

**Lost
AMENDMENT NO 3 PROPOSED TO**

Cmte Sub for Senate Bill No. 3095

BY: Senator(s) Bryan

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

18 **SECTION 1.** Section 27-65-17, Mississippi Code of 1972, is
19 amended as follows:

20 27-65-17. (1) (a) Except as otherwise provided in this
21 section, upon every person engaging or continuing within this
22 state in the business of selling any tangible personal property
23 whatsoever there is hereby levied, assessed and shall be collected
24 a tax equal to seven percent (7%) of the gross proceeds of the
25 retail sales of the business.

26 (b) Retail sales of farm tractors and parts and labor
27 used to maintain and/or repair such tractors shall be taxed at the



rate of one and one-half percent (1-1/2%) when made to farmers for agricultural purposes.

(c) (i) Retail sales of farm implements sold to farmers and used directly in the production of poultry, ratite, domesticated fish as defined in Section 69-7-501, livestock, livestock products, agricultural crops or ornamental plant crops or used for other agricultural purposes, and parts and labor used to maintain and/or repair such implements, shall be taxed at the rate of one and one-half percent (1-1/2%) when used on the farm.

(ii) The one and one-half percent (1-1/2%) rate shall also apply to all equipment used in logging, pulpwood operations or tree farming, and parts and labor used to maintain and/or repair such equipment, which is either:

1. Self-propelled, or
2. Mounted so that it is permanently attached to other equipment which is self-propelled or attached to other equipment drawn by a vehicle which is self-propelled.

In order to be eligible for the rate of tax provided for in this subparagraph (ii), such sales must be made to a professional logger. For the purposes of this subparagraph (ii), a "professional logger" is a person, corporation, limited liability company or other entity, or an agent thereof, who possesses a professional logger's permit issued by the Department of Revenue and who presents the permit to the seller at the time of purchase. The department shall establish an application process for a



professional logger's permit to be issued, which shall include a requirement that the applicant submit a copy of documentation verifying that the applicant is certified according to Sustainable Forestry Initiative guidelines. Upon a determination that an applicant is a professional logger, the department shall issue the applicant a numbered professional logger's permit.

(d) Except as otherwise provided in subsection (3) of this section, retail sales of aircraft, automobiles, trucks, truck-tractors, semitrailers and manufactured or mobile homes shall be taxed at the rate of three percent (3%).

(e) Sales of manufacturing machinery or manufacturing machine parts when made to a manufacturer or custom processor for plant use only when the machinery and machine parts will be used exclusively and directly within this state in manufacturing a commodity for sale, rental or in processing for a fee shall be taxed at the rate of one and one-half percent (1-1/2%).

(f) Sales of machinery and machine parts when made to a technology intensive enterprise for plant use only when the machinery and machine parts will be used exclusively and directly within this state for industrial purposes, including, but not limited to, manufacturing or research and development activities, shall be taxed at the rate of one and one-half percent (1-1/2%). In order to be considered a technology intensive enterprise for purposes of this paragraph:



(i) The enterprise shall meet minimum criteria established by the Mississippi Development Authority;

(ii) The enterprise shall employ at least ten (10) persons in full-time jobs;

(iii) At least ten percent (10%) of the workforce in the facility operated by the enterprise shall be scientists, engineers or computer specialists;

(iv) The enterprise shall manufacture plastics, chemicals, automobiles, aircraft, computers or electronics; or shall be a research and development facility, a computer design or related facility, or a software publishing facility or other technology intensive facility or enterprise as determined by the Mississippi Development Authority;

(v) The average wage of all workers employed by the enterprise at the facility shall be at least one hundred fifty percent (150%) of the state average annual wage; and

(vi) The enterprise must provide a basic health care plan to all employees at the facility.

A medical cannabis establishment, as defined in the Mississippi Medical Cannabis Act, shall not be considered to be a technology intensive enterprise for the purposes of this paragraph (f).

(g) Sales of materials for use in track and track structures to a railroad whose rates are fixed by the Interstate



Commerce Commission or the Mississippi Public Service Commission shall be taxed at the rate of three percent (3%).

(h) Sales of tangible personal property to electric power associations for use in the ordinary and necessary operation of their generating or distribution systems shall be taxed at the rate of one percent (1%).

(i) Wholesale sales of food and drink for human consumption to full-service vending machine operators to be sold through vending machines located apart from and not connected with other taxable businesses shall be taxed at the rate of eight percent (8%).

(j) Sales of equipment used or designed for the purpose of assisting disabled persons, such as wheelchair equipment and lifts, that is mounted or attached to or installed on a private carrier of passengers or light carrier of property, as defined in Section 27-51-101, at the time when the private carrier of passengers or light carrier of property is sold shall be taxed at the same rate as the sale of such vehicles under this section.

(k) Sales of the factory-built components of modular homes, panelized homes and precut homes, and panel constructed homes consisting of structural insulated panels, shall be taxed at the rate of three percent (3%).

(l) Sales of materials used in the repair, renovation, addition to, expansion and/or improvement of buildings and related facilities used by a dairy producer shall be taxed at the rate of



three and one-half percent (3-1/2%). For the purposes of this paragraph (1), "dairy producer" means any person engaged in the production of milk for commercial use.

(m) Sales of equipment and materials used in connection with geophysical surveying, exploring, developing, drilling, redrilling, completing, working over, producing, distributing, or testing of oil, gas and other mineral resources shall be taxed at the rate of four and one-half percent (4-1/2%). Operators that rebill sales of equipment and materials to nonoperating working interest owners on behalf of a joint account through the joint interest billing (JIB), where the sales tax has been paid or accrued by the operator shall not be charged a sales tax on the JIB as services income.

