

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



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

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

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

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

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

76 (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.



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

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

109           27-65-75. On or before the fifteenth day of each month, the  
110   revenue collected under the provisions of this chapter during the  
111   preceding month shall be paid and distributed as follows:

112 (1) (a) On or before August 15, 1992, and each succeeding  
113 month thereafter through July 15, 1993, eighteen percent (18%) of  
114 the total sales tax revenue collected during the preceding month  
115 under the provisions of this chapter, except that collected under  
116 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
117 business activities within a municipal corporation shall be  
118 allocated for distribution to the municipality and paid to the  
119 municipal corporation. Except as otherwise provided in this  
120 paragraph (a), on or before August 15, 1993, and each succeeding  
121 month thereafter, eighteen and one-half percent (18-1/2%) of the  
122 total sales tax revenue collected during the preceding month under  
123 the provisions of this chapter, except that collected under the  
124 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
125 27-65-24, on business activities within a municipal corporation  
126 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

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

161 (c) On or before August 15, 2018, and each succeeding  
162 month thereafter until August 14, 2019, two percent (2%) of the  
163 total sales tax revenue collected during the preceding month under  
164 the provisions of this chapter, except that collected under the  
165 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
166 27-65-24, on business activities within the corporate limits of  
167 the City of Jackson, Mississippi, shall be deposited into the  
168 Capitol Complex Improvement District Project Fund created in  
169 Section 29-5-215. On or before August 15, 2019, and each  
170 succeeding month thereafter until August 14, 2020, four percent  
171 (4%) of the total sales tax revenue collected during the preceding  
172 month under the provisions of this chapter, except that collected  
173 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
174 and 27-65-24, on business activities within the corporate limits  
175 of the City of Jackson, Mississippi, shall be deposited into the  
176 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



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

205 1. The county:

206 a. Borders on the Mississippi Sound and  
207 the State of Alabama, or  
208 b. Is Harrison County, Mississippi, and  
209 the project area is within a radius of two (2) miles from the  
210 intersection of Interstate 10 and Menge Avenue;

211 2. The county has issued bonds under Section  
212 21-45-9 to finance all or a portion of a redevelopment project in  
213 the redevelopment project area;

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

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

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

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



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

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

273 (4) On or before August 15, 1994, and on or before the  
274 fifteenth day of each succeeding month through July 15, 1999, from  
275 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



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

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

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

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

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

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

319 Any reference in the general laws of this state or the  
320 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
321 construed to refer and apply to subsection (4) of Section  
322 27-65-75.

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



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

330 (6) An amount each month beginning August 15, 1983, through  
331 November 15, 1986, as specified in Section 6, Chapter 542, Laws of  
332 1983, shall be paid into the special fund known as the  
333 Correctional Facilities Construction Fund created in Section 6,  
334 Chapter 542, Laws of 1983.

335 (7) On or before August 15, 1992, and each succeeding month  
336 thereafter through July 15, 2000, two and two hundred sixty-six  
337 one-thousandths percent (2.266%) of the total sales tax revenue  
338 collected during the preceding month under the provisions of this  
339 chapter, except that collected under the provisions of Section  
340 27-65-17(2), shall be deposited by the department into the School  
341 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
342 or before August 15, 2000, and each succeeding month thereafter,  
343 two and two hundred sixty-six one-thousandths percent (2.266%) of  
344 the total sales tax revenue collected during the preceding month  
345 under the provisions of this chapter, except that collected under  
346 the provisions of Section 27-65-17(2), shall be deposited into the  
347 School Ad Valorem Tax Reduction Fund created under Section  
348 37-61-35 until such time that the total amount deposited into the  
349 fund during a fiscal year equals Forty-two Million Dollars  
350 (\$42,000,000.00). Thereafter, the amounts diverted under this



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

357 (8) On or before August 15, 1992, and each succeeding month  
358 thereafter, nine and seventy-three one-thousandths percent  
359 (9.073%) of the total sales tax revenue collected during the  
360 preceding month under the provisions of this chapter, except that  
361 collected under the provisions of Section 27-65-17(2), shall be  
362 deposited into the Education Enhancement Fund created under  
363 Section 37-61-33.

