

Senate Amendments to House Bill No. 1341

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

24 **SECTION 1.** Section 57-117-11, Mississippi Code of 1972, is
25 amended as follows:

26 57-117-11. Sections 57-117-1 through 57-117-11 shall be
27 repealed from and after July 1, * * * 2026.

28 **SECTION 2.** Section 57-117-1, Mississippi Code of 1972, is
29 brought forward as follows:

30 57-117-1. This chapter shall be known and may be cited as
31 the "Mississippi Health Care Industry Zone Act."

32 **SECTION 3.** Section 57-117-3, Mississippi Code of 1972, is
33 brought forward as follows:

34 57-117-3. In this chapter:

35 (a) "Health care industry facility" means:

36 (i) A business engaged in the research and
37 development of pharmaceuticals, biologics, biotechnology,
38 diagnostic imaging, medical supplies, medical equipment or
39 medicine and related manufacturing or processing, medical service
40 providers, medical product distribution, or laboratory testing

41 that creates a minimum of twenty-five (25) new full-time jobs
42 and/or Ten Million Dollars (\$10,000,000.00) of capital investment
43 after July 1, 2012; or

44 (ii) A business that 1. is located on land owned
45 by or leased from an academic health science center with a medical
46 school accredited by the Liaison Committee on Medical Education
47 and a hospital accredited by the Joint Committee on Accreditation
48 of Healthcare Organizations and 2. creates a minimum of
49 twenty-five (25) new jobs and/or Twenty Million Dollars
50 (\$20,000,000.00) of capital investment after July 1, 2012.

51 The term "health care industry facility" does not include any
52 medical cannabis establishment as defined in the Mississippi
53 Medical Cannabis Act.

54 (b) "MDA" means the Mississippi Development Authority.

55 (c) "Health care industry zone" means a geographical
56 area certified by the MDA as provided for in Section 57-117-5.

57 (d) "Local government unit" means any county or
58 incorporated city, town or village in the State of Mississippi.

59 (e) "Person" means a natural person, partnership,
60 limited liability company, association, corporation, business
61 trust or other business entity.

62 (f) "Qualified business" means a business or health
63 care industry facility that meets the requirements of Section
64 57-117-7 and any other requirements of this chapter. The term
65 "qualified business" does not include any medical cannabis
66 establishment as defined in the Mississippi Medical Cannabis Act.

67 **SECTION 4.** Section 57-117-5, Mississippi Code of 1972, is
68 brought forward as follows:

69 57-117-5. (1) The MDA may certify an area as a health care
70 industry zone if the following requirements are met:

71 (a) The area is located within:

72 (i) Three (3) contiguous counties which have
73 certificates of need of more than three hundred seventy-five (375)
74 acute care hospital beds; and/or

75 (ii) A county which has a hospital with a minimum
76 capital investment of Two Hundred Fifty Million Dollars
77 (\$250,000,000.00) and for which construction is completed before
78 July 1, 2017;

79 (b) The health care industry facility is located within
80 an eight-mile radius of:

81 (i) A facility with a certificate of need for
82 hospital beds; and/or

83 (ii) A university or college that is:

84 1. Accredited by the Southern Association of
85 Colleges and Schools and awards degrees and/or trains workers for
86 jobs in health care or pharmaceutical fields of study and/or work,
87 and

88 2. Located along or near Mississippi Highway
89 67 within a master planned community as defined in Section
90 19-5-10; and

91 (c) The zoning of the local government unit, if
92 applicable, allows the construction or operation in the proposed
93 health care industry zone of the health care industry facility.

94 (2) A health care industry facility that engages in an
95 activity for which a certificate of need is required must comply
96 with the provisions of Section 41-7-191 in order to be certified
97 as a qualified business.

98 (3) The MDA may adopt and promulgate such rules and
99 regulations, in compliance with the Mississippi Administrative
100 Procedures Law, as are necessary for the efficient and effective
101 administration of this section in keeping with the purposes for
102 which it is enacted.

103 **SECTION 5.** Section 57-117-7, Mississippi Code of 1972, is
104 brought forward as follows:

105 57-117-7. (1) Businesses and health care industry
106 facilities shall apply to the MDA for certification as a qualified
107 business. If the health care industry facility or business is
108 located in a health care industry zone and meets the requirements
109 of this chapter, the MDA shall certify it as a qualified business.

110 (2) A health care industry facility or business certified by
111 the MDA as a qualified business within a health care industry zone
112 that constructs or renovates a health care industry facility
113 within a health care industry zone shall qualify for the
114 following:

115 (a) An accelerated state income tax depreciation
116 deduction. The accelerated depreciation deduction shall be

117 computed by accelerating depreciation period required by
118 Mississippi Administrative Code, to a ten-year depreciation
119 period.

120 (b) A sales tax exemption as authorized in Section
121 27-65-101(1) (pp).

122 (c) A fee-in-lieu of taxes as authorized in Section
123 27-31-104.

124 (d) An ad valorem tax exemption as authorized in
125 Section 27-31-101.

126 **SECTION 6.** Section 57-117-9, Mississippi Code of 1972, is
127 brought forward as follows:

128 57-117-9. If the qualified business has not created the
129 requisite number of jobs required by this chapter, the health care
130 industry zone certification may be revoked by MDA after five (5)
131 years have elapsed from the effective date of certification. A
132 revocation under this section shall not act retroactively to
133 remove any incentives granted by this chapter.

134 **SECTION 7.** Section 27-31-101, Mississippi Code of 1972, is
135 amended as follows:

136 * * *

137 27-31-101. (1) County boards of supervisors and municipal
138 authorities are hereby authorized and empowered, in their
139 discretion, to grant exemptions from ad valorem taxation, except
140 state ad valorem taxation; however, such governing authorities
141 shall not exempt ad valorem taxes for school district purposes on
142 tangible property used in, or necessary to, the operation of the

143 manufacturers and other new enterprises enumerated by classes in
144 this section, except to the extent authorized in Sections
145 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem
146 taxes the products of the manufacturers or other new enterprises
147 or automobiles and trucks belonging to the manufacturers or other
148 new enterprises operating on and over the highways of the State of
149 Mississippi. The time of such exemption shall be for a period not
150 to exceed a total of ten (10) years which shall begin on the date
151 of completion of the new enterprise for which the exemption is
152 granted; however, boards of supervisors and municipal authorities,
153 in lieu of granting the exemption for one (1) period of ten (10)
154 years, may grant the exemption in a period of less than ten (10)
155 years. When the initial exemption period granted is less than ten
156 (10) years, the boards of supervisors and municipal authorities
157 may grant a subsequent consecutive period or periods to follow the
158 initial period of exemption, provided that the total of all
159 periods of exemption shall not exceed ten (10) years. The date of
160 completion of the new enterprise, from which the initial period of
161 exemption shall begin, shall be the date on which operations of
162 the new enterprise begin. The initial request for an exemption
163 must be made in writing by June 1 of the year immediately
164 following the year in which the date of completion of a new
165 enterprise occurs. If the initial request for the exemption is
166 not timely made, the board of supervisors or municipal authorities
167 may grant a subsequent request for the exemption and, in such
168 case, the exemption shall begin on the anniversary date of

169 completion of the enterprise in the year in which the request is
170 made and may be for a period of time extending not more than ten
171 (10) years from the date of completion of the new enterprise. Any
172 subsequent request for the exemption must be made in writing by
173 June 1 of the year in which it is granted.