(n) Retail sales of food or drink for human consumption not purchased with food stamps issued by the United States Department of Agriculture or other federal agency, but which would be exempt under Section 27-65-111(o) from the taxes imposed by this chapter if the food items were purchased with food stamps, shall be taxed at the rate of three and one-half percent (3.5%) from and after July 1, 2025.

(2) From and after January 1, 1995, retail sales of private carriers of passengers and light carriers of property, as defined in Section 27-51-101, shall be taxed an additional two percent (2%).



(3) A manufacturer selling at retail in this state shall be required to make returns of the gross proceeds of such sales and pay the tax imposed in this section.

SECTION 2. Section 27-65-241, Mississippi Code of 1972, is amended as follows:

27-65-241. (1) As used in this section, the following terms shall have the meanings ascribed to them in this section unless otherwise clearly indicated by the context in which they are used:

(a) "Hotel" or "motel" means and includes a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. Such terms shall not include a place of lodging with ten (10) or less rental units.

(b) "Municipality" means any municipality in the State of Mississippi with a population of one hundred fifty thousand (150,000) or more according to the most recent federal decennial census.

(c) "Restaurant" means and includes all places where prepared food is sold and whose annual gross proceeds of sales or gross income for the preceding calendar year equals or exceeds One Hundred Thousand Dollars (\$100,000.00). The term "restaurant" shall not include any nonprofit organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. For the purpose of calculating gross proceeds of sales or gross income, the sales or income of all establishments



owned, operated or controlled by the same person, persons or corporation shall be aggregated.

(2) (a) Subject to the provisions of this section, the governing authorities of a municipality may impose upon all persons as a privilege for engaging or continuing in business or doing business within such municipality, a special sales tax at the rate of not more than one percent (1%) of the gross proceeds of sales or gross income of the business, as the case may be, derived from any of the activities taxed at the rate of seven percent (7%) or more under the Mississippi Sales Tax Law, Section 27-65-1 et seq.

(b) The tax levied under this section shall apply to every person making sales of tangible personal property or services within the municipality but shall not apply to:

(i) Sales exempted by Sections 27-65-19, 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and 27-65-111 of the Mississippi Sales Tax Law;

(ii) Gross proceeds of sales or gross income of restaurants derived from the sale of food and beverages;

(iii) Gross proceeds of sales or gross income of hotels and motels derived from the sale of hotel rooms and motel rooms for lodging purposes;

* * *

(* * *iv) Gross income of businesses engaging or continuing in the business of TV cable systems, subscription TV



services, and other similar activities, including, but not limited to, cable Internet services;

(* * * y) Wholesale sales of food and drink for human consumption sold to full service vending machine operators; and

(* * * vi) Wholesale sales of light wine, light spirit product, beer and alcoholic beverages.

(3) (a) Before any tax authorized under this section may be imposed, the governing authorities of the municipality shall adopt a resolution declaring its intention to levy the tax, setting forth the amount of the tax to be imposed, the purposes for which the revenue collected pursuant to the tax levy may be used and expended, the date upon which the tax shall become effective, the date upon which the tax shall be repealed, and calling for an election to be held on the question. The date of the election shall be set in the resolution. Notice of the election shall be published once each week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the municipality, with the first publication of the notice to be made not less than twenty-one (21) days before the date fixed in the resolution for the election and the last publication to be made not more than seven (7) days before the election. At the election, all qualified electors of the municipality may vote. The ballots used at the election shall have printed thereon a brief description of the sales tax, the amount of the sales tax



225 levy, a description of the purposes for which the tax revenue may
226 be used and expended and the words "FOR THE LOCAL SALES TAX" and
227 "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing
228 a cross (X) or check mark (✓) opposite his choice on the
229 proposition. When the results of the election have been canvassed
230 by the election commissioners of the municipality and certified by
231 them to the governing authorities, it shall be the duty of such
232 governing authorities to determine and adjudicate whether at least
233 three-fifths (3/5) of the qualified electors who voted in the
234 election voted in favor of the tax. If at least three-fifths
235 (3/5) of the qualified electors who voted in the election voted in
236 favor of the tax, the governing authorities shall adopt a
237 resolution declaring the levy and collection of the tax provided
238 in this section and shall set the first day of the second month
239 following the date of such adoption as the effective date of the
240 tax levy. A certified copy of this resolution, together with the
241 result of the election, shall be furnished to the Department of
242 Revenue not less than thirty (30) days before the effective date
243 of the levy.

244 (b) A municipality shall not hold more than two (2)
245 elections under this subsection.

246 (4) The revenue collected pursuant to the tax levy imposed
247 under this section may be expended to pay the cost of road and
248 street repair, reconstruction and resurfacing projects based on
249 traffic patterns, need and usage, and to pay the costs of water,



sewer and drainage projects in accordance with a master plan adopted by the commission established pursuant to subsection (7).

(5) (a) The special sales tax authorized by this section shall be collected by the Department of Revenue, shall be accounted for separately from the amount of sales tax collected for the state in the municipality and shall be paid to the municipality. The Department of Revenue may retain one percent (1%) of the proceeds of such tax for the purpose of defraying the costs incurred by the department in the collection of the tax. Payments to the municipality shall be made by the Department of Revenue on or before the fifteenth day of the month following the month in which the tax was collected. However, if a municipality fails to comply with the audit, reporting and/or report filing requirements of paragraph (b) of this subsection and does not remedy such noncompliance within thirty (30) days after receiving written notice of noncompliance, the Department of Revenue shall withhold payments otherwise payable to the municipality under this paragraph (a) until the department receives written notice that the municipality has complied with such requirements.

