

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1025

BY: Committee

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

18 **SECTION 1.** As used in Sections 1 and 2 of this act, the
19 following terms and phrases shall have the meanings ascribed in
20 this section unless the context clearly indicates otherwise:

21 (a) "Approved capital costs" means any or all of the
22 following:

23 (i) Obligations incurred for labor and materials
24 in connection with the acquisition, construction, installation,
25 equipping, and rehabilitation of a project and all related costs
26 thereto;

27 (ii) The costs of acquiring land or rights in land
28 and any cost incidental thereto;

29 (iii) All costs of reasonable architectural and
30 engineering services, including test borings, surveys, estimates,
31 plans and specifications, preliminary investigations, and
32 supervision of construction, as well as for the performance of all
33 the duties required by or consequent to the acquisition,
34 construction, installation, equipping, and rehabilitation of a
35 project;

(iv) All costs which shall be required to be paid under the terms of any contract or contracts for the acquisition, construction, installation, equipping, and rehabilitation of a project; and

(v) All other costs of a nature comparable to those described above.

Approved capital costs does not mean working capital, marketing expense, inventory and other soft cost as determined by the MDA.

(b) "Approved participant" means a person, corporation, or other entity issued a certificate by the MDA under Section 2 of this act.

(c) "Board" means the Tourism Incentive Program Board.

(d) "Certificate" means a Certificate of Public Convenience and Necessity authorized to be issued by the MDA pursuant to Sections 1 and 2 of this act as approved and directed by the board.

(e) "MDA" means the Mississippi Development Authority.

(f) "Project" means any of the following:

(i) A tourist-oriented enterprise as herein specified or as designated by the MDA, with an initial capital investment of not less than Five Million Dollars (\$5,000,000.00) from federal, local and/or private sources if located in a county in a Tier One area as designated under Section 57-73-21, or, with an initial capital investment of not less than Three Million Dollars (\$3,000,000.00) from federal, local and/or private sources if located in a county in a Tier Two area or Tier Three area as designated in Section 57-73-21. Whether a county is in a Tier One area, Tier Two area or Tier Three area shall be determined by the classification of the area at the time the initial investment is made;

67 (ii) Future project expansions and complementary
68 projects and facilities meeting the same criteria for a project
69 described in subparagraph (i) of this paragraph, which are
70 contiguous to the original project site or within a designated
71 development district created by a unit of local government and
72 owned by the owner of the initial project, or its successor in
73 interest, and which project additions and expansions must also
74 meet all other criteria of a qualifying project;

75 (iii) A cultural or historical site, a recreation
76 or entertainment facility, or a facility that creates a natural
77 phenomenon or scenic beauty as determined by the MDA and approved
78 by the board;

79 (iv) Facilities that involve the restoration or
80 rehabilitation of a structure that is listed individually in the
81 National Register of Historic Places, or are located in a National
82 Register Historic District.

83 In addition, in order for a project to qualify under the
84 provisions of Sections 1 and 2 of this act, it shall, at a
85 minimum, have a positive economic impact on the state and the
86 increased tax revenues and economic benefits derived from the
87 project will exceed the tax incentives granted to the approved
88 participant pursuant to this act.

89 The term "project" does not include any of the following:

90 (i) Any business, corporation or entity
91 having a gaming license issued under Section 75-76-1 et seq.,
92 Mississippi Code of 1972, but may include a tourism-oriented
93 facility owned by such a business, corporation or entity that is
94 in excess of development that the State Gaming Commission requires
95 for the issuance or renewal of a gaming license;

96 (ii) Except for a project promoting or otherwise
97 marketing and selling crafts and products made in the state,
98 facilities that are:

99 1. Primarily devoted to the retail sale of
100 merchandise and goods in which retail sales exceed twenty-five
101 percent (25%) of the total sales of the facility, or

102 2. Tourism-oriented facilities out of which
103 the retail sale of merchandise and goods exceeds twenty-five
104 percent (25%) of total sales of the facility or the attraction; or

105 (iii) Any project that receives a tax subsidy or
106 tax credit of any kind from the state pursuant to any other law.

107 (g) "State" means the State of Mississippi.

108 (h) "Unit of local government" means any city, county
109 or other public entity created by statute.

