

By: Representatives Bell (65th), Hulum,
Carpenter

To: Ways and Means

HOUSE BILL NO. 1659

1 AN ACT TO CREATE THE BOYD MASON ACT; TO AMEND SECTION
2 27-65-111, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM SALES TAXATION
3 SALES OF TANGIBLE PERSONAL PROPERTY OR SERVICES TO INDIVIDUALS WHO
4 ARE RESIDENTS OF MISSISSIPPI AND HAVE BEEN HONORABLY DISCHARGED
5 FROM ACTIVE SERVICE IN ANY BRANCH OF THE ARMED FORCES OF THE
6 UNITED STATES OR THE MISSISSIPPI NATIONAL GUARD AND HAVE BEEN
7 CERTIFIED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS OR
8 ITS SUCCESSOR AS HAVING 100% PERMANENT SERVICE-CONNECTED
9 DISABILITY, SALES TO THE SURVIVING SPOUSE OF SUCH AN INDIVIDUAL
10 AND SALES FOR THE BENEFIT OF SUCH AN INDIVIDUAL MADE TO A SPOUSE
11 OF THE INDIVIDUAL OR TO A MEMBER OF THE HOUSEHOLD IN WHICH THE
12 INDIVIDUAL RESIDES AND WHO IS AUTHORIZED TO MAKE PURCHASES ON THE
13 INDIVIDUAL'S BEHALF, WHEN SUCH INDIVIDUAL IS NOT PRESENT AT THE
14 SALE; TO LIMIT THE AMOUNT OF ANNUAL SALES TO WHICH THE EXEMPTION
15 MAY APPLY; AND FOR RELATED PURPOSES.

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

17 **SECTION 1.** This act shall be known and may be cited as the
18 "Boyd Mason Act".

19 **SECTION 2.** Section 27-65-111, Mississippi Code of 1972, is
20 amended as follows:

21 27-65-111. The exemptions from the provisions of this
22 chapter which are not industrial, agricultural or governmental, or
23 which do not relate to utilities or taxes, or which are not
24 properly classified as one (1) of the exemption classifications of



25 this chapter, shall be confined to persons or property exempted by
26 this section or by the Constitution of the United States or the
27 State of Mississippi. No exemptions as now provided by any other
28 section, except the classified exemption sections of this chapter
29 set forth herein, shall be valid as against the tax herein levied.
30 Any subsequent exemption from the tax levied hereunder, except as
31 indicated above, shall be provided by amendments to this section.

32 No exemption provided in this section shall apply to taxes
33 levied by Section 27-65-15 or 27-65-21.

34 The tax levied by this chapter shall not apply to the
35 following:

36 (a) Sales of tangible personal property and services to
37 hospitals or infirmaries owned and operated by a corporation or
38 association in which no part of the net earnings inures to the
39 benefit of any private shareholder, group or individual, and which
40 are subject to and governed by Sections 41-7-123 through 41-7-127.

41 Only sales of tangible personal property or services which
42 are ordinary and necessary to the operation of such hospitals and
43 infirmaries are exempted from tax.

44 (b) Sales of daily or weekly newspapers, and
45 periodicals or publications of scientific, literary or educational
46 organizations exempt from federal income taxation under Section
47 501(c)(3) of the Internal Revenue Code of 1954, as it exists as of
48 March 31, 1975, and subscription sales of all magazines.



49 (c) Sales of coffins, caskets and other materials used
50 in the preparation of human bodies for burial.

51 (d) Sales of tangible personal property for immediate
52 export to a foreign country.

53 (e) Sales of tangible personal property to an
54 orphanage, old men's or ladies' home, supported wholly or in part
55 by a religious denomination, fraternal nonprofit organization or
56 other nonprofit organization.

57 (f) Sales of tangible personal property, labor or
58 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,
59 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a
60 corporation or association in which no part of the net earnings
61 inures to the benefit of any private shareholder, group or
62 individual.

63 (g) Sales to elementary and secondary grade schools,
64 junior and senior colleges owned and operated by a corporation or
65 association in which no part of the net earnings inures to the
66 benefit of any private shareholder, group or individual, and which
67 are exempt from state income taxation, provided that this
68 exemption does not apply to sales of property or services which
69 are not to be used in the ordinary operation of the school, or
70 which are to be resold to the students or the public.