(b) The proceeds of the special sales tax shall be placed into a special municipal fund apart from the municipal general fund and any other funds of the municipality, and shall be expended by the municipality solely for the purposes authorized in subsection (4) of this section. The records reflecting the receipts and expenditures of the revenue from the special sales



tax shall be provided in detail to the members of the commission monthly, to include the name of the vendor and the project, and the dates and amounts received and paid, and shall also be audited annually by an independent certified public accountant. The accountant shall make a report of his findings to the governing authorities of the municipality and file a copy of his report with the Secretary of the Senate and the Clerk of the House of Representatives and the commission members. The audit shall be made and completed as soon as practical after the close of the fiscal year of the municipality, and expenses of the audit shall be paid from the funds derived by the municipality pursuant to this section.

(c) Any expenditure from the special municipal fund defined in paragraph (b) above that was not for a project approved by the commission, or was in excess of the amount approved by the commission, shall be reimbursed by the city to the special fund.

(d) All provisions of the Mississippi Sales Tax Law applicable to filing of returns, discounts to the taxpayer, remittances to the Department of Revenue, enforced collection, rights of taxpayers, recovery of improper taxes, refunds of overpaid taxes or other provisions of law providing for imposition and collection of the state sales tax shall apply to the special sales tax authorized by this section, except where there is a conflict, in which case the provisions of this section shall control. Any damages, penalties or interest collected for the



nonpayment of taxes imposed under this section, or for noncompliance with the provisions of this section, shall be paid to the municipality on the same basis and in the same manner as the tax proceeds. Any overpayment of tax for any reason that has been disbursed to a municipality or any payment of the tax to a municipality in error may be adjusted by the Department of Revenue on any subsequent payment to the municipality pursuant to the provisions of the Mississippi Sales Tax Law. The Department of Revenue may, from time to time, make such rules and regulations not inconsistent with this section as may be deemed necessary to carry out the provisions of this section, and such rules and regulations shall have the full force and effect of law.

(6) If a municipality expands its corporate boundaries, the governing authorities of the municipality may not impose the special sales tax in the annexed area unless the tax is approved at an election conducted, as far as is practicable, in the manner provided in subsection (3) of this section, except that only qualified electors in the annexed area may vote in the election.

(7) (a) Any municipality that levies the special sales tax authorized under this section shall establish a commission as provided for in this section. Expenditures of revenue from the special sales tax authorized by this section shall be in accordance with a master plan adopted by the commission pursuant to this subsection.



324 (b) The commission shall be composed of ten (10) voting
325 members who shall be known as commissioners appointed as follows:

326 (i) Four (4) members representing the business
327 community in the municipality appointed by the local chamber of
328 commerce for initial terms of one (1), two (2), four (4) and five
329 (5) years respectively. The members appointed pursuant to this
330 paragraph shall be persons who represent businesses located within
331 the city limits of the municipality.

332 (ii) Three (3) members shall be appointed at large
333 by the mayor of the municipality, with the advice and consent of
334 the legislative body of the municipality, for initial terms of two
335 (2), three (3) and four (4) years respectively. All appointments
336 made by the mayor pursuant to this paragraph shall be residents of
337 the municipality.

338 (iii) One (1) member shall be appointed at large
339 by the Governor for an initial term of four (4) years. All
340 appointments made by the Governor pursuant to this paragraph shall
341 be residents of the municipality.

342 (iv) One (1) member shall be appointed at large by
343 the Lieutenant Governor for an initial term of four (4) years.
344 All appointments made by the Lieutenant Governor pursuant to this
345 paragraph shall be residents of the municipality.

346 (v) One (1) member shall be appointed at large by
347 the Speaker of the House of Representatives for a term of four (4)
348 years. All appointments made by the Speaker of the House of



Representatives pursuant to this paragraph shall be residents of the municipality.

(c) The terms of all appointments made subsequent to the initial appointment shall be made for five (5) years. Any vacancy which may occur shall be filled in the same manner as the original appointment and shall be made for the unexpired term.

(d) The mayor of the municipality shall designate a chairman of the commission from among the membership of the commission. The vice chairman and secretary shall be elected by the commission from among the membership of the commission for a term of two (2) years. The vice chairman and secretary may be reelected, and the chairman may be reappointed.

(e) The commissioners shall serve without compensation.

(f) Any commissioner shall be disqualified and shall be removed from office for either of the following reasons:

(i) Conviction of a felony in any state court or in federal court; or

(ii) Failure to attend three (3) consecutive meetings without just cause.

If a commissioner is removed for any of the above reasons, the vacancy shall be filled in the manner prescribed in this section and shall be made for the unexpired term.

(g) A quorum shall consist of six (6) voting members of the commission. The commission shall adopt such rules and



373 regulations as may govern the time and place for holding meetings,
374 regular and special.

375 (h) The commission shall, with input from the
376 municipality, establish a master plan for road and street repair,
377 reconstruction and resurfacing projects based on traffic patterns,
378 need and usage, and for water, sewer and drainage projects.
379 Expenditures of the revenue from the tax authorized to be imposed
380 pursuant to this section shall be made at the discretion of the
381 governing authorities of the municipality if the expenditures
382 comply with the master plan. The commission shall monitor the
383 compliance of the municipality with the master plan.