110 **SECTION 2.** (1) There is created the Tourism Incentive
111 Program Board whose voting members shall be the Executive Director
112 of the MDA, who shall serve as chairman, the Chairman of the State
113 Tax Commission or his designee, and the Executive Director of the
114 Department of Finance and Administration. The President of the
115 Mississippi Tourism Association and the Director of the Tourism
116 Division of the MDA shall serve in an advisory capacity as
117 nonvoting members of the board. The board shall meet subject to
118 the call of the chairman, shall keep minutes of its proceedings,
119 and shall be authorized, in its sole discretion, to approve the
120 issuance of certificates by the MDA approving projects as
121 "qualified projects" which certificates shall set forth the terms
122 and provisions under which such projects are approved and the
123 extent to which such projects may receive the incentives provided
124 in Sections 1 and 2 of this act, as may be determined by the
125 board. All projects approved by the board pursuant to Sections 1
126 and 2 of this act shall require two (2) affirmative votes. The
127 board shall be further authorized to require the MDA to rescind
128 and terminate certificates, enforce the terms and provisions of
129 the certificates and any agreements arising therefrom and exercise

any available remedy at law or arising out of contract approved by the board pursuant to any project approved pursuant to this act.

(2) The MDA shall develop, implement and administer the program authorized in Sections 1 and 2 of this act and shall submit rules and regulations necessary for the development, implementation and administration of such program to the board for its consideration and approval.

(3) Any person, corporation or other entity desiring to participate in the incentive program authorized by Sections 1 and 2 of this act must pay a nonrefundable application fee of Five Thousand Dollars (\$5,000.00) to the MDA which shall be used, without appropriation from the Legislature, by the MDA to offset administrative costs and then shall submit an application, hereinafter described, to the MDA. The application shall contain:

(a) Plans for the proposed project;

(b) A detailed description of the proposed project and its site;

(c) A project budget including capital and other anticipated expenditures for the project that indicates that the total cost of the project shall achieve or exceed the investment threshold and the anticipated sources of funding the costs of the project;

(d) Marketing plans for the project;

(e) The anticipated employment and wages to be paid at the project;

(f) Business plans describing the operation of the project, including the anticipated revenues and expenses generated by the project;

(g) Financial information regarding the applicant as may be requested by the MDA and/or the board to demonstrate that the applicant has the financial resources to construct and operate the project;

162 (h) Resumes of applicants and of its senior staff as
163 may be requested by the MDA and/or the board to demonstrate that
164 the applicant has the required experience to construct and operate
165 the project; and

166 (i) Any other information required by the MDA that
167 would satisfactorily demonstrate that the project meets all
168 specified criteria prescribed and approved by the board.

169 (4) If the MDA determines that the applicant and the project
170 reasonably satisfy the criteria for approval as described in
171 Sections 1 and 2 of this act, then the MDA shall submit a written
172 memorandum describing the project and the applicant to the board
173 requesting that the board consider a preliminary approval of the
174 project.

175 (5) After receiving the preliminary approval of the board,
176 the MDA shall engage the services of an institution of higher
177 learning in the state to analyze the data made available by the
178 applicant and to collect and analyze additional information
179 necessary to determine that, in the independent judgment of the
180 institution of higher learning, the tourism project:

181 (a) Shall have capital expenditures in excess of the
182 minimum requirements set forth herein;

183 (b) Shall have a positive economic impact on the state;

184 (c) Will not occur if not for the designation of the
185 project and granting of incentives by the state to the project;
186 and

187 (d) Complies with the rules and regulations and minimum
188 requirements adopted by the board.

189 The institution of higher learning shall consult with MDA
190 staff and shall agree as to methodology to be used and assumptions
191 to be made in preparing its report, and upon completion of such
192 analysis, shall provide the board and the MDA staff a written
193 report of its findings. Approval shall not be granted if it is

determined that there is no projected net positive economic impact to the state.

The applicant shall pay for the cost of the institution of higher learning's report, shall cooperate with the institution of higher learning, and shall provide all of the data that the institution of higher learning deems necessary to make its determination under this subsection.

(6) After a review of relevant materials, the institution of higher learning's report, and completion of other inquiries, the board may approve the project and direct the MDA to issue its certificate approving the project, setting forth the terms and conditions under which the project is approved and the extent to which the incentives provided for herein may be used. A copy of each certificate issued by the MDA shall be sent to the State Tax Commission.

