

By: Representative Clark

To: Education;  
Appropriations A

## HOUSE BILL NO. 1483

1 AN ACT TO CREATE THE EDUCATIONAL FACILITIES CONSTRUCTION,  
2 INFRASTRUCTURE AND CAPITAL IMPROVEMENTS GRANT PROGRAM FOR THE  
3 PURPOSE OF CONSTRUCTING NEW AND IMPROVING EXISTING EDUCATIONAL  
4 FACILITIES IN THE STATE OF MISSISSIPPI; TO PROVIDE THAT THE STATE  
5 DEPARTMENT OF EDUCATION SHALL ADMINISTER THE PROGRAM AND  
6 PROMULGATE THE NECESSARY RULES AND REGULATIONS FOR ITS  
7 ADMINISTRATION; TO CREATE THE "EDUCATIONAL FACILITIES  
8 CONSTRUCTION, INFRASTRUCTURE AND CAPITAL IMPROVEMENTS GRANT FUND  
9 IN THE STATE TREASURY; TO AUTHORIZE PUBLIC SCHOOL DISTRICTS TO  
10 SUBMIT APPLICATIONS TO THE DEPARTMENT OF EDUCATION FOR GRANTS FROM  
11 THE FUND; TO DESIGNATE THE PURPOSES FOR WHICH GRANTS MAY BE USED  
12 AND THE PERCENTAGE OF THE GRANT FUND TO BE MADE AVAILABLE FOR  
13 GRANTS TO DIFFERENT EDUCATIONAL INSTITUTIONS; TO ESTABLISH THE  
14 MAXIMUM GRANT AMOUNTS PER DISTRICT ALLOWABLE OVER THE COURSE OF A  
15 FIVE FISCAL YEARS; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF  
16 1972, TO CHANGE THE ALLOCATION THAT WAS DIVERTED TO THE  
17 EDUCATIONAL ENHANCEMENT FUND TO BE ALLOCATED TO THE EDUCATIONAL  
18 FACILITIES CONSTRUCTION, INFRASTRUCTURE AND CAPITAL IMPROVEMENTS  
19 GRANT FUND; AND FOR RELATED PURPOSES.

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

21 **SECTION 1.** (1) There is established the Educational  
22 Facilities Construction, Infrastructure and Capital Improvements  
23 Grant Program to be administered by the State Department of  
24 Education for the purpose of improving educational facilities in  
25 the State of Mississippi by assisting public schools in obtaining  
26 funds for infrastructure, new construction and making certain



27 capital improvements.

28       (2) There is created a special fund in the State Treasury  
29 designated as the "Educational Facilities Construction,  
30 Infrastructure and Capital Improvements Grant Fund", which shall  
31 consist of monies appropriated annually by the Legislature, any  
32 remaining funds transferred from any predecessor programs created  
33 for the purpose of providing financial assistance to public school  
34 districts for capital improvements. The fund must be maintained  
35 in perpetuity for the purposes established in this section.  
36 Unexpended amounts remaining in the fund at the end of a fiscal  
37 year may not lapse into the State General Fund.

38       (3) Of the funds deposited into the Educational Facilities  
39 Construction, Infrastructure and Capital Improvements Grant Fund,  
40 up to ninety-five percent (95%) must be made available for the  
41 purpose of making capital improvement grants to qualified public  
42 school districts. The State Department of Education shall accept  
43 requests for GRANTS under this subsection for the following  
44 purposes:

45               (a) Construction of new facilities or repairs and  
46 renovations to existing school facilities used in the operation of  
47 the schools of a public school district;

48               (b) Construction of new career and technical education  
49 facilities or repairs and renovations to existing school  
50 facilities for the purpose of upgrading or expanding a school  
51 district's career and technical education program; and



(c) Defraying the costs of necessary maintenance and improvements to school district infrastructure.

(4) Any school district that receives a grant from the Educational Facilities Construction, Infrastructure and Capital Improvements Grant Fund shall not use the funds for athletic facilities.

(5) Each fiscal year, the State Department of Education may set aside an amount not to exceed two percent (2%) of the balance of the Educational Facilities Construction, Infrastructure and Capital Improvements Grant Fund to cover the administrative and fiscal management costs associated with the fund.

**SECTION 2.** (1) The State Department of Education shall accept and make determinations on applications for grants and shall disburse funds on approved grants. Before October 1, 2025, the department shall establish rules and regulations for the implementation and administration of the capital improvement grants program. The State Department of Education shall accept applications for grants under this program, which must comply with the following:

(a) An application process by which public school districts may request funds from the Educational Facilities Construction, Infrastructure and Capital Improvements Grant Fund;

(b) The deadline by which the department must receive applications for each fiscal year; and

(c) All required documentation, including evidence of



77 need, detailed project descriptions and cost estimates.

