

By: Senator(s) Thompson

To: Government Structure;
Accountability, Efficiency,
TransparencySENATE BILL NO. 2573
(As Sent to Governor)

1 AN ACT TO CREATE THE "MISSISSIPPI TOURISM REORGANIZATION
2 ACT"; TO CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM; TO REQUIRE
3 THE GOVERNOR TO APPOINT, WITH THE ADVICE AND CONSENT OF THE
4 SENATE, AN EXECUTIVE DIRECTOR OF THE DEPARTMENT OF TOURISM; TO
5 PRESCRIBE THE GENERAL POWERS AND DUTIES OF THE DEPARTMENT OF
6 TOURISM AND THE EXECUTIVE DIRECTOR; TO AUTHORIZE THE DEPARTMENT OF
7 TOURISM TO ESTABLISH A PROGRAM OF GRANTS TO BE MATCHED BY TOURISM
8 ENTITIES IN THE STATE; TO AUTHORIZE THE DEPARTMENT OF TOURISM TO
9 SELL ADVERTISING AND OTHER TOURISM PROMOTIONAL INFORMATION AND TO
10 CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM ADVERTISING FUND; TO
11 CREATE THE MISSISSIPPI TOURISM ASSOCIATION MARKETING ADVISORY
12 BOARD TO ASSIST THE DEPARTMENT OF TOURISM; TO PROVIDE THAT THE
13 DEPARTMENT OF FINANCE AND ADMINISTRATION, THE DEPARTMENT OF
14 INFORMATION TECHNOLOGY, AND THE STATE PERSONNEL BOARD SHALL HAVE
15 THE POWERS NECESSARY IN CARRYING OUT THE CREATION OF THE
16 MISSISSIPPI DEPARTMENT OF TOURISM REQUIRED BY THIS ACT; TO AMEND
17 SECTION 27-65-75, MISSISSIPPI CODE OF 1972, AS AMENDED BY HOUSE
18 BILL NO. 1, 2025 REGULAR SESSION, TO DIVERT A PORTION OF SALES TAX
19 REVENUE COLLECTED FROM RESTAURANTS AND HOTELS INTO THE DEPARTMENT
20 OF TOURISM ADVERTISING FUND INSTEAD OF THE MISSISSIPPI DEVELOPMENT
21 AUTHORITY TOURISM FUND; TO REPEAL SECTION 57-1-59, MISSISSIPPI
22 CODE OF 1972, WHICH PROVIDES GENERAL POWERS AND DUTIES OF THE
23 MISSISSIPPI DEVELOPMENT AUTHORITY WITH RESPECT TO TOURISM; TO
24 REPEAL SECTION 57-1-60, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES
25 THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO ESTABLISH
26 A PROGRAM OF GRANTS TO FINANCE, PROMOTE AND ADVERTISE LOCAL
27 TOURIST ATTRACTIONS; TO REPEAL SECTION 57-1-61, MISSISSIPPI CODE
28 OF 1972, WHICH PROVIDES FOR THE TRANSFER OF FUNCTIONS OF THE
29 TRAVEL AND TOURISM DIVISION OF THE AGRICULTURAL AND INDUSTRIAL
30 BOARD TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT; TO REPEAL SECTION
31 57-1-63, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER
32 OF POWERS AND DUTIES OF STATE AGENCIES RELATING TO TOURISM TO THE
33 MISSISSIPPI DEVELOPMENT AUTHORITY; TO REPEAL SECTION 57-1-64,
34 MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES THE MISSISSIPPI



DEVELOPMENT AUTHORITY TO SELL ADVERTISING AND OTHER TOURISM
INFORMATION AND CREATES THE MISSISSIPPI DEVELOPMENT AUTHORITY
TOURISM ADVERTISING FUND; TO REPEAL SECTION 57-1-64.1, MISSISSIPPI
CODE OF 1972, WHICH CREATES THE MISSISSIPPI TOURISM ASSOCIATION
MARKETING ADVISORY BOARD TO ASSIST THE MISSISSIPPI DEVELOPMENT
AUTHORITY; AND FOR RELATED PURPOSES.