384 (8) The governing authorities of any municipality that
385 levies the special sales tax authorized under this section are
386 authorized to incur debt, including bonds, notes or other
387 evidences of indebtedness, for the purpose of paying the costs of
388 road and street repair, reconstruction and resurfacing projects
389 based on traffic patterns, need and usage, and to pay the costs of
390 water, sewer and drainage projects in accordance with a master
391 plan adopted by the commission established pursuant to subsection
392 (7) of this section. Any bonds or notes issued to pay such costs
393 may be secured by the proceeds of the special sales tax levied
394 pursuant to this section or may be general obligations of the
395 municipality and shall satisfy the requirements for the issuance
396 of debt provided by Sections 21-33-313 through 21-33-323.



(9) This section shall stand repealed from and after July 1, 2035.

SECTION 3. Section 27-65-75, Mississippi Code of 1972, 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, 27-65-19(3), 27-65-21 and 27-65-24, 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 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), 27-65-21 and 27-65-24, on business activities within a municipal corporation shall be allocated for distribution and paid to the municipal corporation. On or before September 15, 2025, and each succeeding month thereafter, thirty-seven percent (37%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) on business activities within a municipal corporation shall be allocated for distribution and paid to the municipal corporation. However, in the event the State Auditor issues a certificate of noncompliance pursuant to Section 21-35-31, the department * * * shall withhold ten percent (10%) of the allocations and payments to the municipality that would otherwise be payable to the municipality under this paragraph (a) until such time that the department receives written notice of the cancellation of a certificate of noncompliance from the State Auditor.

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

Monies allocated for distribution and credited to a municipal corporation under this paragraph may be pledged as security for a loan if the distribution received by the municipal corporation is



otherwise authorized or required by law to be pledged as security for such a loan.

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

(b) On or before August 15, 2006, 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, 27-65-19(3) and 27-65-21, on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution to the state institution of higher learning or community or junior college and paid to the state institution of higher learning or community or junior college. On or before 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 on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution and paid to the state institution of higher learning or community or junior college. On or before September 15, 2025, and each succeeding month thereafter, thirty-seven percent (37%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution and paid to the state institution of higher learning or community or junior college.

(c) On or before August 15, 2018, and each succeeding month thereafter until August 14, 2019, two percent (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, 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, 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 Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before September 15, 2025, and each succeeding month thereafter, nine percent (9%) 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), 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 27-5-215. On
or before September 15, 2025, and each succeeding month
thereafter, eighteen percent (18%) of the total sales tax revenue
collected during the preceding month under Section 27-65-17(1)(n)
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 27-5-215.

(d) (i) Except as otherwise provided in this paragraph
(d), on or before the fifteenth day of the month that the
diversion authorized by this section begins, and each succeeding
month thereafter, 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, 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 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 thirty-seven percent (37%) 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.



570 (* * *iii) Before any sales tax revenue may be
571 allocated for distribution to a county under this paragraph (d),
572 the county shall certify to the Department of Revenue that the
573 requirements of this paragraph (d) have been met, the amount of
574 bonded indebtedness that has been incurred by the county for the
575 redevelopment project and the expected date the indebtedness
576 incurred by the county will be satisfied.

577 (* * *iv) The diversion of sales tax revenue
578 authorized by this paragraph (d) shall begin the month following
579 the month in which the Department of Revenue determines that the
580 requirements of this paragraph (d) have been met. The diversion
581 shall end the month the indebtedness incurred by the county is
582 satisfied. All revenue received by the county under this
583 paragraph (d) shall be deposited in the fund required to be
584 created in the tax increment financing plan under Section 21-45-11
585 and be utilized solely to satisfy the indebtedness incurred by the
586 county.

587 (2) On or before September 15, 1987, and each succeeding
588 month thereafter, from the revenue collected under this chapter
589 during the preceding month, One Million One Hundred Twenty-five
590 Thousand Dollars (\$1,125,000.00) shall be allocated for
591 distribution to municipal corporations as defined under subsection
592 (1) of this section in the proportion that the number of gallons
593 of gasoline and diesel fuel sold by distributors to consumers and
594 retailers in each such municipality during the preceding fiscal



595 year bears to the total gallons of gasoline and diesel fuel sold
596 by distributors to consumers and retailers in municipalities
597 statewide during the preceding fiscal year. The Department of
598 Revenue shall require all distributors of gasoline and diesel fuel
599 to report to the department monthly the total number of gallons of
600 gasoline and diesel fuel sold by them to consumers and retailers
601 in each municipality during the preceding month. The Department
602 of Revenue shall have the authority to promulgate such rules and
603 regulations as is necessary to determine the number of gallons of
604 gasoline and diesel fuel sold by distributors to consumers and
605 retailers in each municipality. In determining the percentage
606 allocation of funds under this subsection for the fiscal year
607 beginning July 1, 1987, and ending June 30, 1988, the Department
608 of Revenue may consider gallons of gasoline and diesel fuel sold
609 for a period of less than one (1) fiscal year. For the purposes
610 of this subsection, the term "fiscal year" means the fiscal year
611 beginning July 1 of a year.

612 (3) On or before September 15, 1987, and on or before the
613 fifteenth day of each succeeding month, until the date specified
614 in Section 65-39-35, the proceeds derived from contractors' taxes
615 levied under Section 27-65-21 on contracts for the construction or
616 reconstruction of highways designated under the highway program
617 created under Section 65-3-97 shall, except as otherwise provided
618 in Section 31-17-127, be deposited into the State Treasury to the
619 credit of the State Highway Fund to be used to fund that highway



620 program. The Mississippi Department of Transportation shall
621 provide to the Department of Revenue such information as is
622 necessary to determine the amount of proceeds to be distributed
623 under this subsection.