(7) (a) There is created in the State Treasury a special fund to be known as the "Tourism Sales Tax Incentive Fund," into which shall be deposited such money as provided in Section 27-65-75(19). 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. 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. Any funds used by MDA under this subsection shall be in addition to any funds made available to MDA under Section 2(3) of this act.

(b) Incentive payments may be made by the MDA to an approved participant that incurs approved costs to locate an

approved 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 generated by the project, after making the diversions required in Section 27-65-75, except the diversion provided for in Section 27-65-75(1). The incentive payments shall decrease at the rate of ten percent (10%) per year during the first five (5) years of payments and shall be in the amount of fifty percent (50%) of the sales generated by the project, after making the applicable diversions, in years six (6) through ten (10) of payments. 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 or any approved cost incurred by the approved participant for the project as set forth in the certificates issued by the MDA. The MDA shall make payments to an approved participant on a semiannual basis with payments being made in the months of January and July. The aggregate amount that an approved participant may receive shall not exceed thirty-five percent (35%) of the original capital costs, funded from private sources, incurred for the project by such approved participant. The MDA shall make the calculations necessary to make the payments provided for in this section and submit such calculations to the board for its consideration and approval. The MDA shall cease making incentive payments to an approved participant upon the occurrence of the earlier of:

(i) The date thirty-five percent (35%) of the original indebtedness, or any refinancing of the original indebtedness, incurred for the project or original project capital cost incurred for the project from private sources, or both, is satisfied;

(ii) Ten (10) years from the date the original indebtedness for the project was incurred, without regard to any

257 refinancing or additional financing for any addition to or
258 expansion of the project;

259 (iii) Any violation of the terms and provisions of
260 the certificate or any agreement arising out of the certificate;

261 (iv) The project ceases operations for a
262 continuous period of ninety (90) days or more (except for seasonal
263 projects or an act of God); or

264 (v) The project or approved applicant is involved
265 in any state or federal bankruptcy proceedings not discharged
266 within ninety (90) days.

267 (8) At such time as payments are no longer required to be
268 made to an approved participant, the MDA shall notify the State
269 Tax Commission and the sales tax revenue collected from such
270 project shall no longer be deposited into the Tourism Sales Tax
271 Incentive Fund, and any amounts remaining in the fund that were
272 collected from such participant shall be transferred to the State
273 General Fund; however, if the project is located in a
274 municipality, a portion of such amount shall be paid to such
275 municipality in the same manner and amounts as provided for in
276 Section 27-65-75(1).

277 **SECTION 3.** Section 27-65-75, Mississippi Code of 1972, is
278 amended as follows:

279 27-65-75. On or before the fifteenth day of each month, the
280 revenue collected under the provisions of this chapter during the
281 preceding month shall be paid and distributed as follows:

282 (1) On or before August 15, 1992, and each succeeding month
283 thereafter through July 15, 1993, eighteen percent (18%) of the
284 total sales tax revenue collected during the preceding month under
285 the provisions of this chapter, except that collected under the
286 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
287 business activities within a municipal corporation shall be
288 allocated for distribution to the municipality and paid to the

municipal corporation. On or before August 15, 1993, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a municipal corporation shall be allocated for distribution to the municipality and paid to the municipal corporation.

A municipal corporation, for the purpose of distributing the tax under this subsection, shall mean and include all incorporated cities, towns and villages.

Monies allocated for distribution and credited to a municipal corporation under this subsection may be pledged as security for any loan received by the municipal corporation for the purpose of capital improvements as authorized under Section 57-1-303, or loans as authorized under Section 57-44-7, or water systems improvements as authorized under Section 41-3-16.

In any county having a county seat that is not an incorporated municipality, the distribution provided under this subsection shall be made as though the county seat was an incorporated municipality; however, the distribution to the municipality shall be paid to the county treasury in which the municipality is located, and those funds shall be used for road, bridge and street construction or maintenance in the county.