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

SECTION 1. Sections 1 through 9 of this act shall be known
and may be cited as the "Mississippi Tourism Reorganization Act."

SECTION 2. (1) There is hereby created the Mississippi
Department of Tourism.

(2) The department shall be responsible for the promotion,
development and support services for the tourism industry within
the state.

(3) All of the powers, duties, property, contractual rights
and obligations of the Tourism Division of the Mississippi
Development Authority shall be transferred to the Mississippi
Department of Tourism on July 1, 2025. The transfer of personnel
shall be commensurate with the number and classification of
positions allocated to that division. The transfer shall also
include direct support, clerical, data processing and
communications positions allocated to that division.

SECTION 3. The Governor shall appoint an executive director
of the Department of Tourism with the advice and consent of the
Senate and in accordance with standards established by the State
Personnel Board. The executive director shall serve at the will
and pleasure of the Governor. The salary of the executive
director shall be set by the Governor, subject to the approval of



63 the State Personnel Board, and shall be provided for out of any
64 funds made available for such purpose by the Legislature, the
65 federal government or other gifts or grants. The executive
66 director shall be responsible to the Governor for the proper
67 administration of the programs of tourism provided for under this
68 act in conformity with the policies adopted by the Governor and
69 shall be responsible for appointing directors of offices and any
70 necessary supervisors, assistants and employees. The salary and
71 compensation of such employees shall be subject to the rules and
72 regulations adopted and promulgated by the State Personnel Board
73 as created under Section 25-9-101 et seq. The executive director
74 shall be the State Tourism Director with such authority and
75 responsibility as is prescribed by law.

76 **SECTION 4.** The Department of Tourism shall provide the
77 tourism services authorized by law, and in carrying out the
78 purposes of Sections 1 through 9 of this act, the department is
79 authorized:

80 (a) To expend funds received either by appropriation or
81 directly from federal or private sources;

82 (b) To develop and implement a comprehensive strategy
83 for branding, advertising, promotion and development of the
84 state's diverse tourism product;

85 (c) To use best practices for developing and
86 coordinating marketing efforts, including data-driven and
87 trackable marketing and advertising strategies;



(d) To promote Mississippi state parks and other outdoors and natural resources of the state;

(e) To develop individual plans and marketing strategies for each of the state's five (5) distinct regions based on their individual offerings, markets and growth opportunities;

(f) To coordinate with local tourism destination marketing organizations to most effectively and efficiently market their regions and tourism offerings to appropriate target markets;

(g) To support destination development and management around the state, including strengthening the state's tourism portfolio of museums, trails, wildlife and natural areas, state parks, culinary meeting venues, offerings, civil rights, music, beaches, casinos and attractions;

(h) To coordinate with all agencies of state government the necessary promotional and advertising materials needed to promote all facilities and programs which may be of interest to travelers and tourists;

(i) To maintain an educational awareness program for the citizens of the state to constantly encourage increased development of activities of interest to tourists and the traveling public;

(j) To develop and maintain an information services system to adequately guide tourists and the traveling public within the boundaries of the state;



(k) To enter into contracts and other agreements with local tourism commissions or similar entities for the purpose of developing regional strategies for tourism promotion. The Department of Tourism, in conjunction with the formulation of regional strategies for tourism promotion, may require that local tourism commissions or similar entities enter into agreements with the authority as a condition for receiving any state grants to promote tourism; and

(l) To develop programs and projects promoting the state's heritage, history, culture, literature and arts, including the positive recovery of the state after damages caused by natural disasters and demonstrating the state's attractiveness as a tourism destination for those and other reasons.

SECTION 5. In carrying out his or her duties under Sections 1 through 9 of this act, the Executive Director of the Department of Tourism:

(a) Shall establish appropriate subordinate administrative units within the department;

(b) Shall prepare and submit to the Governor and the Legislature annual reports of activities and expenditures and, before each regular session of the Legislature, coordinate budget requests required for carrying out Sections 1 through 9 of this act and estimates of the amounts to be made available for this purpose from all sources;



(c) Shall be empowered to exercise executive and administrative supervision over all offices, programs and services now existing or hereafter acquired or created under the jurisdiction of the department;

(d) Shall take such other action as he or she deems necessary or appropriate to effectuate the purposes of Sections 1 through 9 of this act;

(e) May delegate to any officer or employee of the department such of his or her powers and duties as he or she finds necessary to effectuate the purposes of Sections 1 through 9 of this act.