624 (4) On or before August 15, 1994, and on or before the
625 fifteenth day of each succeeding month through July 15, 1999, from
626 the proceeds of gasoline, diesel fuel or kerosene taxes as
627 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
628 (\$4,000,000.00) shall be deposited in the State Treasury to the
629 credit of a special fund designated as the "State Aid Road Fund,"
630 created by Section 65-9-17. On or before August 15, 1999, and on
631 or before the fifteenth day of each succeeding month, from the
632 total amount of the proceeds of gasoline, diesel fuel or kerosene
633 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
634 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
635 one-fourth percent (23-1/4%) of those funds, whichever is the
636 greater amount, shall be deposited in the State Treasury to the
637 credit of the "State Aid Road Fund," created by Section 65-9-17.
638 Those funds shall be pledged to pay the principal of and interest
639 on state aid road bonds heretofore issued under Sections 19-9-51
640 through 19-9-77, in lieu of and in substitution for the funds
641 previously allocated to counties under this section. Those funds
642 may not be pledged for the payment of any state aid road bonds
643 issued after April 1, 1981; however, this prohibition against the
644 pledging of any such funds for the payment of bonds shall not



645 apply to any bonds for which intent to issue those bonds has been
646 published for the first time, as provided by law before March 29,
647 1981. From the amount of taxes paid into the special fund under
648 this subsection and subsection (9) of this section, there shall be
649 first deducted and paid the amount necessary to pay the expenses
650 of the Office of State Aid Road Construction, as authorized by the
651 Legislature for all other general and special fund agencies. The
652 remainder of the funds shall be allocated monthly to the several
653 counties in accordance with the following formula:

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

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

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

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

667 The amount of funds allocated to any county under this
668 subsection for any fiscal year after fiscal year 1994 shall not be
669 less than the amount allocated to the county for fiscal year 1994.



670 Any reference in the general laws of this state or the
671 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
672 construed to refer and apply to subsection (4) of Section
673 27-65-75.

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

679 (6) An amount each month beginning August 15, 1983, through
680 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
681 1983, shall be paid into the special fund known as the
682 Correctional Facilities Construction Fund created in Section 6,
683 Chapter 542, Laws of 1983.

684 (7) On or before August 15, 1992, and each succeeding month
685 thereafter through July 15, 2000, two and two hundred sixty-six
686 one-thousandths percent (2.266%) of the total sales tax revenue
687 collected during the preceding month under the provisions of this
688 chapter, except that collected under the provisions of Section
689 27-65-17(2), shall be deposited by the department into the School
690 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
691 or before August 15, 2000, and each succeeding month thereafter
692 through August 15, 2025, two and two hundred sixty-six
693 one-thousandths percent (2.266%) of the total sales tax revenue
694 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 four and five hundred thirty-two one-thousandths percent (4.532%) 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 eighteen and one hundred forty-six one-thousandths percent (18.146%) 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 created under Section 69-37-39. On or before August 15, 2007, and each succeeding month thereafter through July 15, 2010, 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 created under Section 69-37-39 until all debts or other obligations incurred by the Certified Cotton Growers Organization under the Mississippi Boll Weevil Management Act before January 1, 2007, are satisfied in full. On or before August 15, 2010, and each succeeding month thereafter through July 15, 2011, fifty percent (50%) of 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 into the special fund created under Section 69-37-39



795 until such time that the total amount deposited into the fund
796 during a fiscal year equals One Million Dollars (\$1,000,000.00).
797 On or before August 15, 2011, and each succeeding month
798 thereafter, that portion of the avails of the tax imposed in
799 Section 27-65-23 that is derived from sales by cotton compresses
800 or cotton warehouses and that would otherwise be paid into the
801 General Fund shall be deposited into the special fund created
802 under Section 69-37-39 until such time that the total amount
803 deposited into the fund during a fiscal year equals One Million
804 Dollars (\$1,000,000.00).

805 (15) Notwithstanding any other provision of this section to
806 the contrary, on or before September 15, 2000, and each succeeding
807 month thereafter, the sales tax revenue collected during the
808 preceding month under the provisions of Section
809 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
810 without diversion, into the Telecommunications Ad Valorem Tax
811 Reduction Fund established in Section 27-38-7.

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



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

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

834 (18) [Repealed]

835 (19) (a) On or before August 15, 2005, and each succeeding
836 month thereafter, the sales tax revenue collected during the
837 preceding month under the provisions of this chapter on the gross
838 proceeds of sales of a business enterprise located within a
839 redevelopment project area under the provisions of Sections
840 57-91-1 through 57-91-11, and the revenue collected on the gross
841 proceeds of sales from sales made to a business enterprise located
842 in a redevelopment project area under the provisions of Sections
843 57-91-1 through 57-91-11 (provided that such sales made to a



business enterprise are made on the premises of the business enterprise), shall, except as otherwise provided in this subsection (19), be deposited, after all diversions, into the Redevelopment Project Incentive Fund as created in Section 57-91-9.