(2) On or before September 15, 1987, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month One Million One Hundred Twenty-five Thousand Dollars (\$1,125,000.00) shall be allocated for distribution to municipal corporations as defined under subsection (1) of this section in the proportion that the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each such municipality during the preceding fiscal

321 year bears to the total gallons of gasoline and diesel fuel sold
322 by distributors to consumers and retailers in municipalities
323 statewide during the preceding fiscal year. The State Tax
324 Commission shall require all distributors of gasoline and diesel
325 fuel to report to the commission monthly the total number of
326 gallons of gasoline and diesel fuel sold by them to consumers and
327 retailers in each municipality during the preceding month. The
328 State Tax Commission shall have the authority to promulgate such
329 rules and regulations as is necessary to determine the number of
330 gallons of gasoline and diesel fuel sold by distributors to
331 consumers and retailers in each municipality. In determining the
332 percentage allocation of funds under this subsection for the
333 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
334 State Tax Commission may consider gallons of gasoline and diesel
335 fuel sold for a period of less than one (1) fiscal year. For the
336 purposes of this subsection, the term "fiscal year" means the
337 fiscal year beginning July 1 of a year.

338 (3) On or before September 15, 1987, and on or before the
339 fifteenth day of each succeeding month, until the date specified
340 in Section 65-39-35, the proceeds derived from contractors' taxes
341 levied under Section 27-65-21 on contracts for the construction or
342 reconstruction of highways designated under the highway program
343 created under Section 65-3-97 shall, except as otherwise provided
344 in Section 31-17-127, be deposited into the State Treasury to the
345 credit of the State Highway Fund to be used to fund that highway
346 program. The Mississippi Department of Transportation shall
347 provide to the State Tax Commission such information as is
348 necessary to determine the amount of proceeds to be distributed
349 under this subsection.

350 (4) On or before August 15, 1994, and on or before the
351 fifteenth day of each succeeding month through July 15, 1999, from
352 the proceeds of gasoline, diesel fuel or kerosene taxes as

353 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
354 (\$4,000,000.00) shall be deposited in the State Treasury to the
355 credit of a special fund designated as the "State Aid Road Fund,"
356 created by Section 65-9-17. On or before August 15, 1999, and on
357 or before the fifteenth day of each succeeding month, from the
358 total amount of the proceeds of gasoline, diesel fuel or kerosene
359 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
360 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
361 one-fourth percent (23.25%) of those funds, whichever is the
362 greater amount, shall be deposited in the State Treasury to the
363 credit of the "State Aid Road Fund," created by Section 65-9-17.
364 Those funds shall be pledged to pay the principal of and interest
365 on state aid road bonds heretofore issued under Sections 19-9-51
366 through 19-9-77, in lieu of and in substitution for the funds
367 previously allocated to counties under this section. Those funds
368 may not be pledged for the payment of any state aid road bonds
369 issued after April 1, 1981; however, this prohibition against the
370 pledging of any such funds for the payment of bonds shall not
371 apply to any bonds for which intent to issue those bonds has been
372 published, for the first time, as provided by law before March 29,
373 1981. From the amount of taxes paid into the special fund under
374 this subsection and subsection (9) of this section, there shall be
375 first deducted and paid the amount necessary to pay the expenses
376 of the Office of State Aid Road Construction, as authorized by the
377 Legislature for all other general and special fund agencies. The
378 remainder of the fund shall be allocated monthly to the several
379 counties in accordance with the following formula:

380 (a) One-third (1/3) shall be allocated to all counties
381 in equal shares;

382 (b) One-third (1/3) shall be allocated to counties
383 based on the proportion that the total number of rural road miles

384 in a county bears to the total number of rural road miles in all
385 counties of the state; and

386 (c) One-third (1/3) shall be allocated to counties
387 based on the proportion that the rural population of the county
388 bears to the total rural population in all counties of the state,
389 according to the latest federal decennial census.

390 For the purposes of this subsection, the term "gasoline,
391 diesel fuel or kerosene taxes" means such taxes as defined in
392 paragraph (f) of Section 27-5-101.

393 The amount of funds allocated to any county under this
394 subsection for any fiscal year after fiscal year 1994 shall not be
395 less than the amount allocated to the county for fiscal year 1994.
396 Monies allocated to a county from the State Aid Road Fund for
397 fiscal year 1995 or any fiscal year thereafter that exceed the
398 amount of funds allocated to that county from the State Aid Road
399 Fund for fiscal year 1994, first must be expended by the county
400 for replacement or rehabilitation of bridges on the state aid road
401 system that have a sufficiency rating of less than twenty-five
402 (25), according to National Bridge Inspection standards before
403 the monies may be approved for expenditure by the State Aid Road
404 Engineer on other projects that qualify for the use of state aid
405 road funds.