SECTION 6. The Department of Tourism, in its discretion, may establish a program of grants to be matched by tourism entities in the state to finance, promote and advertise local tourist attractions. Monies committed to the program of grants shall not lapse into the State General Fund at the end of a fiscal year. Any program of grants established under this section shall be in addition to those grants authorized by Title 57, Chapter 27, Mississippi Code of 1972.

SECTION 7. (1) The Department of Tourism is authorized to sell advertising and other tourism promotional information through the Department of Tourism internet website and other marketing outlets, and to enter into agreements with tourism associations and similar entities for the purpose of making and facilitating sales through the use of such entities. Revenues received from



such sales shall be placed into the special fund created in subsection (2) of this section.

(2) There is created a special fund in the State Treasury to be known as the Department of Tourism Advertising Fund which shall consist of monies from any source designated for deposit into the fund. Any unexpended amounts remaining on June 30, 2025, in the Mississippi Development Authority Tourism Advertising Fund established in Section 57-1-64 shall be transferred and deposited into the fund. Monies in the fund may be used by the Department of Tourism for the purpose of paying costs incurred in connection with the purchase of advertising, marketing, promotional information and materials, and other services related to Mississippi tourism resources and activities. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund.

(3) The Department of Tourism shall have all powers necessary to implement and administer the provisions of this section.

SECTION 8. (1) There is hereby created a Mississippi Tourism Association Marketing Advisory Board to assist the Department of Tourism in the planning of initiatives for advertising and promoting tourism in Mississippi.



(2) The advisory board shall be composed of the following members:

(a) The Executive Director of the Mississippi Tourism Association;

(b) The members of the Mississippi Tourism Association Board of Directors, composed through the bylaws of the Mississippi Tourism Association as being geographically and ethnically diverse members from the five (5) tourism regions designated as the Hills, the Delta, the Capital/River, the Pines and the Coastal regions of Mississippi, and three (3) at-large members;

(c) Three (3) at-large members appointed by the Governor;

(d) One (1) at-large member appointed by the Lieutenant Governor; and

(e) One (1) at-large member appointed by the Speaker of the House of Representatives.

(3) Members of the advisory board may not be compensated for the performance of their duties.

(4) The advisory board will give input and advice to the Department of Tourism on marketing and advertising planning, but shall have no executive powers at the Department of Tourism.

(5) For marketing activities paid for with federal funds related to the COVID-19 public health emergency and carried out by either the Department of Tourism or destination marketing organizations, the advisory board will give input on appropriate



branding and messaging that communicates pertinent public health information.

SECTION 9. The Department of Finance and Administration, the Department of Information Technology and the State Personnel Board shall have the powers necessary in carrying out the creation of the Mississippi Department of Tourism required by this act.

SECTION 10. Section 27-65-75, Mississippi Code of 1972, as amended by House Bill No. 1, 2025 Regular Session, 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 through August 15, 2025, 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,



235 27-65-19(3), 27-65-21 and 27-65-24, on business activities within
236 a municipal corporation shall be allocated for distribution to the
237 municipality and paid to the municipal corporation. Except as
238 otherwise provided in this paragraph (a), on or before September
239 15, 2025, and each succeeding month thereafter, eighteen and
240 one-half percent (18.5%) of the total sales tax revenue collected
241 during the preceding month under this chapter, except that
242 collected under Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3),
243 27-65-21 and 27-65-24, on business activities within a municipal
244 corporation shall be allocated for distribution and paid to the
245 municipal corporation. On or before September 15, 2025, and each
246 succeeding month thereafter, twenty-five and nine-tenths percent
247 (25.9%) of the total sales tax revenue collected during the
248 preceding month under Section 27-65-17(1)(n) on business
249 activities within a municipal corporation shall be allocated for
250 distribution and paid to the municipal corporation. However, in
251 the event the State Auditor issues a certificate of noncompliance
252 pursuant to Section 21-35-31, the department shall withhold ten
253 percent (10%) of the allocations and payments to the municipality
254 that would otherwise be payable to the municipality under this
255 paragraph (a) until such time that the department receives written
256 notice of the cancellation of a certificate of noncompliance from
257 the State Auditor.