(b) For a municipality participating in the Economic Redevelopment Act created in Sections 57-91-1 through 57-91-11, the diversion provided for in subsection (1) of this section attributable to the gross proceeds of sales of a business enterprise located within a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11, and attributable to the gross proceeds of sales from sales made to a business enterprise located in a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11 (provided that such sales made to a business enterprise are made on the premises of the business enterprise), shall be deposited into the Redevelopment Project Incentive Fund as created in Section 57-91-9, as follows:

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

(ii) For the seventh year in which such payments are made to a developer from the Redevelopment Project Incentive



868 Fund, eighty percent (80%) of the diversion shall be deposited
869 into the fund;

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

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

878 (v) For the tenth year in which such payments are
879 made to a developer from the Redevelopment Project Incentive Fund,
880 fifty percent (50%) of the funds shall be deposited into the fund.

881 (20) On or before January 15, 2007, and each succeeding
882 month thereafter, eighty percent (80%) of the sales tax revenue
883 collected during the preceding month under the provisions of this
884 chapter from the operation of a tourism project under the
885 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
886 after the diversions required in subsections (7) and (8) of this
887 section, into the Tourism Sales Tax Incentive Fund created in
888 Section 57-28-3.

889 (21) (a) On or before April 15, 2007, and each succeeding
890 month thereafter through June 15, 2013, One Hundred Fifty Thousand
891 Dollars (\$150,000.00) of the sales tax revenue collected during
892 the preceding month under the provisions of this chapter shall be



893 deposited into the MMEIA Tax Incentive Fund created in Section
894 57-101-3.

895 (b) On or before July 15, 2013, and each succeeding
896 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
897 of the sales tax revenue collected during the preceding month
898 under the provisions of this chapter shall be deposited into the
899 Mississippi Development Authority Job Training Grant Fund created
900 in Section 57-1-451.

901 (22) On or before June 1, 2024, and each succeeding month
902 thereafter until December 31, 2057, an amount determined annually
903 by the Mississippi Development Authority of the sales tax revenue
904 collected during the preceding month under the provisions of this
905 chapter shall be deposited into the MMEIA Tax Incentive Fund
906 created in Section 57-125-3. This amount shall be based on
907 estimated payments due within the upcoming year to construction
908 contractors pursuant to construction contracts subject to the tax
909 imposed by Section 27-65-21 for construction to be performed on
910 the project site of a project defined under Section
911 57-75-5(f)(xxxiii) for the coming year.

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



(24) (a) On or before August 15, 2019, and each month thereafter through July 15, 2020, one percent (1%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. On or before August 15, 2020, and each month thereafter through July 15, 2021, two percent (2%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. On or before August 15, 2021, and each month thereafter, three percent (3%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. The revenue diverted pursuant to this subsection shall not be available for expenditure until February 1, 2020.

(b) The Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER) must provide an annual report to the Legislature indicating the amount of funds deposited into the Mississippi Development Authority Tourism Advertising



Fund established under Section 57-1-64, and a detailed record of how the funds are spent.

(25) On or before September 15, 2025, and each succeeding month thereafter, four percent (4%) of the total sales tax revenue collected during the preceding month this chapter shall be distributed to the Mississippi Department of Transportation for constructing, maintaining or improving segments of highways and bridges under its jurisdiction, and for operational improvements on such segments, in accordance with a project schedule as reported in the three-year plan as adopted, amended by or reissued by the Mississippi Transportation Commission under Section 65-1-141.

(* * *26) The remainder of the amounts collected under the provisions of this chapter shall be paid into the State Treasury to the credit of the General Fund.

(* * *27) (a) It shall be the duty of the municipal officials of any municipality that expands its limits, or of any community that incorporates as a municipality, to notify the commissioner of that action thirty (30) days before the effective date. Failure to so notify the commissioner shall cause the municipality to forfeit the revenue that it would have been entitled to receive during this period of time when the commissioner had no knowledge of the action.

(b) (i) Except as otherwise provided in subparagraph (ii) of this paragraph, if any funds have been erroneously



disbursed to any municipality or any overpayment of tax is recovered by the taxpayer, the commissioner may make correction and adjust the error or overpayment with the municipality by withholding the necessary funds from any later payment to be made to the municipality.

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

SECTION 4. Section 27-67-31, Mississippi Code of 1972, is amended as follows:

27-67-31. All administrative provisions of the sales tax law, and amendments thereto, including those which fix damages, penalties and interest for failure to comply with the provisions of said sales tax law, and all other requirements and duties imposed upon taxpayer, shall apply to all persons liable for use



taxes under the provisions of this article. The commissioner shall exercise all power and authority and perform all duties with respect to taxpayers under this article as are provided in said sales tax law, except where there is conflict, then the provisions of this article shall control.

The commissioner may require transportation companies to permit the examination of waybills, freight bills, or other documents covering shipments of tangible personal property into this state.

On or before the fifteenth day of each month, the amount received from taxes, damages and interest under the provisions of this article during the preceding month shall be paid and distributed as follows:

(a) On or before July 15, 1994, through July 15, 2000, and each succeeding month thereafter, two and two hundred sixty-six one-thousandths percent (2.266%) of the total use tax revenue collected during the preceding month under the provisions of this article shall be deposited in the School Ad Valorem Tax Reduction Fund created pursuant to Section 37-61-35. On or before August 15, 2000, and each succeeding month thereafter, two and two hundred sixty-six one-thousandths percent (2.266%) of the total use tax revenue collected during the preceding month under the provisions of this chapter 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



1017 fiscal year equals Four Million Dollars (\$4,000,000.00).
1018 Thereafter, the amounts diverted under this paragraph (a) during
1019 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)
1020 shall be deposited into the Education Enhancement Fund created
1021 under Section 37-61-33 for appropriation by the Legislature as
1022 other education needs and shall not be subject to the percentage
1023 appropriation requirements set forth in Section 37-61-33.