174 (2) Any board of supervisors or municipal authority which
175 has granted an exemption for a period of less than ten (10) years
176 may grant subsequent periods of exemption to run consecutively
177 with the initial exemption period, or a subsequently granted
178 exemption period, but in no case shall the total of the exemption
179 periods granted for a new enterprise exceed ten (10) years. Any
180 consecutive period of exemption shall be granted by entry of an
181 order by the board or the authority granting the consecutive
182 exemption on its minutes, reflecting the granting of the
183 consecutive exemption period and the dates upon which such
184 consecutive exemption period begins and expires. The entry of
185 this order granting the consecutive period of exemption shall be
186 made before the expiration of the exemption period immediately
187 preceding the consecutive exemption period being granted.

188 (3) (a) The new enterprises for which any or all of the
189 tangible property described in paragraph (b) of this subsection
190 (3) may be exempt from ad valorem taxation, except state ad
191 valorem taxation, ad valorem taxes for school district purposes,
192 and ad valorem taxes on the products thereof or on automobiles and
193 trucks belonging thereto and operating on and over the highways of

194 the State of Mississippi, are enumerated as and limited to the
195 following, as determined by the Department of Revenue:

196 (i) Warehouse and/or distribution centers;

197 (ii) Manufacturing, processors and refineries;

198 (iii) Research facilities;

199 (iv) Corporate regional and national headquarters
200 meeting minimum criteria established by the Mississippi
201 Development Authority;

202 (v) Movie industry studios meeting minimum
203 criteria established by the Mississippi Development Authority;

204 (vi) Air transportation and maintenance facilities
205 meeting minimum criteria established by the Mississippi
206 Development Authority;

207 (vii) Recreational facilities that impact tourism
208 meeting minimum criteria established by the Mississippi
209 Development Authority;

210 (viii) Data/information processing enterprises
211 meeting minimum criteria established by the Mississippi
212 Development Authority;

213 (ix) Technology intensive enterprises or
214 facilities meeting criteria established by the Mississippi
215 Development Authority;

216 (x) Through June 30, 2026, health care industry
217 facilities as defined in Section 57-117-3;

218 (xi) Data centers as defined in Section 57-113-21;

219 (xii) Telecommunications enterprises meeting
220 minimum criteria established by the Mississippi Development
221 Authority. The term "telecommunications enterprises" means
222 entities engaged in the creation, display, management, storage,
223 processing, transmission or distribution for compensation of
224 images, text, voice, video or data by wire or by wireless means,
225 or entities engaged in the construction, design, development,
226 manufacture, maintenance or distribution for compensation of
227 devices, products, software or structures used in the above
228 activities. Companies organized to do business as commercial
229 broadcast radio stations, television stations or news
230 organizations primarily serving in-state markets shall not be
231 included within the definition of the term "telecommunications
232 enterprises"; and

233 (xiii) Controlled environment agriculture
234 enterprises meeting minimum criteria established by the
235 Mississippi Development Authority.

236 The new enterprises enumerated in this paragraph (a) do not
237 include medical cannabis establishments as defined in the
238 Mississippi Medical Cannabis Act.

239 (b) An exemption from ad valorem taxes granted under
240 this section may include any or all tangible property, real or
241 personal, including any leasehold interests therein but excluding
242 automobiles and trucks operating on and over the highways of the
243 State of Mississippi, used in connection with, or necessary to,
244 the operation of an enterprise enumerated in paragraph (a) of this

245 subsection (3), whether or not such property is owned, leased,
246 subleased, licensed or otherwise obtained by such enterprise,
247 irrespective of the taxpayer to which any such leased property is
248 assessed for ad valorem tax purposes. If an exemption is granted
249 pursuant to this section with respect to any leasehold interest
250 under a lease, sublease or license of tangible property used in
251 connection with, or necessary to, the operation of an enterprise
252 enumerated in paragraph (a) of this subsection (3), the
253 corresponding ownership interest of the owner, lessor and
254 sublessor of such tangible property shall similarly and
255 automatically be exempt without any action being required to be
256 taken by such owner, lessor or sublessor.

257 (4) Any exemption from ad valorem taxes granted under this
258 section before March 28, 2019, and consistent herewith, is hereby
259 ratified, approved and confirmed.

260 * * *

261 **SECTION 8.** Section 27-31-104, Mississippi Code of 1972, is
262 amended as follows:

263 * * *

264 27-31-104. (1) (a) County boards of supervisors and
265 municipal authorities are each hereby authorized and empowered to
266 enter into an agreement with an enterprise granting, and pursuant
267 to such agreement grant a fee-in-lieu of ad valorem taxes,
268 including ad valorem taxes levied for school purposes, for the
269 following:

270 (i) Projects totaling over Sixty Million Dollars
271 (\$60,000,000.00) by any new enterprises enumerated in Section
272 27-31-101;

273 (ii) Projects by a private company (as such term
274 is defined in Section 57-61-5) having a minimum capital investment
275 of Sixty Million Dollars (\$60,000,000.00);

276 (iii) Through June 30, 2026, projects by a
277 qualified business (as such term is defined in Section 57-117-3)
278 meeting minimum criteria established by the Mississippi
279 Development Authority;

280 (iv) Projects, in addition to those projects
281 referenced in Section 27-31-105, totaling over Sixty Million
282 Dollars (\$60,000,000.00) by an existing enterprise that has been
283 doing business in the county or municipality for twenty-four (24)
284 months. For purposes of this subparagraph (iv), the term
285 "existing enterprise" includes those enterprises enumerated in
286 Section 27-31-101; or

287 (v) A private company (as such term is defined in
288 Section 57-61-5) or entity defined in Section 77-3-3(d)(i) having
289 a minimum capital investment of One Hundred Million Dollars
290 (\$100,000,000.00) from any source or combination of sources,
291 provided that a majority of the capital investment is from private
292 sources, when such project is located within a geographic area for
293 which a Presidential Disaster Declaration was issued on or after
294 January 1, 2014.

295 County boards of supervisors and municipal authorities may
296 not enter into an agreement with an enterprise that is a medical
297 cannabis establishment, as defined in the Mississippi Medical
298 Cannabis Act, granting, and pursuant to such agreement grant a
299 fee-in-lieu of ad valorem taxes.

