  
449 smoking tobacco or vapor products, the commissioner may make such  
450 fact known to the circuit court of the county in which such  
451 failure or refusal occurs, or judge thereof in termtime or in  
452 vacation, by petition, and such circuit court, or judge thereof,  
453 shall issue a summons for such person so refusing, returnable on a  
454 date to be fixed by said court, or said judge, and on said date,



the said circuit court, or the circuit judge, shall proceed to examine into the truth of the matter set out in said petition, and if the same be found to be true, the said circuit court, or circuit judge, shall issue a writ of subpoena duces tecum ordering and directing the person so summoned to bring into court, and exhibit for the inspection of the commissioner, all such books, records, invoices, etc., as the court may deem proper from all the facts and circumstances in the case. Any person failing or refusing to present such books, records, invoices, etc., or failing or refusing to testify, shall be punished for contempt as provided by Section 9-1-17 of the Mississippi Code of 1972.

**SECTION 7.** Section 27-69-75, Mississippi Code of 1972, is amended as follows:

27-69-75. All taxes levied by this chapter shall be payable to the commissioner in cash, or by personal check, cashier's check, bank exchange, post office money order or express money order, and shall be deposited by the commissioner in the State Treasury on the same day collected. No remittance other than cash shall be a final discharge of liability for the tax herein assessed and levied, unless and until it has been paid in cash to the commissioner.

Except as otherwise provided in this section, all tobacco taxes collected, including tobacco license taxes, shall be deposited into the State Treasury to the credit of the General Fund. All tobacco taxes collected on vapor products under Section



27-69-13 shall be deposited as follows: (a) fifty percent (50%) of such taxes shall be deposited into the Mississippi Community Mental Health Centers Patient Housing Fund created in Section 9 of this act and (b) fifty percent (50%) of such taxes shall be deposited into the Department of Mental Health 9-8-8 Crisis Response System Fund created in Section 10 of this act.

Wholesalers who are entitled to purchase stamps at a discount, as provided by Section 27-69-31, may have consigned to them, without advance payment, such stamps, if and when such wholesaler shall give to the commissioner a good and sufficient bond executed by some surety company authorized to do business in this state, conditioned to secure the payment for the stamps so consigned. The commissioner shall require payment for such stamps not later than thirty (30) days from the date the stamps were consigned.

**SECTION 8.** Section 27-69-69, Mississippi Code of 1972, is brought forward as follows:

27-69-69. Any municipality within this state, in which any business licensed under the provisions of this chapter, may be carried on, shall have the right to impose upon persons engaged in such business, an annual privilege tax of not more than fifty percent (50%) of the permit fee imposed by Section 27-69-7 of this chapter; provided, however, that no person engaged in the wholesale sale, or distribution of cigars, cigarettes or smoking tobacco taxed by this chapter shall be taxed by any municipality



other than that in which the warehouse or wholesale business is located.

**SECTION 9.** (1) (a) There is created in the State Treasury a special fund to be designated as the "Mississippi Community Mental Health Centers Patient Housing Fund", which shall consist of funds deposited therein under Section 27-69-75, Mississippi Code of 1972, and funds from any other source designated for deposit into such fund. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund shall be used by the Department of Mental Health, upon appropriation by the Legislature, for the purposes provided in this section.

(b) The Department of Mental Health shall establish a program for providing grants to community mental health centers for the purpose of increasing housing for patients. A community mental health center may apply to the Department of Mental Health for a grant to pay for the cost of patient housing. A community mental health center desiring assistance under this section must submit an application to the Department of Mental Health. The application must include any information required by the Department of Mental Health.



530           (c) The Department of Mental Health shall have all  
531 powers necessary to implement and administer the program  
532 established under this section, and the department shall  
533 promulgate rules and regulations, in accordance with the  
534 Mississippi Administrative Procedures Law, necessary for the  
535 implementation of this section.

536           **SECTION 10.** (1) (a) There is created in the State Treasury  
537 a special fund to be designated as the "Department of Mental  
538 Health 9-8-8 Crisis Response System Fund", which shall consist of  
539 funds deposited therein under Section 27-69-75, Mississippi Code  
540 of 1972, and funds from any other source designated for deposit  
541 into such fund. The fund shall be maintained by the State  
542 Treasurer as a separate and special fund, separate and apart from  
543 the General Fund of the state. Unexpended amounts remaining in  
544 the fund at the end of a fiscal year shall not lapse into the  
545 State General Fund, and any investment earnings or interest earned  
546 on amounts in the fund shall be deposited to the credit of the  
547 fund. Monies in the fund shall be expended by the Department of  
548 Mental Health, upon appropriation by the Legislature, for the  
549 purpose of operating the department's 9-8-8 Crisis Response  
550 System.

551           **SECTION 11.** This act shall take effect and be in force from  
552 and after July 1, 2025.