78 (2) Grant awards shall be determined based on the following  
79 factors:

80 (a) The level of need demonstrated by the district,  
81 including emergency or critical infrastructure needs;

82 (b) The financial need of the district, including its  
83 ability to match grant funds with local resources; and

84 (c) The impact of the project on improving educational  
85 outcomes or addressing health and safety concerns.

86 (3) The State Department of Education shall prioritize  
87 applications based on the following criteria:

88 (a) Districts demonstrating emergency or other critical  
89 infrastructure needs, as determined by the department;

90 (b) Projects that address health, safety or compliance  
91 with building codes; and

92 (c) Efforts to improve energy efficiency or reduce  
93 operational costs through facility upgrades.

94 **SECTION 3.** (1) The maximum aggregate amount of grant funds  
95 that may be awarded to a school district for new construction,  
96 infrastructure and capital improvement projects shall not exceed  
97 Ten Million Dollars (\$10,000,000.00) over a period of five (5)  
98 fiscal years.

99 (2) The Legislature shall appropriate Thirty Million Dollars  
100 (\$30,000,000.00) annually to the State Department of Education for  
101 allocation as grants under this program.



(3) If the Legislature fails to appropriate the necessary or full amount of funding for grants, the State Department of Education shall proportionately reduce the amounts allocated to each district based on the priority of the districts' facilities needs.

**SECTION 4.** Section 27-65-75, Mississippi Code of 1972, is amended as follows:

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

(1) (a) On or before August 15, 1992, and each succeeding month thereafter through July 15, 1993, eighteen percent (18%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a municipal corporation shall be allocated for distribution to the municipality and paid to the municipal corporation. Except as otherwise provided in this paragraph (a), on or before August 15, 1993, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within a municipal corporation shall be allocated for distribution to the municipality and paid



127 to the municipal corporation. However, in the event the State  
128 Auditor issues a certificate of noncompliance pursuant to Section  
129 21-35-31, the Department of Revenue shall withhold ten percent  
130 (10%) of the allocations and payments to the municipality that  
131 would otherwise be payable to the municipality under this  
132 paragraph (a) until such time that the department receives written  
133 notice of the cancellation of a certificate of noncompliance from  
134 the State Auditor.

135 A municipal corporation, for the purpose of distributing the  
136 tax under this subsection, shall mean and include all incorporated  
137 cities, towns and villages.

138 Monies allocated for distribution and credited to a municipal  
139 corporation under this paragraph may be pledged as security for a  
140 loan if the distribution received by the municipal corporation is  
141 otherwise authorized or required by law to be pledged as security  
142 for such a loan.

143 In any county having a county seat that is not an  
144 incorporated municipality, the distribution provided under this  
145 subsection shall be made as though the county seat was an  
146 incorporated municipality; however, the distribution to the  
147 municipality shall be paid to the county treasury in which the  
148 municipality is located, and those funds shall be used for road,  
149 bridge and street construction or maintenance in the county.

150 (b) On or before August 15, 2006, and each succeeding  
151 month thereafter, eighteen and one-half percent (18-1/2%) of the



total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution to the state institution of higher learning or community or junior college and paid to the state institution of higher learning or community or junior college.

(c) On or before August 15, 2018, and each succeeding month thereafter until August 14, 2019, two percent (2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2019, and each succeeding month thereafter until August 14, 2020, four percent (4%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in



177 Section 29-5-215. On or before August 15, 2020, and each  
178 succeeding month thereafter through July 15, 2023, six percent  
179 (6%) of the total sales tax revenue collected during the preceding  
180 month under the provisions of this chapter, except that collected  
181 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
182 and 27-65-24, on business activities within the corporate limits  
183 of the City of Jackson, Mississippi, shall be deposited into the  
184 Capitol Complex Improvement District Project Fund created in  
185 Section 29-5-215. On or before August 15, 2023, and each  
186 succeeding month thereafter, nine percent (9%) of the total sales  
187 tax revenue collected during the preceding month under the  
188 provisions of this chapter, except that collected under the  
189 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
190 27-65-24, on business activities within the corporate limits of  
191 the City of Jackson, Mississippi, shall be deposited into the  
192 Capitol Complex Improvement District Project Fund created in  
193 Section 29-5-215.

194 (d) (i) On or before the fifteenth day of the month  
195 that the diversion authorized by this section begins, and each  
196 succeeding month thereafter, eighteen and one-half percent  
197 (18-1/2%) of the total sales tax revenue collected during the  
198 preceding month under the provisions of this chapter, except that  
199 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
200 and 27-65-21, on business activities within a redevelopment  
201 project area developed under a redevelopment plan adopted under





the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be allocated for distribution to the county in which the project area is located if:

1. The county:

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

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

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

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

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

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



(iii) The diversion of sales tax revenue authorized by this paragraph shall begin the month following the month in which the Department of Revenue determines that the requirements of this paragraph have been met. The diversion shall end the month the indebtedness incurred by the county is satisfied. All revenue received by the county under this paragraph shall be deposited in the fund required to be created in the tax increment financing plan under Section 21-45-11 and be utilized solely to satisfy the indebtedness incurred by the county.