300 (b) A fee-in-lieu of ad valorem taxes granted in
301 accordance with this section may include any or all tangible
302 property, real or personal, including any leasehold interests
303 therein but excluding automobiles and trucks operating on and over
304 the highways of the State of Mississippi, used in connection with,
305 or necessary to, the operation of any enterprise, private company
306 or business described in paragraph (a) of this subsection (1), as
307 applicable, whether or not such property is owned, leased,
308 subleased, licensed or otherwise obtained by such enterprise,
309 private company or business, as applicable, irrespective of the
310 taxpayer to which any such leased property is assessed for ad
311 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is
312 granted pursuant to this section with respect to any leasehold
313 interest under a lease, sublease or license of tangible property
314 used in connection with, or necessary to, the operation of an
315 enterprise, private company or business described in paragraph (a)
316 of this subsection (1), as applicable, the corresponding ownership
317 interest of the owner, lessor and sublessor of such tangible
318 property shall similarly and automatically be exempt and subject
319 to the fee-in-lieu granted in accordance herewith without any

320 action being required to be taken by such owner, lessor or
321 sublessor.

322 (2) A county board of supervisors may enter into a
323 fee-in-lieu agreement on behalf of the county and any county
324 school district, and a municipality may enter into such a
325 fee-in-lieu agreement on behalf of the municipality and any
326 municipal school district located in the municipality; however, if
327 the project is located outside the limits of a municipality but
328 within the boundaries of the municipal school district, then the
329 county board of supervisors may enter into such a fee-in-lieu
330 agreement on behalf of the school district granting a fee-in-lieu
331 of ad valorem taxes for school district purposes.

332 (3) Any grant of a fee-in-lieu of ad valorem taxes shall be
333 evidenced by a written agreement negotiated by the enterprise and
334 the county board of supervisors and/or municipal authority, as the
335 case may be, and given final approval by the Mississippi
336 Development Authority as satisfying the requirements of this
337 section.

338 (4) The minimum sum allowable as a fee-in-lieu shall not be
339 less than one-third (1/3), or one-tenth (1/10) if the project is
340 also a project eligible for an ad valorem tax exemption under
341 Section 27-31-46 and a fee-in-lieu agreement is entered into
342 before July 1, 2026, of the ad valorem levy, including ad valorem
343 taxes for school district purposes, and except as otherwise
344 provided, the sum allowed shall be apportioned between the county
345 or municipality, as appropriate, and the school districts in such

346 amounts as may be determined by the county board of supervisors or
347 municipal governing authority, as the case may be, however, except
348 as otherwise provided in this section, from the sum allowed the
349 apportionment to school districts shall not be less than the
350 school districts' pro rata share based upon the proportion that
351 the millage imposed for the school districts by the appropriate
352 levying authority bears to the millage imposed by such levying
353 authority for all other county or municipal purposes. Any
354 fee-in-lieu agreement entered into under this section shall become
355 a binding obligation of the parties to the agreement, be effective
356 upon its execution by the parties and approval by the Mississippi
357 Development Authority and, except as otherwise provided in Section
358 17-25-23 or Section 57-75-33, or any other provision of law,
359 continue in effect for a period not to exceed thirty (30) years
360 commencing on the date that the fee-in-lieu granted thereunder
361 begins in accordance with the agreement; however, no particular
362 parcel of land, real property improvement or item of personal
363 property shall be subject to a fee-in-lieu for a duration of more
364 than ten (10) years. Any such agreement shall be binding,
365 according to its terms, on future boards of supervisors of the
366 county and/or governing authorities of a municipality, as the case
367 may be, for the duration of the agreement.

368 (5) The fee-in-lieu may be a stated fraction or percentage
369 of the ad valorem taxes otherwise payable or a stated dollar
370 amount. If the fee is a fraction or percentage of the ad valorem
371 tax levy, it shall be annually computed on all ad valorem taxes

372 otherwise payable, including school taxes, as the same may vary
373 from year to year based upon changes in the millage rate or
374 assessed value and shall not be less than one-third (1/3) of that
375 amount or one-tenth (1/10) of that amount if the project is also a
376 project eligible for an ad valorem tax exemption under Section
377 27-31-46 and a fee-in-lieu agreement is entered into before July
378 1, 2026. If the fee is a stated dollar amount, said amount shall
379 be the higher of the sum provided for fixed payment or (a)
380 one-third (1/3) of the total of all ad valorem taxes otherwise
381 payable as annually determined during each year of the fee-in-lieu
382 or (b) if the project is also a project eligible for an ad valorem
383 tax exemption under Section 27-31-46 and a fee-in-lieu agreement
384 is entered into before July 1, 2026, one-tenth (1/10) of the total
385 of all ad valorem taxes otherwise payable as annually determined
386 during each year of the fee-in-lieu.

387 (6) Notwithstanding Section 27-31-111, the parties to a
388 fee-in-lieu may agree on terms and conditions providing for the
389 reduction, suspension, termination or reinstatement of a
390 fee-in-lieu agreement or any fee-in-lieu period granted thereunder
391 upon the cessation of operations by project for twelve (12) or
392 more consecutive months or due to other conditions set forth in
393 the agreement.

394 (7) For a project as defined in Section 57-75-5(f)(xxi) and
395 located in a county that is a member of a regional economic
396 development alliance created under Section 57-64-1 et seq., the
397 members of the regional economic development alliance may divide

398 the sum allowed as a fee-in-lieu in a manner as determined by the
399 alliance agreement, and the boards of supervisors of the member
400 counties may then apportion the sum allowed between school
401 district purposes and all other county purposes.

402 (8) For a project as defined in Section 57-75-5(f) (xxvi),
403 the board of supervisors of the county in which the project is
404 located may negotiate with the school district in which the
405 project is located and apportion to the school district an amount
406 of the fee-in-lieu that is agreed upon in the negotiations
407 different than the amount provided for in subsection (3) of this
408 section.

409 (9) For a project as defined in Section 57-75-5(f) (xxviii),
410 the annual amount of the fee-in-lieu apportioned to the county
411 shall not be less than the amount necessary to pay the debt
412 service on bonds issued by the county pursuant to Section
413 57-75-37(3) (c) .

