

By: Senator(s) Minor

To: Finance

## SENATE BILL NO. 2930

1 AN ACT TO AMEND SECTIONS 57-30-1 AND 57-30-3, MISSISSIPPI  
2 CODE OF 1972, TO REFLECT THE CHANGE OF THE NAME OF THE MISSISSIPPI  
3 DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO THE  
4 MISSISSIPPI DEVELOPMENT AUTHORITY; TO REVISE THE AMOUNT OF  
5 INDEBTEDNESS FOR WHICH PERSONS, CORPORATIONS OR OTHER ENTITIES MAY  
6 RECEIVE INCENTIVE PAYMENTS FROM THE SALES TAX INCENTIVE FUND; TO  
7 DELETE THE REQUIREMENT THAT MONIES IN THE SALES TAX INCENTIVE FUND  
8 BE APPROPRIATED IN ORDER TO BE EXPENDED; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Section 57-30-1, Mississippi Code of 1972, is  
11 amended as follows:

12 57-30-1. As used in this chapter, the following terms and  
13 phrases shall have the meanings ascribed in this section unless  
14 the context clearly indicates otherwise:

15 (a) "Approved participant" means a person, corporation  
16 or other entity issued a certificate by the Mississippi  
17 Development Authority under Section 57-30-3.

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

19 (c) "Project" means any family-oriented entertainment  
20 enterprise such as campgrounds and theme parks, as designated by  
21 the Mississippi Development Authority, with an initial capital  
22 investment of not less than Five Million Dollars (\$5,000,000.00)  
23 if located in a county in a Tier One area, as designated under  
24 Section 57-73-21, or with an initial capital investment of not  
25 less than Three Million Dollars (\$3,000,000.00) if located in a  
26 county in a Tier Two area or Tier Three area as designated in  
27 Section 57-73-21. Whether a county is in a Tier One area, Tier  
28 Two developed area or Tier Three area shall be determined by the  
29 classification of the area at the time the initial investment is  
30 made. The term "project" also means any of the following



31 ancillary businesses if located on the project site or within one  
32 (1) mile of the project and owned by the owner of the  
33 family-oriented entertainment enterprise: (i) auditoriums, (ii)  
34 dining facilities, (iii) gift shops, and (iv) lodging facilities.  
35 However, the capital investment in any such dining facility or  
36 lodging facility shall not be included for purposes of meeting the  
37 minimum capital investment requirement for a project. The term  
38 "project" does not mean any business, corporation or entity having  
39 a gaming license issued under Section 75-76-1 et seq., Mississippi  
40 Code of 1972, but may include a family-oriented entertainment  
41 enterprise owned by such a business, corporation or entity that is  
42 in excess of development that the State Gaming Commission requires  
43 for the issuance or renewal of a gaming license.

44 (d) "State" means the State of Mississippi.

45 **SECTION 2.** Section 57-30-3, Mississippi Code of 1972, is  
46 amended as follows:

47 57-30-3. (1) The MDA shall develop, implement and  
48 administer the incentive program authorized in this section and  
49 shall promulgate rules and regulations necessary for the  
50 development, implementation and administration of such program.

51 (2) A person, corporation or other entity desiring to  
52 participate in the incentive payment program authorized in this  
53 section must submit an application to the MDA. Such application  
54 must contain (a) plans for the proposed project; (b) a detailed  
55 description of the proposed project; (c) the method of financing  
56 the proposed project and the terms of such financing; and (d) any  
57 other information required by the MDA. The executive director of  
58 the MDA shall review the application and determine whether it  
59 qualifies as a project. If the executive director determines the  
60 proposed project qualifies as a project, he shall issue a  
61 certificate to the person, corporation or other entity designating  
62 such person, corporation or other entity as an approved  
63 participant and authorizing the approved participant to



participate in the incentive payment program provided for in this section.

(3) (a) There is created in the State Treasury a special fund to be known as the "Sales Tax Incentive Fund," into which shall be deposited such money as provided in Section 27-65-75(16). The monies in the fund shall be used for the purpose of making the incentive payments authorized in this section. The fund shall be administered by the MDA. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the General Fund, and any interest earned on or investment earnings on the amounts in the fund shall be deposited to the credit of the fund. The MDA may use not more than one percent (1%) of interest earned or investment earnings, or both, on amounts in the fund for administration and management of the incentive program.

(b) Subject to the provisions of this section, incentive payments may be made by the MDA to an approved participant that incurs indebtedness or incurs capital costs, or both, to locate a project in the state. The payments to an approved participant shall be for the amount of sales tax revenue collected on the gross proceeds of sales of a project, after making the diversions required in Section 27-65-75, except the diversion provided for in Section 27-65-75(1). The MDA shall ensure that payments made pursuant to this section are utilized to pay the debt service incurred by the approved participant for the project as approved by the MDA or any project capital cost incurred by the approved participant for the project as approved by the MDA, or both. The MDA shall make payments to an approved participant on a semiannual basis with payments being made in the months of January and July. For the purposes of determining the amount of indebtedness or project capital costs, or both, incurred for any ancillary business, as described in Section 57-30-1(c), which is eligible for incentive payments under this section, the amount of such indebtedness or project capital costs, or both,



97 shall be limited to an amount not greater than the indebtedness or  
98 project capital costs, or both, incurred for the primary project.

99 The aggregate amount that an approved participant may receive  
100 shall not exceed thirty-five percent (35%) of the original  
101 indebtedness or project capital cost, or both, incurred by such  
102 participant for the project. The MDA shall make the calculations  
103 necessary to make the payments provided for in this section. The  
104 MDA shall cease making incentive payments to an approved  
105 participant on the occurrence of the earlier of (i) the date  
106 thirty-five percent (35%) of the original indebtedness, or any  
107 refinancing of the original indebtedness, incurred for the project  
108 or original project capital cost incurred for the project, or  
109 both, is satisfied, (ii) ten (10) years from the date the original  
110 indebtedness for the project was incurred, without regard to any  
111 refinancing or additional financing for any addition to or  
112 expansion of the project, or (iii) the project ceases operations.

113 (4) At such time as payments are no longer required to be  
114 made to an approved participant, the MDA shall notify the State  
115 Tax Commission and the sales tax revenue collected from such  
116 project shall no longer be deposited into the Sales Tax Incentive  
117 Fund, and any amounts remaining in the fund that were collected  
118 from such participant shall be transferred to the State General  
119 Fund; provided, however, if the project is located in a  
120 municipality, a portion of such amount shall be paid to such  
121 municipality in the same manner and amounts as provided for in  
122 Section 27-65-75(1).

123 **SECTION 3.** This act shall take effect and be in force from  
124 and after its passage.