258 A municipal corporation, for the purpose of distributing the
259 tax under this subsection, shall mean and include all incorporated
260 cities, towns and villages.

261 Monies allocated for distribution and credited to a municipal
262 corporation under this paragraph may be pledged as security for a
263 loan if the distribution received by the municipal corporation is
264 otherwise authorized or required by law to be pledged as security
265 for such a loan.

266 In any county having a county seat that is not an
267 incorporated municipality, the distribution provided under this
268 subsection shall be made as though the county seat was an
269 incorporated municipality; however, the distribution to the
270 municipality shall be paid to the county treasury in which the
271 municipality is located, and those funds shall be used for road,
272 bridge and street construction or maintenance in the county.

273 (b) On or before August 15, 2006, and each succeeding
274 month thereafter through August 15, 2025, eighteen and one-half
275 percent (18-1/2%) of the total sales tax revenue collected during
276 the preceding month under the provisions of this chapter, except
277 that collected under the provisions of Sections 27-65-15,
278 27-65-19(3) and 27-65-21, on business activities on the campus of
279 a state institution of higher learning or community or junior
280 college whose campus is not located within the corporate limits of
281 a municipality, shall be allocated for distribution to the state
282 institution of higher learning or community or junior college and



283 paid to the state institution of higher learning or community or
284 junior college. On or before September 15, 2025, and each
285 succeeding month thereafter, eighteen and one-half percent (18.5%)
286 of the total sales tax revenue collected during the preceding
287 month under this chapter, except that collected under Sections
288 27-65-15, 27-65-17(1)(n), 27-65-19(3) and 27-65-21, on business
289 activities on the campus of a state institution of higher learning
290 or community or junior college whose campus is not located within
291 the corporate limits of a municipality, shall be allocated for
292 distribution and paid to the state institution of higher learning
293 or community or junior college. On or before September 15, 2025,
294 and each succeeding month thereafter, twenty-five and nine-tenths
295 percent (25.9%) of the total sales tax revenue collected during
296 the preceding month under Section 27-65-17(1)(n) on business
297 activities on the campus of a state institution of higher learning
298 or community or junior college whose campus is not located within
299 the corporate limits of a municipality, shall be allocated for
300 distribution and paid to the state institution of higher learning
301 or community or junior college.

302 (c) On or before August 15, 2018, and each succeeding
303 month thereafter until August 14, 2019, two percent (2%) of the
304 total sales tax revenue collected during the preceding month under
305 the provisions of this chapter, except that collected under the
306 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
307 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 Section 29-5-215. On or before August 15, 2020, and each succeeding month thereafter through July 15, 2023, six percent (6%) 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, 2023, and each succeeding month thereafter through August 15, 2025, nine percent (9%) 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



333 Capitol Complex Improvement District Project Fund created in
334 Section 29-5-215. On or before September 15, 2025, and each
335 succeeding month thereafter, nine percent (9%) of the total sales
336 tax revenue collected during the preceding month under this
337 chapter, except that collected under Sections 27-65-15,
338 27-65-17(1)(n), 27-65-19(3), 27-65-21 and 27-65-24, on business
339 activities within the corporate limits of the City of Jackson,
340 Mississippi, shall be deposited into the Capitol Complex
341 Improvement District Project Fund created in Section 27-5-215. On
342 or before September 15, 2025, and each succeeding month
343 thereafter, twelve and six-tenths percent (12.6%) of the total
344 sales tax revenue collected during the preceding month under
345 Section 27-65-17(1)(n) on business activities within the corporate
346 limits of the City of Jackson, Mississippi, shall be deposited
347 into the Capitol Complex Improvement District Project Fund created
348 in Section 27-5-215.