414 (10) For any county and/or municipality that enters into a
415 fee-in-lieu agreement for a project as defined in Section
416 57-75-5(f) (xxxiii), the minimum sum allowable as a fee-in-lieu for
417 the project shall not be less than one-third (1/3); provided that
418 such allowed sum of each annual fee-in-lieu payment may be first
419 apportioned between the county or municipality, as appropriate,
420 and the school districts in any such amounts as may be determined
421 by the county board of supervisors or municipal governing
422 authority, as the case may be, to either (a) first allocate and
423 remit to the Mississippi Major Economic Impact Authority or the

424 Mississippi Development Authority, as applicable, such portion of
425 each annual fee-in-lieu payment to repay to the Mississippi Major
426 Economic Impact Authority or the Mississippi Development
427 Authority, as applicable, funds advanced thereby to such county
428 and/or municipality or to other public agency, as defined in
429 Section 57-75-37(7) (a) (ii), to fund public improvements and
430 related costs for the project pursuant to an agreement entered
431 into in accordance with Section 57-75-37(7) (c) (iii); or (b) first
432 allocate and remit to the enterprise owning and/or operating the
433 project such portion of each annual fee-in-lieu payment payable
434 thereto pursuant to an agreement entered into in accordance with
435 Section 57-75-37(7) (d) (iv). The balance of any annual fee-in-lieu
436 amount remaining after such initial allocation and remittance to
437 the Mississippi Major Economic Impact Authority, Mississippi
438 Development Authority or enterprise owning and/or operating the
439 project, as applicable, shall then be apportioned in accordance
440 with subsection (4) of this section or as otherwise authorized by
441 state law.

442 (11) Any fee-in-lieu of ad valorem taxes granted under this
443 section before March 28, 2019, and consistent herewith, is hereby
444 ratified, approved and confirmed.

445 * * *

446 **SECTION 9.** Section 27-65-101, Mississippi Code of 1972, is
447 amended as follows:

448 27-65-101. (1) The exemptions from the provisions of this
449 chapter which are of an industrial nature or which are more

450 properly classified as industrial exemptions than any other
451 exemption classification of this chapter shall be confined to
452 those persons or property exempted by this section or by the
453 provisions of the Constitution of the United States or the State
454 of Mississippi. No industrial exemption as now provided by any
455 other section except Section 57-3-33 shall be valid as against the
456 tax herein levied. Any subsequent industrial exemption from the
457 tax levied hereunder shall be provided by amendment to this
458 section. No exemption provided in this section shall apply to
459 taxes levied by Section 27-65-15 or 27-65-21.

460 The tax levied by this chapter shall not apply to the
461 following:

462 (a) Sales of boxes, crates, cartons, cans, bottles and
463 other packaging materials to manufacturers and wholesalers for use
464 as containers or shipping materials to accompany goods sold by
465 said manufacturers or wholesalers where possession thereof will
466 pass to the customer at the time of sale of the goods contained
467 therein and sales to anyone of containers or shipping materials
468 for use in ships engaged in international commerce.

469 (b) Sales of raw materials, catalysts, processing
470 chemicals, welding gases or other industrial processing gases
471 (except natural gas) to a manufacturer for use directly in
472 manufacturing or processing a product for sale or rental or
473 repairing or reconditioning vessels or barges of fifty (50) tons
474 load displacement and over. For the purposes of this exemption,
475 electricity used directly in the electrolysis process in the

476 production of sodium chlorate shall be considered a raw material.
477 This exemption shall not apply to any property used as fuel except
478 to the extent that such fuel comprises by-products which have no
479 market value.

480 (c) The gross proceeds of sales of dry docks, offshore
481 drilling equipment for use in oil or natural gas exploration or
482 production, vessels or barges of fifty (50) tons load displacement
483 and over, when the vessels or barges are sold by the manufacturer
484 or builder thereof. In addition to other types of equipment,
485 offshore drilling equipment for use in oil or natural gas
486 exploration or production shall include aircraft used
487 predominately to transport passengers or property to or from
488 offshore oil or natural gas exploration or production platforms or
489 vessels, and engines, accessories and spare parts for such
490 aircraft.

491 (d) Sales to commercial fishermen of commercial fishing
492 boats of over five (5) tons load displacement and not more than
493 fifty (50) tons load displacement as registered with the United
494 States Coast Guard and licensed by the Mississippi Commission on
495 Marine Resources.

496 (e) The gross income from repairs to vessels and barges
497 engaged in foreign trade or interstate transportation.

498 (f) Sales of petroleum products to vessels or barges
499 for consumption in marine international commerce or interstate
500 transportation businesses.

501 (g) Sales and rentals of rail rolling stock (and
502 component parts thereof) for ultimate use in interstate commerce
503 and gross income from services with respect to manufacturing,
504 repairing, cleaning, altering, reconditioning or improving such
505 rail rolling stock (and component parts thereof).

506 (h) Sales of raw materials, catalysts, processing
507 chemicals, welding gases or other industrial processing gases
508 (except natural gas) used or consumed directly in manufacturing,
509 repairing, cleaning, altering, reconditioning or improving such
510 rail rolling stock (and component parts thereof). This exemption
511 shall not apply to any property used as fuel.

512 (i) Sales of machinery or tools or repair parts
513 therefor or replacements thereof, fuel or supplies used directly
514 in manufacturing, converting or repairing ships, vessels or barges
515 of three thousand (3,000) tons load displacement and over, but not
516 to include office and plant supplies or other equipment not
517 directly used on the ship, vessel or barge being built, converted
518 or repaired. For purposes of this exemption, "ships, vessels or
519 barges" shall not include floating structures described in Section
520 27-65-18.

521 (j) Sales of tangible personal property to persons
522 operating ships in international commerce for use or consumption
523 on board such ships. This exemption shall be limited to cases in
524 which procedures satisfactory to the commissioner, ensuring
525 against use in this state other than on such ships, are
526 established.

527 (k) Sales of materials used in the construction of a
528 building, or any addition or improvement thereon, and sales of any
529 machinery and equipment not later than three (3) months after the
530 completion of construction of the building, or any addition
531 thereon, to be used therein, to qualified businesses, as defined
532 in Section 57-51-5, which are located in a county or portion
533 thereof designated as an enterprise zone pursuant to Sections
534 57-51-1 through 57-51-15.

535 (l) Sales of materials used in the construction of a
536 building, or any addition or improvement thereon, and sales of any
537 machinery and equipment not later than three (3) months after the
538 completion of construction of the building, or any addition
539 thereon, to be used therein, to qualified businesses, as defined
540 in Section 57-54-5.

541 (m) Income from storage and handling of perishable
542 goods by a public storage warehouse.

543 (n) The value of natural gas lawfully injected into the
544 earth for cycling, repressuring or lifting of oil, or lawfully
545 vented or flared in connection with the production of oil;
546 however, if any gas so injected into the earth is sold for such
547 purposes, then the gas so sold shall not be exempt.

548 (o) The gross collections from self-service commercial
549 laundering, drying, cleaning and pressing equipment.

550 (p) Sales of materials used in the construction of a
551 building, or any addition or improvement thereon, and sales of any
552 machinery and equipment not later than three (3) months after the

553 completion of construction of the building, or any addition
554 thereon, to be used therein, to qualified companies, certified as
555 such by the Mississippi Development Authority under Section
556 57-53-1.