71 (h) The gross proceeds of retail sales and the use or
72 consumption in this state of drugs and medicines:



73 (i) Prescribed for the treatment of a human being
74 by a person authorized to prescribe the medicines, and dispensed
75 or prescription filled by a registered pharmacist in accordance
76 with law; or

77 (ii) Furnished by a licensed physician, surgeon,
78 dentist or podiatrist to his own patient for treatment of the
79 patient; or

80 (iii) Furnished by a hospital for treatment of any
81 person pursuant to the order of a licensed physician, surgeon,
82 dentist or podiatrist; or

83 (iv) Sold to a licensed physician, surgeon,
84 podiatrist, dentist or hospital for the treatment of a human
85 being; or

86 (v) Sold to this state or any political
87 subdivision or municipal corporation thereof, for use in the
88 treatment of a human being or furnished for the treatment of a
89 human being by a medical facility or clinic maintained by this
90 state or any political subdivision or municipal corporation
91 thereof.

92 "Medicines," as used in this paragraph (h), shall mean and
93 include any substance or preparation intended for use by external
94 or internal application to the human body in the diagnosis, cure,
95 mitigation, treatment or prevention of disease and which is
96 commonly recognized as a substance or preparation intended for
97 such use; provided that "medicines" do not include any auditory,



98 prosthetic, ophthalmic or ocular device or appliance, any dentures
99 or parts thereof or any artificial limbs or their replacement
100 parts, articles which are in the nature of splints, bandages,
101 pads, compresses, supports, dressings, instruments, apparatus,
102 contrivances, appliances, devices or other mechanical, electronic,
103 optical or physical equipment or article or the component parts
104 and accessories thereof, or any alcoholic beverage or any other
105 drug or medicine not commonly referred to as a prescription drug.

106 Notwithstanding the preceding sentence of this paragraph (h),
107 "medicines" as used in this paragraph (h), shall mean and include
108 sutures, whether or not permanently implanted, bone screws, bone
109 pins, pacemakers and other articles permanently implanted in the
110 human body to assist the functioning of any natural organ, artery,
111 vein or limb and which remain or dissolve in the body.

112 The exemption provided in this paragraph (h) shall not apply
113 to medical cannabis sold in accordance with the provisions of the
114 Mississippi Medical Cannabis Act and in compliance with rules and
115 regulations adopted thereunder.

116 "Hospital," as used in this paragraph (h), shall have the
117 meaning ascribed to it in Section 41-9-3, Mississippi Code of
118 1972.

119 Insulin furnished by a registered pharmacist to a person for
120 treatment of diabetes as directed by a physician shall be deemed
121 to be dispensed on prescription within the meaning of this
122 paragraph (h).



(i) Retail sales of automobiles, trucks and truck-tractors if exported from this state within forty-eight (48) hours and registered and first used in another state.

(j) Sales of tangible personal property or services to the Salvation Army and the Muscular Dystrophy Association, Inc.

(k) From July 1, 1985, through December 31, 1992, retail sales of "alcohol-blended fuel" as such term is defined in Section 75-55-5. The gasoline-alcohol blend or the straight alcohol eligible for this exemption shall not contain alcohol distilled outside the State of Mississippi.

(l) Sales of tangible personal property or services to the Institute for Technology Development.

(m) The gross proceeds of retail sales of food and drink for human consumption made through vending machines serviced by full-line vendors from and not connected with other taxable businesses.

(n) The gross proceeds of sales of motor fuel.

(o) Retail sales of food for human consumption purchased with food stamps issued by the United States Department of Agriculture, or other federal agency, from and after October 1, 1987, or from and after the expiration of any waiver granted pursuant to federal law, the effect of which waiver is to permit the collection by the state of tax on such retail sales of food for human consumption purchased with food stamps.



(p) Sales of cookies for human consumption by the Girl Scouts of America no part of the net earnings from which sales inures to the benefit of any private group or individual.

(q) Gifts or sales of tangible personal property or services to public or private nonprofit museums of art.

(r) Sales of tangible personal property or services to alumni associations of state-supported colleges or universities.

(s) Sales of tangible personal property or services to National Association of Junior Auxiliaries, Inc., and chapters of the National Association of Junior Auxiliaries, Inc.