1024 (b) On or before July 15, 1994, and each succeeding
1025 month thereafter, nine and seventy-three one-thousandths percent
1026 (9.073%) of the total use tax revenue collected during the
1027 preceding month under the provisions of this article shall be
1028 deposited into the Education Enhancement Fund created pursuant to
1029 Section 37-61-33.

1030 (c) On or before July 15, 1997, and on or before the
1031 fifteenth day of each succeeding month thereafter, the revenue
1032 collected under the provisions of this article imposed and levied
1033 as a result of Section 27-65-17(2) and the corresponding levy in
1034 Section 27-65-23 on the rental or lease of private carriers of
1035 passengers and light carriers of property as defined in Section
1036 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax
1037 Reduction Fund created pursuant to Section 27-51-105.

1038 (d) On or before July 15, 1997, and on or before the
1039 fifteenth day of each succeeding month thereafter and after the
1040 deposits required by paragraphs (a) and (b) of this section are
1041 made, the remaining revenue collected under the provisions of this



1042 article imposed and levied as a result of Section 27-65-17(1) and
1043 the corresponding levy in Section 27-65-23 on the rental or lease
1044 of private carriers of passengers and light carriers of property
1045 as defined in Section 27-51-101 shall be deposited into the Motor
1046 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section
1047 27-51-105.

1048 (e) On or before August 15, 2019, and each succeeding
1049 month thereafter through July 15, 2020, three and three-fourths
1050 percent (3-3/4%) of the total use tax revenue collected during the
1051 preceding month under the provisions of this article shall be
1052 deposited into the special fund created in Section 27-67-35(1).

1053 On or before August 15, 2020, and each succeeding month thereafter
1054 through July 15, 2021, seven and one-half percent (7-1/2%) of the
1055 total use tax revenue collected during the preceding month under
1056 the provisions of this article shall be deposited into the special
1057 fund created in Section 27-67-35(1). On or before August 15,
1058 2021, and each succeeding month thereafter through July 15, 2022,
1059 eleven and one-fourth percent (11-1/4%) of the total use tax
1060 revenue collected during the preceding month under the provisions
1061 of this article shall be deposited into the special fund created
1062 in Section 27-67-35(1). On or before August 15, 2022, and each
1063 succeeding month thereafter through August 15, 2025, fifteen
1064 percent (15%) of the total use tax revenue collected during the
1065 preceding month under the provisions of this article shall be
1066 deposited into the special fund created in Section 27-67-35(1).



1067 On or before September 15, 2025, and each succeeding month
1068 thereafter, fifteen percent (15%) of the total use tax revenue
1069 collected during the preceding month under this article, except
1070 that imposed and levied as a result of Section 27-65-17(1)(n), and
1071 thirty percent (30%) of the total use tax revenue collected during
1072 the preceding month under this article imposed and levied as a
1073 result of Section 27-65-17(1)(n), shall be deposited into the
1074 special fund created in Section 27-67-35(1).

1075 (f) On or before August 15, 2019, and each succeeding
1076 month thereafter through July 15, 2020, three and three-fourths
1077 percent (3-3/4%) of the total use tax revenue collected during the
1078 preceding month under the provisions of this article shall be
1079 deposited into the special fund created in Section 27-67-35(2).

1080 On or before August 15, 2020, and each succeeding month thereafter
1081 through July 15, 2021, seven and one-half percent (7-1/2%) of the
1082 total use tax revenue collected during the preceding month under
1083 the provisions of this article shall be deposited into the special
1084 fund created in Section 27-67-35(2). On or before August 15,
1085 2021, and each succeeding month thereafter through July 15, 2022,
1086 eleven and one-fourth percent (11-1/4%) of the total use tax
1087 revenue collected during the preceding month under the provisions
1088 of this article shall be deposited into the special fund created
1089 in Section 27-67-35(2). On or before August 15, 2022, and each
1090 succeeding month thereafter through August 15, 2025, fifteen
1091 percent (15%) of the total use tax revenue collected during the



1092 preceding month under the provisions of this article shall be
1093 deposited into the special fund created in Section 27-67-35(2).
1094 On or before September 15, 2025, and each succeeding month
1095 thereafter, fifteen percent (15%) of the total use tax revenue
1096 collected during the preceding month under this article, except
1097 that imposed and levied as a result of Section 27-65-17(1)(n), and
1098 thirty percent (30%) of the total use tax revenue collected during
1099 the preceding month under this article imposed and levied as a
1100 result of Section 27-65-17(1)(n), shall be deposited into the
1101 special fund created in Section 27-67-35(2).

1102 (g) On or before August 15, 2019, and each succeeding
1103 month thereafter through July 15, 2020, Four Hundred Sixteen
1104 Thousand Six Hundred Sixty-six Dollars and Sixty-seven Cents
1105 (\$416,666.67) or one and one-fourth percent (1-1/4%) of the total
1106 use tax revenue collected during the preceding month under the
1107 provisions of this article, whichever is the greater amount, shall
1108 be deposited into the Local System Bridge Replacement and
1109 Rehabilitation Fund created in Section 65-37-13. On or before
1110 August 15, 2020, and each succeeding month thereafter through July
1111 15, 2021, Eight Hundred Thirty-three Thousand Three Hundred
1112 Thirty-three Dollars and Thirty-four Cents (\$833,333.34) or two
1113 and one-half percent (2-1/2%) of the total use tax revenue
1114 collected during the preceding month under the provisions of this
1115 article, whichever is the greater amount, shall be deposited into
1116 the Local System Bridge Replacement and Rehabilitation Fund