557 (q) Sales of component materials used in the
558 construction of a building, or any addition or improvement
559 thereon, sales of machinery and equipment to be used therein, and
560 sales of manufacturing or processing machinery and equipment which
561 is permanently attached to the ground or to a permanent foundation
562 and which is not by its nature intended to be housed within a
563 building structure, not later than three (3) months after the
564 initial start-up date, to permanent business enterprises engaging
565 in manufacturing or processing in Tier Three areas (as such term
566 is defined in Section 57-73-21), which businesses are certified by
567 the Department of Revenue as being eligible for the exemption
568 granted in this paragraph (q). The exemption provided in this
569 paragraph (q) shall not apply to sales to any business enterprise
570 that is a medical cannabis establishment as defined in the
571 Mississippi Medical Cannabis Act.

572 (r) (i) Sales of component materials used in the
573 construction of a building, or any addition or improvement
574 thereon, and sales of any machinery and equipment not later than
575 three (3) months after the completion of the building, addition or
576 improvement thereon, to be used therein, for any company
577 establishing or transferring its national or regional headquarters
578 from within or outside the State of Mississippi and creating a

579 minimum of twenty (20) jobs at the new headquarters in this state.
580 The exemption provided in this subparagraph (i) shall not apply to
581 sales for any company that is a medical cannabis establishment as
582 defined in the Mississippi Medical Cannabis Act. The Department
583 of Revenue shall establish criteria and prescribe procedures to
584 determine if a company qualifies as a national or regional
585 headquarters for the purpose of receiving the exemption provided
586 in this subparagraph (i).

587 (ii) Sales of component materials used in the
588 construction of a building, or any addition or improvement
589 thereon, and sales of any machinery and equipment not later than
590 three (3) months after the completion of the building, addition or
591 improvement thereon, to be used therein, for any company expanding
592 or making additions after January 1, 2013, to its national or
593 regional headquarters within the State of Mississippi and creating
594 a minimum of twenty (20) new jobs at the headquarters as a result
595 of the expansion or additions. The exemption provided in this
596 subparagraph (ii) shall not apply to sales for any company that is
597 a medical cannabis establishment as defined in the Mississippi
598 Medical Cannabis Act. The Department of Revenue shall establish
599 criteria and prescribe procedures to determine if a company
600 qualifies as a national or regional headquarters for the purpose
601 of receiving the exemption provided in this subparagraph (ii).

602 (s) The gross proceeds from the sale of semitrailers,
603 trailers, boats, travel trailers, motorcycles, all-terrain cycles
604 and rotary-wing aircraft if exported from this state within

605 forty-eight (48) hours and registered and first used in another
606 state.

607 (t) Gross income from the storage and handling of
608 natural gas in underground salt domes and in other underground
609 reservoirs, caverns, structures and formations suitable for such
610 storage.

611 (u) Sales of machinery and equipment to nonprofit
612 organizations if the organization:

613 (i) Is tax exempt pursuant to Section 501(c)(4) of
614 the Internal Revenue Code of 1986, as amended;

615 (ii) Assists in the implementation of the
616 contingency plan or area contingency plan, and which is created in
617 response to the requirements of Title IV, Subtitle B of the Oil
618 Pollution Act of 1990, Public Law 101-380; and

619 (iii) Engages primarily in programs to contain,
620 clean up and otherwise mitigate spills of oil or other substances
621 occurring in the United States coastal and tidal waters.

622 For purposes of this exemption, "machinery and equipment"
623 means any ocean-going vessels, barges, booms, skimmers and other
624 capital equipment used primarily in the operations of nonprofit
625 organizations referred to herein.

626 (v) Sales or leases of materials and equipment to
627 approved business enterprises as provided under the Growth and
628 Prosperity Act.

629 (w) From and after July 1, 2001, sales of pollution
630 control equipment to manufacturers or custom processors for

631 industrial use. For the purposes of this exemption, "pollution
632 control equipment" means equipment, devices, machinery or systems
633 used or acquired to prevent, control, monitor or reduce air, water
634 or groundwater pollution, or solid or hazardous waste as required
635 by federal or state law or regulation.

636 (x) Sales or leases to a manufacturer of motor vehicles
637 or powertrain components operating a project that has been
638 certified by the Mississippi Major Economic Impact Authority as a
639 project as defined in Section 57-75-5(f)(iv)1, Section
640 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and
641 equipment; special tooling such as dies, molds, jigs and similar
642 items treated as special tooling for federal income tax purposes;
643 or repair parts therefor or replacements thereof; repair services
644 thereon; fuel, supplies, electricity, coal and natural gas used
645 directly in the manufacture of motor vehicles or motor vehicle
646 parts or used to provide climate control for manufacturing areas.

647 (y) Sales or leases of component materials, machinery
648 and equipment used in the construction of a building, or any
649 addition or improvement thereon to an enterprise operating a
650 project that has been certified by the Mississippi Major Economic
651 Impact Authority as a project as defined in Section
652 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)
653 or Section 57-75-5(f)(xxviii) and any other sales or leases
654 required to establish or operate such project.

655 (z) Sales of component materials and equipment to a
656 business enterprise as provided under Section 57-64-33.

657 (aa) The gross income from the stripping and painting
658 of commercial aircraft engaged in foreign or interstate
659 transportation business.

660 (bb) [Repealed]

661 (cc) Sales or leases to an enterprise owning or
662 operating a project that has been designated by the Mississippi
663 Major Economic Impact Authority as a project as defined in Section
664 57-75-5(f) (xviii) of machinery and equipment; special tooling such
665 as dies, molds, jigs and similar items treated as special tooling
666 for federal income tax purposes; or repair parts therefor or
667 replacements thereof; repair services thereon; fuel, supplies,
668 electricity, coal and natural gas used directly in the
669 manufacturing/production operations of the project or used to
670 provide climate control for manufacturing/production areas.

671 (dd) Sales or leases of component materials, machinery
672 and equipment used in the construction of a building, or any
673 addition or improvement thereon to an enterprise owning or
674 operating a project that has been designated by the Mississippi
675 Major Economic Impact Authority as a project as defined in Section
676 57-75-5(f) (xviii) and any other sales or leases required to
677 establish or operate such project.

678 (ee) Sales of parts used in the repair and servicing of
679 aircraft not registered in Mississippi engaged exclusively in the
680 business of foreign or interstate transportation to businesses
681 engaged in aircraft repair and maintenance.

682 (ff) Sales of component materials used in the
683 construction of a facility, or any addition or improvement
684 thereon, and sales or leases of machinery and equipment not later
685 than three (3) months after the completion of construction of the
686 facility, or any addition or improvement thereto, to be used in
687 the building or any addition or improvement thereto, to a
688 permanent business enterprise operating a data/information
689 enterprise in Tier Three areas (as such areas are designated in
690 accordance with Section 57-73-21), meeting minimum criteria
691 established by the Mississippi Development Authority. The
692 exemption provided in this paragraph (ff) shall not apply to sales
693 to any business enterprise that is a medical cannabis
694 establishment as defined in the Mississippi Medical Cannabis Act.