349 (d) (i) Except as otherwise provided in this paragraph
350 (d), on or before the fifteenth day of the month that the
351 diversion authorized by this section begins, and each succeeding
352 month thereafter, eighteen and one-half percent (18-1/2%) of the
353 total sales tax revenue collected during the preceding month under
354 the provisions of this chapter, except that collected under the
355 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
356 business activities within a redevelopment project area developed
357 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) For a county that is eligible to receive funds under this paragraph (d), as determined by the department under this paragraph (d), from and after September 15, 2025, and each succeeding month thereafter, eighteen and one-half percent (18.5%) of the total sales tax revenue collected during the preceding month under this chapter, except that collected under Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3) and 27-65-21, on business activities within a redevelopment 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 is located, and twenty-five and nine-tenths percent (25.9%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) shall be allocated for distribution to that county.

(iii) Before any sales tax revenue may be allocated for distribution to a county under this paragraph (d), the county shall certify to the Department of Revenue that the requirements of this paragraph (d) 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.

(iv) The diversion of sales tax revenue authorized by this paragraph (d) shall begin the month following the month in which the Department of Revenue determines that the requirements of this paragraph (d) 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 (d) 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 provided in Section 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be deposited in the State Treasury to the credit of a special fund designated as the "State Aid Road Fund," created by Section 65-9-17. On or before August 15, 1999, and on or before the fifteenth day of each succeeding month through August 15, 2026, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes apportioned by Section 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is the greater amount, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund," created by Section 65-9-17. After August 15, 2025, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes



458 apportioned by Section 27-5-101(a)(ii)1 and (iii), Five Million
459 Dollars (\$5,000,000.00) or an amount equal to twenty-three and
460 one-fourth percent (23-1/4%) of those funds, whichever is greater,
461 shall be deposited in the State Treasury to the credit of the
462 "State Aid Road Fund" on or before September 15, 2025, and on or
463 before the fifteenth day of each succeeding month through August
464 15, 2026, and Six Million Five Hundred Thousand Dollars
465 (\$6,500,000.00) or an amount equal to twenty-three and one-fourth
466 percent (23-1/4%) of those funds, whichever is greater, shall be
467 deposited in the State Treasury to the credit of the "State Aid
468 Road Fund" on or before September 15, 2026, and on or before the
469 fifteenth day of each succeeding month through August 15, 2027,
470 and Eight Million Dollars (\$8,000,000.00) or an amount equal to
471 twenty-three and one-fourth percent (23-1/4%) of those funds,
472 whichever is greater, shall be deposited in the State Treasury to
473 the credit of the "State Aid Road Fund" on or before September 15,
474 2027, and on or before the fifteenth day of each succeeding month.
475 From the amount of taxes paid into the special fund under this
476 subsection and subsection (9) of this section, there shall be
477 first deducted and paid the amount necessary to pay the expenses
478 of the Office of State Aid Road Construction, as authorized by the
479 Legislature for all other general and special fund agencies. The
480 remainder of the funds shall be allocated monthly to the several
481 counties in accordance with the following formula:



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

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

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

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

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

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

501 (5) On or before August 15, 2024, and each succeeding month
502 thereafter, One Million Six Hundred Sixty-six Thousand Six Hundred
503 Sixty-six Dollars (\$1,666,666.00) shall be paid into the special
504 fund known as the Education Enhancement Fund created and existing
505 under the provisions of Section 37-61-33.



(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 through August 15, 2025, 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. On or before September 15, 2025, 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 this chapter, except that collected under Section 27-65-17(1)(n) and (2), and three and seventeen one-hundredths percent (3.17%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n), 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 through August 15, 2025, 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. On or before September 15, 2025, 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 this chapter, except that collected under Section 27-65-17(1)(n) and (2), and twelve and seven-tenths percent (12.7%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n), 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 preceding month under the provisions of Section 27-65-17(2) and the corresponding levy in Section 27-65-23 on the rental or lease of private carriers of passengers and light carriers of property as defined in Section 27-51-101 shall be deposited, without



diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

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

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

(14) On or before August 15, 1998, and each succeeding month thereafter through July 15, 2005, that portion of the avails of the tax imposed in 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 in an amount not to exceed Two Million Dollars (\$2,000,000.00) into the special fund