(t) Sales of tangible personal property or services to domestic violence shelters which qualify for state funding under Sections 93-21-101 through 93-21-113.

(u) Sales of tangible personal property or services to the National Multiple Sclerosis Society, Mississippi Chapter.

(v) Retail sales of food for human consumption purchased with food instruments issued the Mississippi Band of Choctaw Indians under the Women, Infants and Children Program (WIC) funded by the United States Department of Agriculture.

(w) Sales of tangible personal property or services to a private company, as defined in Section 57-61-5, which is making such purchases with proceeds of bonds issued under Section 57-61-1 et seq., the Mississippi Business Investment Act.

(x) The gross collections from the operation of self-service, coin-operated car washing equipment and sales of the



172 service of washing motor vehicles with portable high-pressure
173 washing equipment on the premises of the customer.

174 (y) Sales of tangible personal property or services to
175 the Mississippi Technology Alliance.

176 (z) Sales of tangible personal property to nonprofit
177 organizations that provide foster care, adoption services and
178 temporary housing for unwed mothers and their children if the
179 organization is exempt from federal income taxation under Section
180 501(c) (3) of the Internal Revenue Code.

181 (aa) Sales of tangible personal property to nonprofit
182 organizations that provide residential rehabilitation for persons
183 with alcohol and drug dependencies if the organization is exempt
184 from federal income taxation under Section 501(c) (3) of the
185 Internal Revenue Code.

186 (ab) (i) Retail sales of an article of clothing or
187 footwear designed to be worn on or about the human body and retail
188 sales of school supplies if the sales price of the article of
189 clothing or footwear or school supply is less than One Hundred
190 Dollars (\$100.00) and the sale takes place during a period
191 beginning at 12:01 a.m. on the second Friday in July and ending at
192 12:00 midnight the following Sunday. This paragraph (ab) shall
193 not apply to:

194 1. Accessories including jewelry, handbags,
195 luggage, umbrellas, wallets, watches, briefcases, garment bags and
196 similar items carried on or about the human body, without regard



197 to whether worn on the body in a manner characteristic of
198 clothing;

199 2. The rental of clothing or footwear; and

200 3. Skis, swim fins, roller blades, skates and
201 similar items worn on the foot.

202 (ii) For purposes of this paragraph (ab), "school
203 supplies" means items that are commonly used by a student in a
204 course of study. The following is an all-inclusive list:

205 1. Backpacks;

206 2. Binder pockets;

207 3. Binders;

208 4. Blackboard chalk;

209 5. Book bags;

210 6. Calculators;

211 7. Cellophane tape;

212 8. Clays and glazes;

213 9. Compasses;

214 10. Composition books;

215 11. Crayons;

216 12. Dictionaries and thesauruses;

217 13. Dividers;

218 14. Erasers;

219 15. Folders: expandable, pocket, plastic and
220 manila;

221 16. Glue, paste and paste sticks;



222 17. Highlighters;
223 18. Index card boxes;
224 19. Index cards;
225 20. Legal pads;
226 21. Lunch boxes;
227 22. Markers;
228 23. Notebooks;
229 24. Paintbrushes for artwork;
230 25. Paints: acrylic, tempera and oil;
231 26. Paper: loose-leaf ruled notebook paper,
232 copy paper, graph paper, tracing paper, manila paper, colored
233 paper, poster board and construction paper;
234 27. Pencil boxes and other school supply
235 boxes;
236 28. Pencil sharpeners;
237 29. Pencils;
238 30. Pens;
239 31. Protractors;
240 32. Reference books;
241 33. Reference maps and globes;
242 34. Rulers;
243 35. Scissors;
244 36. Sheet music;
245 37. Sketch and drawing pads;
246 38. Textbooks;



247 39. Watercolors;

248 40. Workbooks; and

249 41. Writing tablets.

250 (iii) From and after January 1, 2010, the
251 governing authorities of a municipality, for retail sales
252 occurring within the corporate limits of the municipality, may
253 suspend the application of the exemption provided for in this
254 paragraph (ab) by adoption of a resolution to that effect stating
255 the date upon which the suspension shall take effect. A certified
256 copy of the resolution shall be furnished to the Department of
257 Revenue at least ninety (90) days prior to the date upon which the
258 municipality desires such suspension to take effect.