(2) On or before September 15, 1987, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month, One Million One Hundred Twenty-five Thousand Dollars (\$1,125,000.00) shall be allocated for distribution to municipal corporations as defined under subsection (1) of this section in the proportion that the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each such municipality during the preceding fiscal year bears to the total gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in municipalities statewide during the preceding fiscal year. The Department of Revenue shall require all distributors of gasoline and diesel fuel to report to the department monthly the total number of gallons of gasoline and diesel fuel sold by them to consumers and retailers in each municipality during the preceding month. The Department



of Revenue shall have the authority to promulgate such rules and regulations as is necessary to determine the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each municipality. In determining the percentage allocation of funds under this subsection for the fiscal year beginning July 1, 1987, and ending June 30, 1988, the Department of Revenue may consider gallons of gasoline and diesel fuel sold for a period of less than one (1) fiscal year. For the purposes of this subsection, the term "fiscal year" means the fiscal year beginning July 1 of a year.

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

(4) On or before August 15, 1994, and on or before the fifteenth day of each succeeding month through July 15, 1999, from the proceeds of gasoline, diesel fuel or kerosene taxes as



276 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
277 (\$4,000,000.00) shall be deposited in the State Treasury to the  
278 credit of a special fund designated as the "State Aid Road Fund",  
279 created by Section 65-9-17. On or before August 15, 1999, and on  
280 or before the fifteenth day of each succeeding month, from the  
281 total amount of the proceeds of gasoline, diesel fuel or kerosene  
282 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million  
283 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
284 one-fourth percent (23-1/4%) of those funds, whichever is the  
285 greater amount, shall be deposited in the State Treasury to the  
286 credit of the "State Aid Road Fund", created by Section 65-9-17.  
287 Those funds shall be pledged to pay the principal of and interest  
288 on state aid road bonds heretofore issued under Sections 19-9-51  
289 through 19-9-77, in lieu of and in substitution for the funds  
290 previously allocated to counties under this section. Those funds  
291 may not be pledged for the payment of any state aid road bonds  
292 issued after April 1, 1981; however, this prohibition against the  
293 pledging of any such funds for the payment of bonds shall not  
294 apply to any bonds for which intent to issue those bonds has been  
295 published for the first time, as provided by law before March 29,  
296 1981. From the amount of taxes paid into the special fund under  
297 this subsection and subsection (9) of this section, there shall be  
298 first deducted and paid the amount necessary to pay the expenses  
299 of the Office of State Aid Road Construction, as authorized by the  
300 Legislature for all other general and special fund agencies. The



remainder of the fund shall be allocated monthly to the several counties in accordance with the following formula:

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

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

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

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

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

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

(5) On or before August 15, \* \* \* 2025, and each succeeding month thereafter, One Million Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars (\$1,666,666.00) shall be paid into the



special fund known as the \* \* \* Educational Facilities  
Construction, Infrastructure and Capital Improvements Grant Fund  
created and existing under the provisions of \* \* \* Section 1 of  
this act.

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

(7) On or before August 15, 1992, and each succeeding month  
thereafter through July 15, 2000, two and two hundred sixty-six  
one-thousandths percent (2.266%) of the total sales tax revenue  
collected during the preceding month under the provisions of this  
chapter, except that collected under the provisions of Section  
27-65-17(2), shall be deposited by the department into the School  
Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
or before August 15, 2000, and each succeeding month thereafter,  
two and two hundred sixty-six one-thousandths percent (2.266%) of  
the total sales tax revenue collected during the preceding month  
under the provisions of this chapter, except that collected under  
the provisions of Section 27-65-17(2), shall be deposited into the  
School Ad Valorem Tax Reduction Fund created under Section  
37-61-35 until such time that the total amount deposited into the  
fund during a fiscal year equals Forty-two Million Dollars  
(\$42,000,000.00). Thereafter, the amounts diverted under this



subsection (7) during the fiscal year in excess of Forty-two Million Dollars (\$42,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

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

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

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

(11) Notwithstanding any other provision of this section to the contrary, on or before February 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the



376 preceding month under the provisions of Section 27-65-17(2) and  
377 the corresponding levy in Section 27-65-23 on the rental or lease  
378 of private carriers of passengers and light carriers of property  
379 as defined in Section 27-51-101 shall be deposited, without  
380 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
381 established in Section 27-51-105.