1117 created in Section 65-37-13. On or before August 15, 2021, and
1118 each succeeding month thereafter through July 15, 2022, One
1119 Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) or
1120 three and three-fourths percent (3-3/4%) of the total use tax
1121 revenue collected during the preceding month under the provisions
1122 of this article, whichever is the greater amount, shall be
1123 deposited into the Local System Bridge Replacement and
1124 Rehabilitation Fund created in Section 65-37-13. On or before
1125 August 15, 2022, and each succeeding month thereafter through July
1126 15, 2023, One Million Six Hundred Sixty-six Thousand Six Hundred
1127 Sixty-six Dollars and Sixty-seven Cents (\$1,666,666.67) or five
1128 percent (5%) of the total use tax revenue collected during the
1129 preceding month under the provisions of this article, whichever is
1130 the greater amount, shall be deposited into the Local System
1131 Bridge Replacement and Rehabilitation Fund created in Section
1132 65-37-13. On or before August 15, 2023, and each succeeding month
1133 thereafter, (i) One Million Six Hundred Sixty-six Thousand Six
1134 Hundred Sixty-six Dollars and Sixty-seven Cents (\$1,666,666.67) or
1135 two and one-half percent (2-1/2%) of the total use tax revenue
1136 collected during the preceding month under the provisions of this
1137 article, whichever is the greater amount, shall be deposited into
1138 the Local System Bridge Replacement and Rehabilitation Fund
1139 created in Section 65-37-13, and (ii) One Million Six Hundred
1140 Sixty-six Thousand Six Hundred Sixty-six Dollars and Sixty-seven
1141 Cents (\$1,666,666.67) or two and one-half percent (2-1/2%) of the



total use tax revenue collected during the preceding month under the provisions of this article, whichever is the greater amount, shall be deposited into the State Aid Road Fund created in Section 65-9-17.

(h) On or before August 15, 2020, and each succeeding month thereafter through July 15, 2022, One Million Dollars (\$1,000,000.00) of the total use tax revenue collected during the preceding month under the provisions of this article shall be deposited into the Local System Bridge Replacement and Rehabilitation Fund created in Section 65-37-13. Amounts deposited into the Local System Bridge Replacement and Rehabilitation Fund under this paragraph (h) shall be in addition to amounts deposited into the fund under paragraph (g) of this section.

(i) On or before September 15, 2025, and each succeeding month thereafter, four percent (4%) of the total use tax revenue collected during the preceding month under this article shall be distributed to the Mississippi Department of Transportation for constructing, maintaining or improving segments of highways and bridges under its jurisdiction, and for operational improvements on such segments, in accordance with a project schedule as reported in the three-year plan as adopted, amended by or reissued by the Mississippi Transportation Commission under Section 65-1-141.



1166 (* * *j) The remainder of the amount received from
1167 taxes, damages and interest under the provisions of this article
1168 shall be paid into the General Fund of the State Treasury by the
1169 commissioner.

1170 **SECTION 5.** The department shall distribute annually four
1171 percent (4%) of the total amount collected under this chapter,
1172 after the issuance of refunds, to the Mississippi Department of
1173 Transportation for constructing, maintaining or improving segments
1174 of highways and bridges under its jurisdiction, and for
1175 operational improvements on such segments, in accordance with a
1176 project schedule as reported in the three-year plan as adopted,
1177 amended by or reissued by the Mississippi Transportation
1178 Commission under Section 65-1-141.

1179 **SECTION 6.** Section 5 of this act shall be codified in
1180 Chapter 7, Title 27, Mississippi Code of 1972.

1181 **SECTION 7.** This act shall take effect and be in force from
1182 and after July 1, 2025.

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

1 AN ACT TO AMEND SECTION 27-65-17, MISSISSIPPI CODE OF 1972,
2 TO TAX RETAIL SALES OF GROCERIES AT 3.5% FROM AND AFTER JULY 1,
3 2025; TO AMEND SECTION 27-65-241, MISSISSIPPI CODE OF 1972, TO
4 CONFORM; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972, TO
5 REVISE THE DISTRIBUTION OF SALES TAX REVENUE COLLECTED FROM RETAIL
6 SALES OF FOOD FOR HUMAN CONSUMPTION NOT PURCHASED WITH FOOD STAMPS
7 BUT WHICH WOULD BE EXEMPT FROM SALES TAX IF PURCHASED WITH FOOD
8 STAMPS; TO PROVIDE FOR THE DISTRIBUTION OF 4% OF SALES TAX REVENUE
9 TO THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION; TO AMEND SECTION
10 27-67-31, MISSISSIPPI CODE OF 1972, TO ADJUST THE DISTRIBUTION OF



11 USE TAX REVENUE TO MUNICIPALITIES AND COUNTIES FOR INFRASTRUCTURE;
12 TO PROVIDE FOR THE DISTRIBUTION OF 4% OF USE TAX REVENUE TO THE
13 MISSISSIPPI DEPARTMENT OF TRANSPORTATION; TO CREATE A NEW SECTION
14 PROVIDING THAT THE DEPARTMENT OF REVENUE SHALL ANNUALLY DISTRIBUTE
15 4% OF INCOME TAX REVENUE, AFTER REFUNDS, TO THE MISSISSIPPI
16 DEPARTMENT OF TRANSPORTATION; AND FOR RELATED PURPOSES.