259 (ac) The gross proceeds of sales of tangible personal
260 property made for the sole purpose of raising funds for a school
261 or an organization affiliated with a school.

262 As used in this paragraph (ac), "school" means any public or
263 private school that teaches courses of instruction to students in
264 any grade from kindergarten through Grade 12.

265 (ad) Sales of durable medical equipment and home
266 medical supplies when ordered or prescribed by a licensed
267 physician for medical purposes of a patient. As used in this
268 paragraph (ad), "durable medical equipment" and "home medical
269 supplies" mean equipment, including repair and replacement parts
270 for the equipment or supplies listed under Title XVIII of the
271 Social Security Act or under the state plan for medical assistance



under Title XIX of the Social Security Act, prosthetics, orthotics, hearing aids, hearing devices, prescription eyeglasses, oxygen and oxygen equipment. Payment does not have to be made, in whole or in part, by any particular person to be eligible for this exemption. Purchases of home medical equipment and supplies by a provider of home health services or a provider of hospice services are eligible for this exemption if the purchases otherwise meet the requirements of this paragraph.

(ae) Sales of tangible personal property or services to Mississippi Blood Services.

(af) (i) Subject to the provisions of this paragraph (af), retail sales of firearms, ammunition and hunting supplies if sold during the annual Mississippi Second Amendment Weekend holiday beginning at 12:01 a.m. on the last Friday in August and ending at 12:00 midnight the following Sunday. For the purposes of this paragraph (af), "hunting supplies" means tangible personal property used for hunting, including, and limited to, archery equipment, firearm and archery cases, firearm and archery accessories, hearing protection, holsters, belts and slings. Hunting supplies does not include animals used for hunting.

(ii) This paragraph (af) shall apply only if one or more of the following occur:

1. Title to and/or possession of an eligible item is transferred from a seller to a purchaser; and/or



296 2. A purchaser orders and pays for an
297 eligible item and the seller accepts the order for immediate
298 shipment, even if delivery is made after the time period provided
299 in subparagraph (i) of this paragraph (af), provided that the
300 purchaser has not requested or caused the delay in shipment.

301 (ag) Sales of nonperishable food items to charitable
302 organizations that are exempt from federal income taxation under
303 Section 501(c)(3) of the Internal Revenue Code and operate a food
304 bank or food pantry or food lines.

305 (ah) Sales of tangible personal property or services to
306 the United Way of the Pine Belt Region, Inc.

307 (ai) Sales of tangible personal property or services to
308 the Mississippi Children's Museum or any subsidiary or affiliate
309 thereof operating a satellite or branch museum within this state.

310 (aj) Sales of tangible personal property or services to
311 the Jackson Zoological Park.

312 (ak) Sales of tangible personal property or services to
313 the Hattiesburg Zoo.

314 (al) Gross proceeds from sales of food, merchandise or
315 other concessions at an event held solely for religious or
316 charitable purposes at livestock facilities, agriculture
317 facilities or other facilities constructed, renovated or expanded
318 with funds for the grant program authorized under Section 18,
319 Chapter 530, Laws of 1995.



320 (am) Sales of tangible personal property and services
321 to the Diabetes Foundation of Mississippi and the Mississippi
322 Chapter of the Juvenile Diabetes Research Foundation.

323 (an) Sales of potting soil, mulch, or other soil
324 amendments used in growing ornamental plants which bear no fruit
325 of commercial value when sold to commercial plant nurseries that
326 operate exclusively at wholesale and where no retail sales can be
327 made.

328 (ao) Sales of tangible personal property or services to
329 the University of Mississippi Medical Center Research Development
330 Foundation.

331 (ap) Sales of tangible personal property or services to
332 Keep Mississippi Beautiful, Inc., and all affiliates of Keep
333 Mississippi Beautiful, Inc.

334 (aq) Sales of tangible personal property or services to
335 the Friends of Children's Hospital.

336 (ar) Sales of tangible personal property or services to
337 the Pinecrest Weekend Backpacks for Kids located in Corinth,
338 Mississippi.

339 (as) Sales of hearing aids when ordered or prescribed
340 by a licensed physician, audiologist or hearing aid specialist for
341 the medical purposes of a patient.

342 (at) Sales exempt under the Facilitating Business Rapid
343 Response to State Declared Disasters Act of 2015 (Sections
344 27-113-1 through 27-113-9).