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

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

399 (14) On or before August 15, 1998, and each succeeding month  
400 thereafter through July 15, 2005, that portion of the avails of





401 the tax imposed in Section 27-65-23 that is derived from sales by  
402 cotton compresses or cotton warehouses and that would otherwise be  
403 paid into the General Fund shall be deposited in an amount not to  
404 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
405 created under Section 69-37-39. On or before August 15, 2007, and  
406 each succeeding month thereafter through July 15, 2010, that  
407 portion of the avails of the tax imposed in Section 27-65-23 that  
408 is derived from sales by cotton compresses or cotton warehouses  
409 and that would otherwise be paid into the General Fund shall be  
410 deposited in an amount not to exceed Two Million Dollars  
411 (\$2,000,000.00) into the special fund created under Section  
412 69-37-39 until all debts or other obligations incurred by the  
413 Certified Cotton Growers Organization under the Mississippi Boll  
414 Weevil Management Act before January 1, 2007, are satisfied in  
415 full. On or before August 15, 2010, and each succeeding month  
416 thereafter through July 15, 2011, fifty percent (50%) of that  
417 portion of the avails of the tax imposed in Section 27-65-23 that  
418 is derived from sales by cotton compresses or cotton warehouses  
419 and that would otherwise be paid into the General Fund shall be  
420 deposited into the special fund created under Section 69-37-39  
421 until such time that the total amount deposited into the fund  
422 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
423 On or before August 15, 2011, and each succeeding month  
424 thereafter, that portion of the avails of the tax imposed in  
425 Section 27-65-23 that is derived from sales by cotton compresses



or cotton warehouses and that would otherwise be paid into the General Fund shall be deposited into the special fund created under Section 69-37-39 until such time that the total amount deposited into the fund during a fiscal year equals One Million Dollars (\$1,000,000.00).

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

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

(b) On or before August 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 57-26-1 through 57-26-5, shall be deposited, after the diversions required in subsections (7) and



(8) of this section, into the Tourism Project Sales Tax Incentive Fund created in Section 57-26-3.

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

(18) [Repealed]

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



475           (b) For a municipality participating in the Economic  
476 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
477 the diversion provided for in subsection (1) of this section  
478 attributable to the gross proceeds of sales of a business  
479 enterprise located within a redevelopment project area under the  
480 provisions of Sections 57-91-1 through 57-91-11, and attributable  
481 to the gross proceeds of sales from sales made to a business  
482 enterprise located in a redevelopment project area under the  
483 provisions of Sections 57-91-1 through 57-91-11 (provided that  
484 such sales made to a business enterprise are made on the premises  
485 of the business enterprise), shall be deposited into the  
486 Redevelopment Project Incentive Fund as created in Section  
487 57-91-9, as follows:

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

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

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



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

(v) For the tenth year in which such payments are made to a developer from the Redevelopment Project Incentive Fund, 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.

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

(b) On or before July 15, 2013, and each succeeding month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00) of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the



Mississippi Development Authority Job Training Grant Fund created  
in Section 57-1-451.

(22) On or before June 1, 2024, and each succeeding month  
thereafter until December 31, 2057, an amount determined annually  
by the Mississippi Development Authority of the sales tax revenue  
collected during the preceding month under the provisions of this  
chapter shall be deposited into the MMEIA Tax Incentive Fund  
created in Section 57-125-3. This amount shall be based on  
estimated payments due within the upcoming year to construction  
contractors pursuant to construction contracts subject to the tax  
imposed by Section 27-65-21 for construction to be performed on  
the project site of a project defined under Section  
57-75-5(f) (xxxiii) for the coming year.

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

(24) (a) On or before August 15, 2019, and each month  
thereafter through July 15, 2020, one percent (1%) of the total  
sales tax revenue collected during the preceding month from  
restaurants and hotels shall be allocated for distribution to the  
Mississippi Development Authority Tourism Advertising Fund  
established under Section 57-1-64, to be used exclusively for the



purpose stated therein. On or before August 15, 2020, and each month thereafter through July 15, 2021, two percent (2%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. On or before August 15, 2021, and each month thereafter, three percent (3%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. The revenue diverted pursuant to this subsection shall not be available for expenditure until February 1, 2020.

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

(25) The remainder of the amounts collected under the provisions of this chapter shall be paid into the State Treasury to the credit of the General Fund.

(26) (a) It shall be the duty of the municipal officials of any municipality that expands its limits, or of any community that



incorporates as a municipality, to notify the commissioner of that action thirty (30) days before the effective date. Failure to so notify the commissioner shall cause the municipality to forfeit the revenue that it would have been entitled to receive during this period of time when the commissioner had no knowledge of the action.

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

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





599 funds erroneously disbursed for a period of one (1) year beginning  
600 with the date of the first erroneous disbursement.

601       **SECTION 5.** This act shall take effect and be in force from  
602 and after July 1, 2025.

