

By: Representative Smith (27th)

To: Gaming; Ways and Means

HOUSE BILL NO. 430

1 AN ACT TO AMEND SECTIONS 75-76-177 AND 75-76-129, MISSISSIPPI
2 CODE OF 1972, TO PROVIDE FOR A FLAT RATE OF EIGHT PERCENT ON FEES
3 CHARGED ON THE GROSS REVENUE OF GAMING LICENSEES; TO IMPOSE AN
4 ADDITIONAL FEE OF THREE PERCENT ON THE GROSS REVENUES OF GAMING
5 LICENSEES; TO PROVIDE THAT THE AVAILS OF THE ADDITIONAL LICENSE
6 FEE SHALL BE DEPOSITED INTO A SPECIAL FUND IN THE STATE TREASURY
7 AND DISTRIBUTED TO NONGAMING COUNTIES FOR EXPENDITURE FOR
8 CONSTRUCTION AND REPAIR OF COUNTY ROADS AND BRIDGES, FOR LAW
9 ENFORCEMENT PURPOSES AND FOR ANY OTHER PURPOSES FOR WHICH COUNTY
10 GENERAL FUNDS LAWFULLY MAY BE EXPENDED; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 75-76-177, Mississippi Code of 1972, is
13 amended as follows:

14 75-76-177. (1) (a) From and after July 1, 2005, there is
15 hereby imposed and levied monthly on each gaming licensee a
16 license fee of eight percent (8%) of all the gross revenue of the
17 licensee.

18 * * *

19 (b) From and after July 1, 2005, there is imposed and
20 levied monthly on each gaming licensee an additional license fee
21 of three percent (3%) of all the gross revenue of the licensee.

22 * * *

23 (2) All revenue received from any game or gaming device
24 which is leased for operation on the premises of the
25 licensee-owner to a person other than the owner thereof or which
26 is located in an area or space on such premises which is leased by
27 the licensee-owner to any such person, must be attributed to the
28 owner for the purposes of this section and be counted as part of
29 the gross revenue of the owner. The lessee is liable to the owner
30 for his proportionate share of such license fees.

31 (3) If the amount of license fees required to be reported
32 and paid pursuant to this section is later determined to be
33 greater or less than the amount actually reported and paid by the
34 licensee, the Chairman of the State Tax Commission shall:

35 (a) Assess and collect the additional license fees
36 determined to be due, with interest thereon until paid; or

37 (b) Refund any overpayment, with interest thereon, to
38 the licensee.

39 Interest must be computed, until paid, at the rate of one
40 percent (1%) per month from the first day of the first month
41 following either the due date of the additional license fees or
42 the date of overpayment.

43 (4) Failure to pay the fees provided for in this section
44 when they are due for continuation of a license shall be deemed a
45 surrender of the license.

46 **SECTION 2.** Section 75-76-129, Mississippi Code of 1972, is
47 amended as follows:

48 **[Through June 30, 2022, this section shall read as follows:]**

49 75-76-129. On or before the last day of each month all
50 taxes, fees, interest, penalties, damages, fines or other monies
51 collected by the State Tax Commission during that month under the
52 provisions of this chapter, with the exception of (a) the local
53 government fees imposed under Section 75-76-195, * * * (b) an
54 amount equal to Three Million Dollars (\$3,000,000.00) of the
55 revenue collected pursuant to the fee imposed under Section
56 75-76-177(1)(a), or an amount equal to twenty-five percent (25%)
57 of the revenue collected pursuant to the fee imposed under Section
58 75-76-177(1)(a), whichever is the greater amount, and (c) the
59 avails of the fee imposed under Section 75-76-177(1)(b), shall be
60 paid by the State Tax Commission to the State Treasurer to be
61 deposited in the State General Fund. The local government fees
62 shall be distributed by the State Tax Commission pursuant to
63 Section 75-76-197. Except for the period beginning on July 1,

64 2004, and through June 30, 2005, an amount equal to Three Million
65 Dollars (\$3,000,000.00) of the revenue collected during that month
66 pursuant to the fee imposed under Section 75-76-177(1)(a) shall be
67 deposited by the State Tax Commission into the bond sinking fund
68 created in Section 65-39-3. Except for the period beginning on
69 July 1, 2004, and through June 30, 2005, the revenue collected
70 during that month pursuant to the fee imposed under Section
71 75-76-177(1)(a) that is in excess of Three Million Dollars
72 (\$3,000,000.00), but is less than twenty-five percent (25%) of the
73 amount of revenue collected during that month, shall be deposited
74 into the State Highway Fund to be used exclusively for the
75 reconstruction and maintenance of highways of the State of
76 Mississippi. The avails of the fee imposed under Section
77 75-76-177(1)(b) shall be deposited by the State Tax Commission
78 into the special fund created in Section 3 of House Bill No. 430,
79 2005 Regular Session.

80 For the period beginning on July 1, 2004, and through June
81 30, 2005, twenty-five percent (25%) of the amount of revenue
82 collected during each month pursuant to the fee imposed under
83 Section 75-76-177(1)(a) shall be deposited into the Budget
84 Contingency Fund created in Section 27-103-301.

85 **[From and after July 1, 2022, this section shall read as**
86 **follows:]**

87 75-76-129. On or before the last day of each month, all
88 taxes, fees, interest, penalties, damages, fines or other monies
89 collected by the State Tax Commission during that month under the
90 provisions of this chapter, with the exception of (a) the local
91 government fees imposed under Section 75-76-195, and (b) the
92 avails of the fee imposed under Section 75-76-177(b), shall be
93 paid by the State Tax Commission to the State Treasurer to be
94 deposited in the State General Fund. The local government fees
95 shall be distributed by the State Tax Commission pursuant to
96 Section 75-76-197. The avails of the fee imposed under Section

97 75-76-177(1)(b) shall be deposited by the State Tax Commission
98 into the special fund created in Section 3 of House Bill No. 430,
99 2005 Regular Session.

100 **SECTION 3.** There is created in the State Treasury a special
101 fund. The fund shall consist of such monies as are required to be
102 deposited into the fund under Section 75-76-129. Unexpended
103 amounts remaining in the fund at the end of a fiscal year shall
104 not lapse into the State General Fund, and any interest earned or
105 investment earnings on amounts in the fund shall be deposited into
106 such fund. Beginning on the last working day of October 2005 and
107 on the last working day of each three (3) months thereafter, the
108 monies on deposit and to the credit of the special fund shall be
109 paid and distributed by the State Treasurer, upon warrants issued
110 by the State Fiscal Officer, equally to and among the chancery
111 clerks of the counties within the state in which gaming is not
112 authorized by law. Upon receipt of such monies, the chancery
113 clerk shall deposit such monies in the county general fund and the
114 board of supervisors of such county may appropriate and authorize
115 such monies to be expended for the construction, repair and
116 maintenance of county roads and bridges, for law enforcement
117 purposes or for any other purposes for which county general fund
118 monies lawfully may be expended.

119 **SECTION 4.** This act shall take effect and be in force from
120 and after July 1, 2005.