364 (9) On or before August 15, 1994, and each succeeding month  
365 thereafter, from the revenue collected under this chapter during  
366 the preceding month, Two Hundred Fifty Thousand Dollars  
367 (\$250,000.00) shall be paid into the State Aid Road Fund.

368 (10) On or before August 15, 1994, and each succeeding month  
369 thereafter through August 15, 1995, from the revenue collected  
370 under this chapter during the preceding month, Two Million Dollars  
371 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
372 Valorem Tax Reduction Fund established in Section 27-51-105.

373 (11) Notwithstanding any other provision of this section to  
374 the contrary, on or before February 15, 1995, and each succeeding  
375 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



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

431 (15) Notwithstanding any other provision of this section to  
432 the contrary, on or before September 15, 2000, and each succeeding  
433 month thereafter, the sales tax revenue collected during the  
434 preceding month under the provisions of Section  
435 27-65-19(1) (d) (i)2, and 27-65-19(1) (d) (i)3 shall be deposited,  
436 without diversion, into the Telecommunications Ad Valorem Tax  
437 Reduction Fund established in Section 27-38-7.

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

445 (b) On or before August 15, 2007, and each succeeding  
446 month thereafter, eighty percent (80%) of the sales tax revenue  
447 collected during the preceding month under the provisions of this  
448 chapter from the operation of a tourism project under the  
449 provisions of Sections 57-26-1 through 57-26-5, shall be  
450 deposited, after the diversions required in subsections (7) and



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

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

460 (18) [Repealed]

461 (19) (a) On or before August 15, 2005, and each succeeding  
462 month thereafter, the sales tax revenue collected during the  
463 preceding month under the provisions of this chapter on the gross  
464 proceeds of sales of a business enterprise located within a  
465 redevelopment project area under the provisions of Sections  
466 57-91-1 through 57-91-11, and the revenue collected on the gross  
467 proceeds of sales from sales made to a business enterprise located  
468 in a redevelopment project area under the provisions of Sections  
469 57-91-1 through 57-91-11 (provided that such sales made to a  
470 business enterprise are made on the premises of the business  
471 enterprise), shall, except as otherwise provided in this  
472 subsection (19), be deposited, after all diversions, into the  
473 Redevelopment Project Incentive Fund as created in Section  
474 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;



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

504 (v) For the tenth year in which such payments are  
505 made to a developer from the Redevelopment Project Incentive Fund,  
506 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.

515 (21) (a) On or before April 15, 2007, and each succeeding  
516 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
517 Dollars (\$150,000.00) of the sales tax revenue collected during  
518 the preceding month under the provisions of this chapter shall be  
519 deposited into the MMEIA Tax Incentive Fund created in Section  
520 57-101-3.

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



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

527 (22) On or before June 1, 2024, and each succeeding month  
528 thereafter until December 31, 2057, an amount determined annually  
529 by the Mississippi Development Authority of the sales tax revenue  
530 collected during the preceding month under the provisions of this  
531 chapter shall be deposited into the MMEIA Tax Incentive Fund  
532 created in Section 57-125-3. This amount shall be based on  
533 estimated payments due within the upcoming year to construction  
534 contractors pursuant to construction contracts subject to the tax  
535 imposed by Section 27-65-21 for construction to be performed on  
536 the project site of a project defined under Section  
537 57-75-5(f) (xxxiii) for the coming year.

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

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



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

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

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

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

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

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

588 (ii) Subject to the provisions of Sections  
589 27-65-51 and 27-65-53, if any funds have been erroneously  
590 disbursed to a municipality under subsection (1) of this section  
591 for a period of three (3) years or more, the maximum amount that  
592 may be recovered or withheld from the municipality is the total  
593 amount of funds erroneously disbursed for a period of three (3)  
594 years beginning with the date of the first erroneous disbursement.  
595 However, if during such period, a municipality provides written  
596 notice to the Department of Revenue indicating the erroneous  
597 disbursement of funds, then the maximum amount that may be  
598 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.