606 created under Section 69-37-39. On or before August 15, 2007, and
607 each succeeding month thereafter through July 15, 2010, that
608 portion of the avails of the tax imposed in Section 27-65-23 that
609 is derived from sales by cotton compresses or cotton warehouses
610 and that would otherwise be paid into the General Fund shall be
611 deposited in an amount not to exceed Two Million Dollars
612 (\$2,000,000.00) into the special fund created under Section
613 69-37-39 until all debts or other obligations incurred by the
614 Certified Cotton Growers Organization under the Mississippi Boll
615 Weevil Management Act before January 1, 2007, are satisfied in
616 full. On or before August 15, 2010, and each succeeding month
617 thereafter through July 15, 2011, fifty percent (50%) of that
618 portion of the avails of the tax imposed in Section 27-65-23 that
619 is derived from sales by cotton compresses or cotton warehouses
620 and that would otherwise be paid into the General Fund shall be
621 deposited into the special fund created under Section 69-37-39
622 until such time that the total amount deposited into the fund
623 during a fiscal year equals One Million Dollars (\$1,000,000.00).
624 On or before August 15, 2011, and each succeeding month
625 thereafter, that portion of the avails of the tax imposed in
626 Section 27-65-23 that is derived from sales by cotton compresses
627 or cotton warehouses and that would otherwise be paid into the
628 General Fund shall be deposited into the special fund created
629 under Section 69-37-39 until such time that the total amount



630 deposited into the fund during a fiscal year equals One Million
631 Dollars (\$1,000,000.00).

632 (15) Notwithstanding any other provision of this section to
633 the contrary, on or before September 15, 2000, and each succeeding
634 month thereafter, the sales tax revenue collected during the
635 preceding month under the provisions of Section
636 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
637 without diversion, into the Telecommunications Ad Valorem Tax
638 Reduction Fund established in Section 27-38-7.

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

646 (b) On or before August 15, 2007, and each succeeding
647 month thereafter, eighty percent (80%) of the sales tax revenue
648 collected during the preceding month under the provisions of this
649 chapter from the operation of a tourism project under the
650 provisions of Sections 57-26-1 through 57-26-5, shall be
651 deposited, after the diversions required in subsections (7) and
652 (8) of this section, into the Tourism Project Sales Tax Incentive
653 Fund created in Section 57-26-3.



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

661 (18) [Repealed]

662 (19) (a) On or before August 15, 2005, and each succeeding
663 month thereafter, the sales tax revenue collected during the
664 preceding month under the provisions of this chapter on the gross
665 proceeds of sales of a business enterprise located within a
666 redevelopment project area under the provisions of Sections
667 57-91-1 through 57-91-11, and the revenue collected on the gross
668 proceeds of sales from sales made to a business enterprise located
669 in a redevelopment project area under the provisions of Sections
670 57-91-1 through 57-91-11 (provided that such sales made to a
671 business enterprise are made on the premises of the business
672 enterprise), shall, except as otherwise provided in this
673 subsection (19), be deposited, after all diversions, into the
674 Redevelopment Project Incentive Fund as created in Section
675 57-91-9.

676 (b) For a municipality participating in the Economic
677 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
678 the diversion provided for in subsection (1) of this section



679 attributable to the gross proceeds of sales of a business
680 enterprise located within a redevelopment project area under the
681 provisions of Sections 57-91-1 through 57-91-11, and attributable
682 to the gross proceeds of sales from sales made to a business
683 enterprise located in a redevelopment project area under the
684 provisions of Sections 57-91-1 through 57-91-11 (provided that
685 such sales made to a business enterprise are made on the premises
686 of the business enterprise), shall be deposited into the
687 Redevelopment Project Incentive Fund as created in Section
688 57-91-9, as follows:

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

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

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

701 (iv) For the ninth year in which such payments are
702 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.



728 (22) On or before June 1, 2024, and each succeeding month
729 thereafter until December 31, 2057, an amount determined annually
730 by the Mississippi Development Authority of the sales tax revenue
731 collected during the preceding month under the provisions of this
732 chapter shall be deposited into the MMEIA Tax Incentive Fund
733 created in Section 57-125-3. This amount shall be based on
734 estimated payments due within the upcoming year to construction
735 contractors pursuant to construction contracts subject to the tax
736 imposed by Section 27-65-21 for construction to be performed on
737 the project site of a project defined under Section
738 57-75-5(f)(xxxiii) for the coming year.

