

*****Pending***
AMENDMENT No. 1 PROPOSED TO**

House Bill NO. 1604

By Senator(s) Committee

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

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

18 57-30-1. As used in this chapter, the following terms and
19 phrases shall have the meanings ascribed in this section unless
20 the context clearly indicates otherwise:

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

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

25 (c) "Project" means any family-oriented entertainment
26 enterprise such as campgrounds and theme parks, as designated by
27 the Mississippi Development Authority, with an initial capital
28 investment of not less than Five Million Dollars (\$5,000,000.00)
29 in public or private funds if located in a county in a Tier One
30 area, as designated under Section 57-73-21, or with an initial
31 capital investment of not less than Three Million Dollars
32 (\$3,000,000.00) in public or private funds if located in a county
33 in a Tier Two area or Tier Three area as designated in Section
34 57-73-21. Whether a county is in a Tier One area, Tier Two * * *
35 area or Tier Three area shall be determined by the classification

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

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

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

53 57-30-3. (1) The MDA shall develop, implement and
54 administer the incentive program authorized in this section and
55 shall promulgate rules and regulations necessary for the
56 development, implementation and administration of such program.

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

71 section.

72 (3) (a) There is created in the State Treasury a special
73 fund to be known as the "Sales Tax Incentive Fund," into which
74 shall be deposited such money as provided in Section 27-65-75(16).

75 The monies in the fund shall be used for the purpose of making
76 the incentive payments authorized in this section. The fund shall
77 be administered by the MDA. Unexpended amounts remaining in the
78 fund at the end of a fiscal year shall not lapse into the General
79 Fund, and any interest earned on or investment earnings on the
80 amounts in the fund shall be deposited to the credit of the fund.

81 The MDA may use not more than one percent (1%) of interest earned
82 or investment earnings, or both, on amounts in the fund for
83 administration and management of the incentive program.

84 (b) Subject to the provisions of this section,
85 incentive payments may be made by the MDA to an approved
86 participant that incurs indebtedness or incurs capital costs, or
87 both, to locate a project in the state. The payments to an
88 approved participant shall be for the amount of sales tax revenue
89 collected on the gross proceeds of sales of a project, after
90 making the diversions required in Section 27-65-75, except the
91 diversion provided for in Section 27-65-75(1). The MDA shall
92 ensure that payments made pursuant to this section are utilized to
93 pay the debt service incurred by the approved participant for the
94 project as approved by the MDA or any project capital cost
95 incurred by the approved participant for the project as approved
96 by the MDA, or both. The MDA shall make payments to an approved
97 participant on a semiannual basis with payments being made in the
98 months of January and July. For the purposes of determining the
99 amount of indebtedness or project capital costs, or both, incurred
100 for any ancillary business, as described in Section 57-30-1(c),
101 which is eligible for incentive payments under this section, the
102 amount of such indebtedness or project capital costs, or both,
103 shall be limited to an amount not greater than the indebtedness or
104 project capital costs, or both, incurred for the primary project.

105 _The aggregate amount that an approved participant may receive

106 shall not exceed thirty-five percent (35%) of the portion of the
107 original indebtedness that is funded from private sources or
108 project capital cost that is funded from private sources, or both,
109 incurred by such participant for the project. The MDA shall make
110 the calculations necessary to make the payments provided for in
111 this section. The MDA shall cease making incentive payments to an
112 approved participant on the occurrence of the earlier of (i) the
113 date thirty-five percent (35%) of the portion of the original
114 indebtedness that is funded from private sources, or any
115 refinancing of the portion of the original indebtedness that is
116 funded from private sources, incurred for the project or the
117 portion of the original project capital cost that is funded from
118 private sources incurred for the project, or both, is satisfied,
119 (ii) ten (10) years from the date the original indebtedness for
120 the project was incurred, without regard to any refinancing or
121 additional financing for any addition to or expansion of the
122 project, or (iii) the project ceases operations.

123 (4) At such time as payments are no longer required to be
124 made to an approved participant, the MDA shall notify the State
125 Tax Commission and the sales tax revenue collected from such
126 project shall no longer be deposited into the Sales Tax Incentive
127 Fund, and any amounts remaining in the fund that were collected
128 from such participant shall be transferred to the State General
129 Fund; provided, however, if the project is located in a
130 municipality, a portion of such amount shall be paid to such
131 municipality in the same manner and amounts as provided for in
132 Section 27-65-75(1).

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

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

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 REWISE THE DEFINITION OF THE TERM "PROJECT" TO INCLUDE CERTAIN
8 ANCILLARY BUSINESSES THAT ARE NOT OWNED BY THE OWNER OF THE
9 PRIMARY PROJECT; TO PROVIDE THAT THE AMOUNT OF THE INDEBTEDNESS
10 MAY BE FUNDED FROM PUBLIC OR PRIVATE SOURCES; TO PROVIDE THAT THE
11 AMOUNT THAT A PARTICIPANT MAY RECEIVE SHALL NOT EXCEED 35% OF THE
12 INDEBTEDNESS FUNDED FROM PRIVATE SOURCES; TO DELETE THE
13 REQUIREMENT THAT MONIES IN THE SALES TAX INCENTIVE FUND BE
14 APPROPRIATED IN ORDER TO BE EXPENDED; AND FOR RELATED PURPOSES.