345 (au) Sales of tangible personal property or services to
346 the Junior League of Jackson.

347 (av) Sales of tangible personal property or services to
348 the Mississippi's Toughest Kids Foundation for use in the
349 construction, furnishing and equipping of buildings and related
350 facilities and infrastructure at Camp Kamassa in Copiah County,
351 Mississippi. This paragraph (av) shall stand repealed on July 1,
352 2025.

353 (aw) Sales of tangible personal property or services to
354 MS Gulf Coast Buddy Sports, Inc.

355 (ax) Sales of tangible personal property or services to
356 Biloxi Lions, Inc.

357 (ay) Sales of tangible personal property or services to
358 Lions Sight Foundation of Mississippi, Inc.

359 (az) Sales of tangible personal property and services
360 to the Goldring/Woldenberg Institute of Southern Jewish Life
361 (ISJL).

362 (ba) Sales of coins, currency, and bullion. For the
363 purposes of this paragraph (ba), the following words and phrases
364 shall have the meanings ascribed in this paragraph (ba) unless the
365 context clearly indicates otherwise:

366 (i) "Bullion" means a bar, ingot, or coin:

367 1. Manufactured, in whole or in part, of
368 gold, silver, platinum, or palladium;



369 2. That was or is used solely as a medium of
370 exchange, security, or commodity by any state, the United States
371 Government, or a foreign nation; and

372 3. Sold based on the intrinsic value of the
373 bar, ingot, or coin as a precious metal or collectible item rather
374 than its form or representative value as a medium of exchange.

375 (ii) "Coin or currency" means a coin or currency:

376 1. Manufactured, in whole or in part, of
377 gold, silver, other metal, or paper;

378 2. That was or is used solely as a medium of
379 exchange, security, or commodity by any state, the United States
380 Government, or a foreign nation; and

381 3. Sold based on the intrinsic value of the
382 coin or currency as a precious metal or collectible item rather
383 than its form or representative value as a medium of exchange.

384 "Coin or currency" does not include a coin or currency that has
385 been incorporated into jewelry.

386 (bb) (i) Sales of tangible personal property or
387 services to:

388 1. Individuals who are residents of
389 Mississippi and have been honorably discharged from active service
390 in any branch of the Armed Forces of the United States, the
391 Mississippi National Guard and who have been certified by the
392 United States Department of Veterans Affairs or its successor as



393 having one hundred percent (100%) permanent service-connected
394 disability; and

395 2. The surviving spouse of an individual
396 described in item 1 of this subparagraph (i) if the individual is
397 deceased and the spouse has not remarried.

398 Sales for the benefit of an eligible individual described in
399 item 1 of this subparagraph (i) made to a spouse of the individual
400 or to a member of the household in which the individual resides
401 and who is authorized to make purchases on the eligible
402 individual's behalf, when such individual is not present at the
403 sale, shall also be exempt for purposes of this paragraph (bb).

404 (ii) Sales qualifying for the exemption authorized
405 by this paragraph (bb) shall not exceed Twenty-five Thousand
406 Dollars (\$25,000.00) per year while the disabled veteran is
407 living. Sales qualifying for the exemption authorized by this
408 paragraph (bb) shall not exceed One Thousand Dollars (\$1,000.00)
409 per year for an unremarried surviving spouse.

410 (iii) In order to utilize an exemption under this
411 paragraph (bb), the individual to whom the sale is made shall be
412 required to furnish the vendor proof of eligibility for the
413 exemption in the form of an exemption card issued by the
414 department.

415 **SECTION 3.** Nothing in this act shall affect or defeat any
416 claim, assessment, appeal, suit, right or cause of action for
417 taxes due or accrued under the sales tax laws before the date on



418 which this act becomes effective, whether such claims,
419 assessments, appeals, suits or actions have been begun before the
420 date on which this act becomes effective or are begun thereafter;
421 and the provisions of the sales tax laws are expressly continued
422 in full force, effect and operation for the purpose of the
423 assessment, collection and enrollment of liens for any taxes due
424 or accrued and the execution of any warrant under such laws before
425 the date on which this act becomes effective, and for the
426 imposition of any penalties, forfeitures or claims for failure to
427 comply with such laws.

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

