

By: Senator(s) Carlton

To: Finance

SENATE BILL NO. 3044

1 AN ACT TO AMEND SECTION 27-65-23, MISSISSIPPI CODE OF 1972,
2 TO REMOVE THE SALES TAX LEVIED UPON THE REPAIRING AND SERVICING OF
3 AIRCRAFT; AND FOR RELATED PURPOSES.

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

5 SECTION 1. Section 27-65-23, Mississippi Code of 1972, is
6 amended as follows:

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

11 Air conditioning installation or repairs;

12 Automobile, * * * motorcycle, boat or any other vehicle
13 repairing or servicing, except the repairing and servicing of
14 aircraft;

15 Billiards, pool or domino parlors;

16 Bowling or tenpin alleys;

17 Burglar and fire alarm systems or services;

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

19 Computer software sales and services;

20 Cotton compresses or cotton warehouses;

21 Custom creosoting or treating, custom planing, custom
22 sawing;

23 Custom meat processing;

24 Electricians, electrical work, wiring, all repairs or
25 installation of electrical equipment;

26 Elevator or escalator installing, repairing or
27 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;
42 Refrigerating equipment repairs;
43 Radio or television installing, repairing, or servicing;
44 Renting or leasing personal property used within this
45 state;
46 Services performed in connection with geophysical
47 surveying, exploring, developing, drilling, producing,
48 distributing, or testing of oil, gas, water and other mineral
49 resources;
50 Shoe repairing;
51 Storage lockers;
52 Telephone answering or paging services;
53 Termite or pest control services;
54 Tin and sheet metal shops;
55 TV cable systems, subscription TV services, and other
56 similar activities;
57 Vulcanizing, repairing or recapping of tires or tubes;
58 Welding; and
59 Woodworking or wood turning shops.

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

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

69 Income from renting or leasing tangible personal property
70 used within this state shall be taxed at the same rates as sales
71 of the same property.

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

78 A lessor may deduct from the tax computed on the rental
79 income from tangible personal property a credit for sales or use
80 tax paid to this state at the time of purchase of the specific
81 personal property being leased or rented until such credit has
82 been exhausted.

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

87 When a taxpayer performs unitary services covered by this
88 section, which are performed both in intrastate and interstate
89 commerce, the commissioner is hereby invested with authority to
90 formulate in each particular case and to fix for such taxpayer in
91 each instance formulae of apportionment which will apportion to

92 this state, for taxation, that portion of the services which are
93 performed within the State of Mississippi.

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

107 SECTION 3. This act shall take effect and be in force from
108 and after July 1, 2001.