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

745 (24) (a) On or before August 15, 2019, and each month
746 thereafter through July 15, 2020, one percent (1%) of the total
747 sales tax revenue collected during the preceding month from
748 restaurants and hotels shall be allocated for distribution to the
749 Mississippi * * * Department of Tourism Advertising Fund
750 established under Section * * * 7 of this act, to be used
751 exclusively for the purpose stated therein. On or before August
752 15, 2020, and each month thereafter through July 15, 2021, two



753 percent (2%) of the total sales tax revenue collected during the
754 preceding month from restaurants and hotels shall be allocated for
755 distribution to the Mississippi * * * Department of Tourism
756 Advertising Fund established under Section * * * 7 of this act, to
757 be used exclusively for the purpose stated therein. On or before
758 August 15, 2021, and each month thereafter, three percent (3%) of
759 the total sales tax revenue collected during the preceding month
760 from restaurants and hotels shall be allocated for distribution to
761 the Mississippi * * * Department of Tourism Advertising Fund
762 established under Section * * * 7 of this act, to be used
763 exclusively for the purpose stated therein. The revenue diverted
764 pursuant to this subsection shall not be available for expenditure
765 until February 1, 2020.

766 (b) The Joint Legislative Committee on Performance
767 Evaluation and Expenditure Review (PEER) must provide an annual
768 report to the Legislature indicating the amount of funds deposited
769 into the Mississippi * * * Department of Tourism Advertising Fund
770 established under Section * * * 7 of this act, and a detailed
771 record of how the funds are spent.

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

775 (26) (a) It shall be the duty of the municipal officials of
776 any municipality that expands its limits, or of any community that
777 incorporates as a municipality, to notify the commissioner of that



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

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

790 (ii) Subject to the provisions of Sections
791 27-65-51 and 27-65-53, if any funds have been erroneously
792 disbursed to a municipality under subsection (1) of this section
793 for a period of three (3) years or more, the maximum amount that
794 may be recovered or withheld from the municipality is the total
795 amount of funds erroneously disbursed for a period of three (3)
796 years beginning with the date of the first erroneous disbursement.
797 However, if during such period, a municipality provides written
798 notice to the Department of Revenue indicating the erroneous
799 disbursement of funds, then the maximum amount that may be
800 recovered or withheld from the municipality is the total amount of
801 funds erroneously disbursed for a period of one (1) year beginning
802 with the date of the first erroneous disbursement.



803 **SECTION 11.** Section 57-1-59, Mississippi Code of 1972, which
804 provides for the general powers and duties of the Mississippi
805 Development Authority with respect to tourism, is repealed.

806 **SECTION 12.** Section 57-1-60, Mississippi Code of 1972, which
807 authorizes the Department of Economic and Community Development to
808 establish a program of grants to be matched by tourism entities in
809 the state, is repealed.

810 **SECTION 13.** Section 57-1-61, Mississippi Code of 1972, which
811 provide for the transfer of functions of travel and tourism from
812 the Department of the Agricultural and Industrial Board, is
813 repealed.

814 **SECTION 14.** Section 57-1-63, Mississippi Code of 1972, which
815 provide for the transfer of powers and duties of state agencies
816 relating to tourism to the Mississippi Development Authority, is
817 repealed.

818 **SECTION 15.** Section 57-1-64, Mississippi Code of 1972, which
819 authorizes the Mississippi Development Authority to sell
820 advertising and other tourism promotional information and creates
821 the Mississippi Development Authority Tourism Advertising Fund, is
822 repealed.

823 **SECTION 16.** Section 57-1-64.1, Mississippi Code of 1972,
824 which creates the Mississippi Tourism Association Marketing
825 Advisory Board to assist the Mississippi Development Authority, is
826 repealed.



827 **SECTION 17.** Section 9 of this act shall take effect and be
828 in force from and after its passage. Sections 1 through 8 and
829 Sections 10 through 16 of this act shall take effect and be in
830 force from and after July 1, 2025.