695 (gg) Sales of component materials used in the
696 construction of a facility, or any addition or improvement
697 thereto, and sales of machinery and equipment not later than three
698 (3) months after the completion of construction of the facility,
699 or any addition or improvement thereto, to be used in the facility
700 or any addition or improvement thereto, to technology intensive
701 enterprises for industrial purposes in Tier Three areas (as such
702 areas are designated in accordance with Section 57-73-21), as
703 certified by the Department of Revenue. For purposes of this
704 paragraph, an enterprise must meet the criteria provided for in
705 Section 27-65-17(1) (f) in order to be considered a technology
706 intensive enterprise.

707 (hh) Sales of component materials used in the
708 replacement, reconstruction or repair of a building or facility
709 that has been destroyed or sustained extensive damage as a result
710 of a disaster declared by the Governor, sales of machinery and
711 equipment to be used therein to replace machinery or equipment
712 damaged or destroyed as a result of such disaster, including, but
713 not limited to, manufacturing or processing machinery and
714 equipment which is permanently attached to the ground or to a
715 permanent foundation and which is not by its nature intended to be
716 housed within a building structure, to enterprises or companies
717 that were eligible for the exemptions authorized in paragraph (q),
718 (r), (ff) or (gg) of this subsection during initial construction
719 of the building that was destroyed or damaged, which enterprises
720 or companies are certified by the Department of Revenue as being
721 eligible for the exemption granted in this paragraph.

722 (ii) Sales of software or software services transmitted
723 by the Internet to a destination outside the State of Mississippi
724 where the first use of such software or software services by the
725 purchaser occurs outside the State of Mississippi.

726 (jj) Gross income of public storage warehouses derived
727 from the temporary storage of raw materials that are to be used in
728 an eligible facility as defined in Section 27-7-22.35.

729 (kk) Sales of component building materials and
730 equipment for initial construction of facilities or expansion of
731 facilities as authorized under Sections 57-113-1 through 57-113-7
732 and Sections 57-113-21 through 57-113-27.

733 (11) Sales and leases of machinery and equipment
734 acquired in the initial construction to establish facilities as
735 authorized in Sections 57-113-1 through 57-113-7.

736 (mm) Sales and leases of replacement hardware, software
737 or other necessary technology to operate a data center as
738 authorized under Sections 57-113-21 through 57-113-27.

739 (nn) Sales of component materials used in the
740 construction of a building, or any addition or improvement
741 thereon, and sales or leases of machinery and equipment not later
742 than three (3) months after the completion of the construction of
743 the facility, to be used in the facility, to permanent business
744 enterprises operating a facility producing renewable crude oil
745 from biomass harvested or produced, in whole or in part, in
746 Mississippi, which businesses meet minimum criteria established by
747 the Mississippi Development Authority. As used in this paragraph,
748 the term "biomass" shall have the meaning ascribed to such term in
749 Section 57-113-1.

750 (oo) Sales of supplies, equipment and other personal
751 property to an organization that is exempt from taxation under
752 Section 501(c)(3) of the Internal Revenue Code and is the host
753 organization coordinating a professional golf tournament played or
754 to be played in this state and the supplies, equipment or other
755 personal property will be used for purposes related to the golf
756 tournament and related activities.

757 (pp) Sales of materials used in the construction of a
758 health care industry facility, as defined in Section 57-117-3, or

759 any addition or improvement thereon, and sales of any machinery
760 and equipment not later than three (3) months after the completion
761 of construction of the facility, or any addition thereon, to be
762 used therein, to qualified businesses, as defined in Section
763 57-117-3. This paragraph shall be repealed from and after July
764 1, * * * 2026.

765 (qq) Sales or leases to a manufacturer of automotive
766 parts operating a project that has been certified by the
767 Mississippi Major Economic Impact Authority as a project as
768 defined in Section 57-75-5(f) (xxviii) of machinery and equipment;
769 or repair parts therefor or replacements thereof; repair services
770 thereon; fuel, supplies, electricity, coal, nitrogen and natural
771 gas used directly in the manufacture of automotive parts or used
772 to provide climate control for manufacturing areas.

773 (rr) Gross collections derived from guided tours on any
774 navigable waters of this state, which include providing
775 accommodations, guide services and/or related equipment operated
776 by or under the direction of the person providing the tour, for
777 the purposes of outdoor tourism. The exemption provided in this
778 paragraph (rr) does not apply to the sale of tangible personal
779 property by a person providing such tours.

780 (ss) Retail sales of truck-tractors and semitrailers
781 used in interstate commerce and registered under the International
782 Registration Plan (IRP) or any similar reciprocity agreement or
783 compact relating to the proportional registration of commercial
784 vehicles entered into as provided for in Section 27-19-143.

785 (tt) Sales exempt under the Facilitating Business Rapid
786 Response to State Declared Disasters Act of 2015 (Sections
787 27-113-1 through 27-113-9).

788 (uu) Sales or leases to an enterprise and its
789 affiliates operating a project that has been certified by the
790 Mississippi Major Economic Impact Authority as a project as
791 defined in Section 57-75-5(f)(xxix) of:

792 (i) All personal property and fixtures, including
793 without limitation, sales or leases to the enterprise and its
794 affiliates of:

795 1. Manufacturing machinery and equipment;

796 2. Special tooling such as dies, molds, jigs
797 and similar items treated as special tooling for federal income
798 tax purposes;

799 3. Component building materials, machinery
800 and equipment used in the construction of buildings, and any other
801 additions or improvements to the project site for the project;

802 4. Nonmanufacturing furniture, fixtures and
803 equipment (inclusive of all communications, computer, server,
804 software and other hardware equipment); and

805 5. Fuel, supplies (other than
806 nonmanufacturing consumable supplies and water), electricity,
807 nitrogen gas and natural gas used directly in the
808 manufacturing/production operations of such project or used to
809 provide climate control for manufacturing/production areas of such
810 project;

811 (ii) All replacements of, repair parts for or
812 services to repair items described in subparagraph (i)1, 2 and 3
813 of this paragraph; and

814 (iii) All services taxable pursuant to Section
815 27-65-23 required to establish, support, operate, repair and/or
816 maintain such project.

