

By: Senator(s) Rhodes

To: Finance

SENATE BILL NO. 3000

1 AN ACT TO AMEND SECTION 27-65-107, MISSISSIPPI CODE OF 1972,
2 TO EXEMPT FROM THE STATE SALES TAX SALES OF WATER FOR AGRICULTURAL
3 PURPOSES; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 27-65-107, Mississippi Code of 1972, is
6 amended as follows:

7 27-65-107. The exemptions from the provisions of this
8 chapter which relate to utilities or which are more properly
9 classified as utility exemptions than any other exemption
10 classification of this chapter shall be confined to those persons
11 or property exempted by this section or by provisions of the
12 Constitutions of the United States or the State of Mississippi.
13 No utility exemption as now provided by any other section shall be
14 valid as against the tax herein levied. Any subsequent utility
15 exemption from the tax levied hereunder shall be provided by
16 amendment to this section.

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



19 The tax levied by this chapter shall not apply to the
20 following:

21 (a) Sales and rentals of locomotives, rail rolling
22 stock and materials for their repair, locomotive water, when made
23 to a railroad whose rates are fixed by the Interstate Commerce
24 Commission or the Mississippi Public Service Commission.

25 (b) Rentals of manufacturing machinery to a
26 manufacturer or custom processor where such manufacturer or custom
27 processor is engaged in, and such machinery is used in, the
28 manufacture of containers made from timber or wood for sale. The
29 tax, likewise, shall not apply to replacement or repair parts of
30 such machinery used in such manufacture.

31 (c) Sales of tangible personal property and services to
32 nonprofit water associations or corporations in which no part of
33 the net earnings inures to the benefit of any private shareholder,
34 group or individual. Only sales of property or services which are
35 ordinary and necessary to the operation of such organizations are
36 exempt from tax.

37 (d) Wholesale sales of tangible personal property for
38 resale under Section 27-65-19.

39 (e) From and after July 1, 2003, sales of fuel used to
40 produce electric power by a company primarily engaged in the
41 business of producing, generating or distributing electric power
42 for sale.



43 (f) Sales of electricity, current, power, steam, coal,
44 natural gas, liquefied petroleum gas or other fuel to a
45 manufacturer, custom processor, data center meeting the criteria
46 provided for in Section 57-113-21, technology intensive enterprise
47 meeting the criteria provided for in Section 27-65-17(1)(f), or
48 public service company for industrial purposes, which shall
49 include that used to generate electricity, to operate an
50 electrical distribution or transmission system, to operate
51 pipeline compressor or pumping stations, or to operate railroad
52 locomotives.

53 (g) Sales of electricity, current, power, steam, coal,
54 natural gas, liquefied petroleum gas or other fuel, or water to a
55 producer or processor for use directly in the production of
56 poultry or poultry products, the production of livestock and
57 livestock products, the production of domesticated fish and
58 domesticated fish products, the production of marine aquaculture
59 products, the production of plants or food by commercial
60 horticulturists, the processing of milk and milk products, the
61 processing of poultry and livestock feed, and the irrigation of
62 farm crops.

63 (h) Sales of electricity, current, power, steam, coal,
64 natural gas, liquefied petroleum gas or other fuel to a commercial
65 fisherman, shrimper or oysterman.



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

(j) Sales of electricity, current, power, steam, coal, natural gas, liquefied petroleum gas or other fuel to a permanent enterprise that is eligible for the exemption authorized in Section 27-65-101(1)(ww) upon completion of the expansion upon which such exemption is based; however, in order to be eligible for the exemption authorized by this paragraph, the expansion must:

(i) Create at least eighty-five (85) full-time jobs in this state with an average annual wage of at least Sixty Thousand Dollars (\$60,000.00); and

(ii) Have at least Eighty Million Dollars (\$80,000,000.00) in new investment at the existing facility.

(k) Sales of electricity, current, power, steam, coal, natural gas, liquefied petroleum gas or other fuel to an enterprise or its affiliates operating a project certified by the Mississippi Major Economic Impact Authority as a project as defined in Section 57-75-5(f)(xxxii) or 57-75-5(f)(xxxiii).

SECTION 2. This act shall take effect and be in force from and after July 1, 2025.

