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Markham, Martinson, Mayo, Mitchell,  
Montgomery (74th), Moore (60th), Morris,  
Roberson, Robertson, Robinson (84th), Rogers,  
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To: Ways and Means

HOUSE BILL NO. 774

1 AN ACT TO AMEND SECTION 27-65-23, MISSISSIPPI CODE OF 1972,  
2 TO EXEMPT FROM SALES TAXATION THE TEMPORARY STORAGE OF TANGIBLE  
3 PERSONAL PROPERTY IN THIS STATE BY PUBLIC STORAGE WAREHOUSES  
4 PENDING SHIPPING OR MAILING OF THE PROPERTY TO ANOTHER STATE; AND  
5 FOR RELATED PURPOSES.

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

7 SECTION 1. Section 27-65-23, Mississippi Code of 1972, is  
8 amended as follows:[LH1]

9 27-65-23. Upon every person engaging or continuing in any of  
10 the following businesses or activities there is hereby levied,  
11 assessed and shall be collected a tax equal to seven percent (7%)  
12 of the gross income of the business, except as otherwise provided:

13 Air conditioning installation or repairs;

14 Automobile, aircraft, motorcycle, boat or any other  
15 vehicle repairing or servicing;

16 Billiards, pool or domino parlors;

17 Bowling or tenpin alleys;

18 Burglar and fire alarm systems or services;

19 Car washing--automatic, self-service, or manual;

20 Computer software sales and services;

21 Cotton compresses or cotton warehouses;

22 Custom creosoting or treating, custom planing, custom

23   sawing;

24           Custom meat processing;

25           Electricians, electrical work, wiring, all repairs or

26   installation of electrical equipment;

27           Elevator or escalator installing, repairing or servicing;

28           Film developing or photo finishing;

29           Foundries, machine or general repairing;

30           Furniture repairing or upholstering;

31           Grading, excavating, ditching, dredging or landscaping;

32           Hotels, motels, tourist courts or camps, trailer parks;

33           Insulating services or repairs;

34           Jewelry or watch repairing;

35           Laundering, cleaning, pressing or dyeing;

36           Marina services;

37           Mattress renovating;

38           Office and business machine repairing;

39           Parking garages and lots;

40           Plumbing or pipe fitting;

41           Public storage warehouses (There shall be no tax levied

42 on gross income of a public storage warehouse derived from the

43 temporary storage of tangible personal property in this state

44 pending shipping or mailing of the property to another state.);

45           Refrigerating equipment repairs;

46           Radio or television installing, repairing, or servicing;

47           Renting or leasing personal property used within this

48   state;

49           Services performed in connection with geophysical

50   surveying, exploring, developing, drilling, producing,

51   distributing, or testing of oil, gas, water and other mineral

52   resources;

53           Shoe repairing;

54 Storage lockers;  
55 Telephone answering or paging services;  
56 Termite or pest control services;  
57 Tin and sheet metal shops;  
58 TV cable systems, subscription TV services, and other  
59 similar activities;  
60 Vulcanizing, repairing or recapping of tires or tubes;  
61 Welding; and  
62 Woodworking or wood turning shops.

63 Income from services taxed herein performed for electric  
64 power associations in the ordinary and necessary operation of  
65 their generating or distribution systems shall be taxed at the  
66 rate of one percent (1%).

67 Income from services taxed herein performed on materials for  
68 use in track or track structures to a railroad whose rates are  
69 fixed by the Interstate Commerce Commission or the Mississippi  
70 Public Service Commission shall be taxed at the rate of three  
71 percent (3%).

72 Income from renting or leasing tangible personal property  
73 used within this state shall be taxed at the same rates as sales  
74 of the same property.

75 Persons doing business in this state who rent transportation  
76 equipment with a situs within or without the state to common,  
77 contract or private commercial carriers are taxed on that part of  
78 the income derived from use within this state. If specific  
79 accounting is impracticable, a formula may be used with approval  
80 of the commissioner.

81 A lessor may deduct from the tax computed on the rental

82 income from tangible personal property a credit for sales or use  
83 tax paid to this state at the time of purchase of the specific  
84 personal property being leased or rented until such credit has  
85 been exhausted.

86 Charges for custom processing and repairing services may be  
87 excluded from gross taxable income when the property on which the  
88 service was performed is delivered to the customer in another  
89 state either by common carrier or in the seller's equipment.

90 When a taxpayer performs unitary services covered by this  
91 section, which are performed both in intrastate and interstate  
92 commerce, the commissioner is hereby invested with authority to  
93 formulate in each particular case and to fix for such taxpayer in  
94 each instance formulae of apportionment which will apportion to  
95 this state, for taxation, that portion of the services which are  
96 performed within the State of Mississippi.

97 SECTION 2. Nothing in this act shall affect or defeat any  
98 claim, assessment, appeal, suit, right or cause of action for  
99 taxes due or accrued under the sales tax laws before the date on  
100 which this act becomes effective, whether such claims,  
101 assessments, appeals, suits or actions have been begun before the  
102 date on which this act becomes effective or are begun thereafter;  
103 and the provisions of the sales tax laws are expressly continued  
104 in full force, effect and operation for the purpose of the  
105 assessment, collection and enrollment of liens for any taxes due  
106 or accrued and the execution of any warrant under such laws before  
107 the date on which this act becomes effective, and for the  
108 imposition of any penalties, forfeitures or claims for failure to  
109 comply with such laws.

110 SECTION 3. This act shall take effect and be in force from  
111 and after July 1, 2000.