817 (vv) Sales or leases to an enterprise operating a
818 project that has been certified by the Mississippi Major Economic
819 Impact Authority as a project as defined in Section
820 57-75-5(f) (xxx) of:

821 (i) Purchases required to establish and operate
822 the project, including, but not limited to, sales of component
823 building materials, machinery and equipment required to establish
824 the project facility and any additions or improvements thereon;
825 and

826 (ii) Machinery, special tools (such as dies,
827 molds, and jigs) or repair parts thereof, or replacements and
828 lease thereof, repair services thereon, fuel, supplies and
829 electricity, coal and natural gas used in the manufacturing
830 process and purchased by the enterprise owning or operating the
831 project for the benefit of the project.

832 (ww) Sales of component materials used in the
833 construction of a building, or any expansion or improvement
834 thereon, sales of machinery and/or equipment to be used therein,
835 and sales of processing machinery and equipment which is
836 permanently attached to the ground or to a permanent foundation

837 which is not by its nature intended to be housed in a building
838 structure, no later than three (3) months after initial startup,
839 expansion or improvement of a permanent enterprise solely engaged
840 in the conversion of natural sand into proppants used in oil and
841 gas exploration and development with at least ninety-five percent
842 (95%) of such proppants used in the production of oil and/or gas
843 from horizontally drilled wells and/or horizontally drilled
844 recompletion wells as defined in Sections 27-25-501 and 27-25-701.

845 (xx) (i) Sales or leases to an enterprise operating a
846 project that has been certified by the Mississippi Major Economic
847 Impact Authority as a project as defined in Section
848 57-75-5(f)(xxxi), for a period ending no later than one (1) year
849 following completion of the construction of the facility or
850 facilities comprising such project of all personal property and
851 fixtures, including without limitation, sales or leases to the
852 enterprise and its affiliates of:

853 1. Manufacturing machinery and equipment;

854 2. Special tooling such as dies, molds, jigs
855 and similar items treated as special tooling for federal income
856 tax purposes;

857 3. Component building materials, machinery
858 and equipment used in the construction of buildings, and any other
859 additions or improvements to the project site for the project;

860 4. Nonmanufacturing furniture, fixtures and
861 equipment (inclusive of all communications, computer, server,
862 software and other hardware equipment);

863 5. Replacements of, repair parts for or
864 services to repair items described in this subparagraph (i)1, 2
865 and 3; and

866 6. All services taxable pursuant to Section
867 27-65-23 required to establish, support, operate, repair and/or
868 maintain such project; and

869 (ii) Sales or leases to an enterprise operating a
870 project that has been certified by the Mississippi Major Economic
871 Impact Authority as a project as defined in Section
872 57-75-5(f) (xxxi) of electricity, current, power, steam, coal,
873 natural gas, liquefied petroleum gas or other fuel, biomass,
874 nitrogen or other atmospheric or other industrial gases used
875 directly by the enterprise in the manufacturing/production
876 operations of its project or used to provide climate control for
877 manufacturing/production areas (which manufacturing/production
878 areas shall be apportioned based on square footage). As used in
879 this paragraph, the term "biomass" shall have the meaning ascribed
880 to such term in Section 57-113-1.

881 (yy) The gross proceeds from the sale of any item of
882 tangible personal property by the manufacturer or custom processor
883 thereof if such item is shipped, transported or exported from this
884 state and first used in another state, whether such shipment,
885 transportation or exportation is made by the seller, purchaser, or
886 any third party acting on behalf of such party. For the purposes
887 of this paragraph (yy), any instruction to, training of or
888 inspection by the purchaser with respect to the item prior to

889 shipment, transportation or exportation of the item shall not
890 constitute a first use of such item within this state.

891 (zz) (i) Sales or leases to an enterprise operating a
892 project that has been certified by the Mississippi Major Economic
893 Impact Authority as a project as defined in Section
894 57-75-5(f)(xxxii), for a period ending no later than one (1) year
895 following completion of the construction of the facility or
896 facilities comprising such project of all personal property and
897 fixtures, including, without limitation, sales or leases to the
898 enterprise and its affiliates of:

899 1. Manufacturing machinery and equipment;

900 2. Special tooling such as dies, molds, jigs
901 and similar items treated as special tooling for federal income
902 tax purposes;

903 3. Component building materials, machinery
904 and equipment used in the construction of buildings, and any other
905 additions or improvements to the project site for the project;

906 4. Nonmanufacturing furniture, fixtures and
907 equipment (inclusive of all communications, computer, server,
908 software and other hardware equipment);

909 5. Replacements of, repair parts for or
910 services to repair items described in this subparagraph (i)1, 2
911 and 3; and

912 6. All services taxable pursuant to Section
913 27-65-23 required to establish, support, operate, repair and/or
914 maintain such project; and

915 (ii) Sales or leases to an enterprise operating a
916 project that has been certified by the Mississippi Major Economic
917 Impact Authority as a project as defined in Section
918 57-75-5(f) (xxxii) of electricity, current, power, steam, coal,
919 natural gas, liquefied petroleum gas or other fuel, biomass,
920 nitrogen or other atmospheric or other industrial gases used
921 directly by the enterprise in the manufacturing/production
922 operations of its project or used to provide climate control for
923 manufacturing/production areas (which manufacturing/production
924 areas shall be apportioned based on square footage). As used in
925 this paragraph, the term "biomass" shall have the meaning ascribed
926 to such term in Section 57-113-1.

927 (aaa) Sales or leases to an enterprise and/or any
928 affiliates thereof operating a project that has been certified by
929 the Mississippi Major Economic Impact Authority as a project as
930 defined in Section 57-75-5(f) (xxxiii) of:

931 (i) Component building materials, fixtures,
932 machinery and equipment used in the construction of a data
933 processing facility or other buildings comprising all or part of a
934 project, for a period ending no later than one (1) year following
935 completion of the construction of the data processing facility or
936 such other building; and

937 (ii) All equipment and other personal property
938 needed to establish and operate the project and any expansions
939 thereof or additions thereto, including, but not limited to:

940 1. Communications, computer, server,
941 software, connectivity materials and equipment, emergency power
942 generation equipment, other hardware equipment and any other
943 technology;

944 2. All replacements of, and repair parts for,
945 such equipment or other personal property; and

946 3. All services taxable pursuant to Section
947 27-65-23 required to install, support, operate, repair and/or
948 maintain the foregoing equipment and other personal property
949 described in this subparagraph (ii).

950 (bbb) Sales, leases or other retail transfers of
951 fixed-wing aircraft to, or to be used by, certified common
952 carriers in the transport of persons or property in interstate,
953 intrastate or foreign commerce, and engines, accessories and spare
954 parts for such fixed-wing aircraft.

955 (2) Sales of component materials used in the construction of
956 a building, or any addition or improvement thereon, sales of
957 machinery and equipment to be used therein, and sales of
958 manufacturing or processing machinery and equipment which is
959 permanently attached to the ground or to a permanent foundation
960 and which is not by its nature intended to be housed within a
961 building structure, not later than three (3) months after the
962 initial start-up date, to permanent business enterprises engaging
963 in manufacturing or processing in Tier Two areas and Tier One
964 areas (as such areas are designated in accordance with Section
965 57-73-21), which businesses are certified by the Department of

966 Revenue as being eligible for the exemption granted in this
967 subsection, shall be exempt from one-half (1/2) of the taxes
968 imposed on such transactions under this chapter. The exemption
969 provided in this subsection (2) shall not apply to sales to any
970 business enterprise that is a medical cannabis establishment as
971 defined in the Mississippi Medical Cannabis Act.

972 (3) Sales of component materials used in the construction of
973 a facility, or any addition or improvement thereon, and sales or
974 leases of machinery and equipment not later than three (3) months
975 after the completion of construction of the facility, or any
976 addition or improvement thereto, to be used in the building or any
977 addition or improvement thereto, to a permanent business
978 enterprise operating a data/information enterprise in Tier Two
979 areas and Tier One areas (as such areas are designated in
980 accordance with Section 57-73-21), which businesses meet minimum
981 criteria established by the Mississippi Development Authority,
982 shall be exempt from one-half (1/2) of the taxes imposed on such
983 transaction under this chapter. The exemption provided in this
984 subsection (3) shall not apply to sales to any business enterprise
985 that is a medical cannabis establishment as defined in the
986 Mississippi Medical Cannabis Act.

987 (4) Sales of component materials used in the construction of
988 a facility, or any addition or improvement thereto, and sales of
989 machinery and equipment not later than three (3) months after the
990 completion of construction of the facility, or any addition or
991 improvement thereto, to be used in the building or any addition or

992 improvement thereto, to technology intensive enterprises for
993 industrial purposes in Tier Two areas and Tier One areas (as such
994 areas are designated in accordance with Section 57-73-21), which
995 businesses are certified by the Department of Revenue as being
996 eligible for the exemption granted in this subsection, shall be
997 exempt from one-half (1/2) of the taxes imposed on such
998 transactions under this chapter. For purposes of this subsection,
999 an enterprise must meet the criteria provided for in Section
1000 27-65-17(1)(f) in order to be considered a technology intensive
1001 enterprise.

1002 (5) (a) For purposes of this subsection:

1003 (i) "Telecommunications enterprises" shall have
1004 the meaning ascribed to such term in Section 57-73-21;

1005 (ii) "Tier One areas" mean counties designated as
1006 Tier One areas pursuant to Section 57-73-21;

1007 (iii) "Tier Two areas" mean counties designated as
1008 Tier Two areas pursuant to Section 57-73-21;

1009 (iv) "Tier Three areas" mean counties designated
1010 as Tier Three areas pursuant to Section 57-73-21; and

1011 (v) "Equipment used in the deployment of broadband
1012 technologies" means any equipment capable of being used for or in
1013 connection with the transmission of information at a rate, prior
1014 to taking into account the effects of any signal degradation, that
1015 is not less than three hundred eighty-four (384) kilobits per
1016 second in at least one (1) direction, including, but not limited
1017 to, asynchronous transfer mode switches, digital subscriber line

1018 access multiplexers, routers, servers, multiplexers, fiber optics
1019 and related equipment.

1020 (b) Sales of equipment to telecommunications
1021 enterprises after June 30, 2003, and before July 1, 2025, that is
1022 installed in Tier One areas and used in the deployment of
1023 broadband technologies shall be exempt from one-half (1/2) of the
1024 taxes imposed on such transactions under this chapter.

1025 (c) Sales of equipment to telecommunications
1026 enterprises after June 30, 2003, and before July 1, 2025, that is
1027 installed in Tier Two and Tier Three areas and used in the
1028 deployment of broadband technologies shall be exempt from the
1029 taxes imposed on such transactions under this chapter.

1030 (6) Sales of component materials used in the replacement,
1031 reconstruction or repair of a building that has been destroyed or
1032 sustained extensive damage as a result of a disaster declared by
1033 the Governor, sales of machinery and equipment to be used therein
1034 to replace machinery or equipment damaged or destroyed as a result
1035 of such disaster, including, but not limited to, manufacturing or
1036 processing machinery and equipment which is permanently attached
1037 to the ground or to a permanent foundation and which is not by its
1038 nature intended to be housed within a building structure, to
1039 enterprises that were eligible for the partial exemptions provided
1040 for in subsections (2), (3) and (4) of this section during initial
1041 construction of the building that was destroyed or damaged, which
1042 enterprises are certified by the Department of Revenue as being
1043 eligible for the partial exemption granted in this subsection,

1044 shall be exempt from one-half (1/2) of the taxes imposed on such
1045 transactions under this chapter.

1046 **SECTION 10.** This act shall take effect and be in force from
1047 and after June 30, 2025.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 57-117-11, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE DATE OF THE REPEALER ON THE MISSISSIPPI HEALTH CARE
3 INDUSTRY ZONE ACT; TO BRING FORWARD SECTIONS 57-117-1 THROUGH
4 57-117-9, MISSISSIPPI CODE OF 1972, WHICH CONSTITUTE THE
5 MISSISSIPPI HEALTH CARE INDUSTRY ZONE ACT, FOR THE PURPOSE OF
6 POSSIBLE AMENDMENT; TO AMEND SECTION 27-31-101, MISSISSIPPI CODE
7 OF 1972, TO EXTEND THE DATE BY WHICH COUNTY BOARDS OF SUPERVISORS
8 AND MUNICIPAL GOVERNING AUTHORITIES MAY GRANT AN AD VALOREM TAX
9 EXEMPTION TO HEALTH CARE INDUSTRY FACILITIES; TO REMOVE THE
10 REVERTER ON THE STATUTE; TO AMEND SECTION 27-31-104, MISSISSIPPI
11 CODE OF 1972, TO EXTEND THE DATE BY WHICH COUNTY BOARDS OF
12 SUPERVISORS AND MUNICIPAL GOVERNING AUTHORITIES MAY GRANT A
13 FEE-IN-LIEU OF AD VALOREM TAXES TO QUALIFIED BUSINESSES UNDER THE
14 MISSISSIPPI HEALTH CARE INDUSTRY ZONE ACT WHICH MEET MINIMUM
15 CRITERIA ESTABLISHED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO
16 REMOVE THE REVERTER ON THE STATUTE; TO AMEND SECTION 27-65-101,
17 MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF THE REPEALER ON
18 THE PROVISION OF LAW EXEMPTING FROM SALES TAXATION SALES OF
19 MATERIALS USED IN THE CONSTRUCTION OF, OR ADDITION OR IMPROVEMENTS
20 TO, A HEALTH CARE INDUSTRY FACILITY AND CERTAIN SALES OF MACHINERY
21 AND EQUIPMENT TO BE USED IN THE FACILITY; AND FOR RELATED
22 PURPOSES.

SS08\HB1341A.J

Amanda White
Secretary of the Senate