406 Any reference in the general laws of this state or the
407 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
408 construed to refer and apply to subsection (4) of Section
409 27-65-75.

410 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
411 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
412 the special fund known as the "State Public School Building Fund"
413 created and existing under the provisions of Sections 37-47-1
414 through 37-47-67. Those payments into that fund are to be made on
415 the last day of each succeeding month hereafter.

416 (6) An amount each month beginning August 15, 1983, through
417 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
418 of 1983, shall be paid into the special fund known as the
419 Correctional Facilities Construction Fund created in Section 6 of
420 Chapter 542, Laws of 1983.

421 (7) On or before August 15, 1992, and each succeeding month
422 thereafter through July 15, 2000, two and two hundred sixty-six
423 one-thousandths percent (2.266%) of the total sales tax revenue
424 collected during the preceding month under the provisions of this
425 chapter, except that collected under the provisions of Section
426 27-65-17(2) shall be deposited by the commission into the School
427 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
428 or before August 15, 2000, and each succeeding month thereafter,
429 two and two hundred sixty-six one-thousandths percent (2.266%) of
430 the total sales tax revenue collected during the preceding month
431 under the provisions of this chapter, except that collected under
432 the provisions of Section 27-65-17(2), shall be deposited into the
433 School Ad Valorem Tax Reduction Fund created under Section
434 37-61-35 until such time that the total amount deposited into the
435 fund during a fiscal year equals Forty-two Million Dollars
436 (\$42,000,000.00). Thereafter, the amounts diverted under this
437 subsection (7) during the fiscal year in excess of Forty-two
438 Million Dollars (\$42,000,000.00) shall be deposited into the
439 Education Enhancement Fund created under Section 37-61-33 for
440 appropriation by the Legislature as other education needs and
441 shall not be subject to the percentage appropriation requirements
442 set forth in Section 37-61-33.

443 (8) On or before August 15, 1992, and each succeeding month
444 thereafter, nine and seventy-three one-thousandths percent
445 (9.073%) of the total sales tax revenue collected during the
446 preceding month under the provisions of this chapter, except that
447 collected under the provisions of Section 27-65-17(2), shall be

448 deposited into the Education Enhancement Fund created under
449 Section 37-61-33.

450 (9) On or before August 15, 1994, and each succeeding month
451 thereafter, from the revenue collected under this chapter during
452 the preceding month, Two Hundred Fifty Thousand Dollars
453 (\$250,000.00) shall be paid into the State Aid Road Fund.

454 (10) On or before August 15, 1994, and each succeeding month
455 thereafter through August 15, 1995, from the revenue collected
456 under this chapter during the preceding month, Two Million Dollars
457 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
458 Valorem Tax Reduction Fund established in Section 27-51-105.

459 (11) Notwithstanding any other provision of this section to
460 the contrary, on or before February 15, 1995, and each succeeding
461 month thereafter, the sales tax revenue collected during the
462 preceding month under the provisions of Section 27-65-17(2) and
463 the corresponding levy in Section 27-65-23 on the rental or lease
464 of private carriers of passengers and light carriers of property
465 as defined in Section 27-51-101 shall be deposited, without
466 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
467 established in Section 27-51-105.

468 (12) Notwithstanding any other provision of this section to
469 the contrary, on or before August 15, 1995, and each succeeding
470 month thereafter, the sales tax revenue collected during the
471 preceding month under the provisions of Section 27-65-17(1) on
472 retail sales of private carriers of passengers and light carriers
473 of property, as defined in Section 27-51-101 and the corresponding
474 levy in Section 27-65-23 on the rental or lease of these vehicles,
475 shall be deposited, after diversion, into the Motor Vehicle Ad
476 Valorem Tax Reduction Fund established in Section 27-51-105.

477 (13) On or before July 15, 1994, and on or before the
478 fifteenth day of each succeeding month thereafter, that portion of
479 the avails of the tax imposed in Section 27-65-22 that is derived

480 from activities held on the Mississippi state fairgrounds complex,
481 shall be paid into a special fund that is created in the State
482 Treasury and shall be expended upon legislative appropriation
483 solely to defray the costs of repairs and renovation at the Trade
484 Mart and Coliseum.

485 (14) On or before August 15, 1998, and each succeeding month
486 thereafter through July 15, 2005, that portion of the avails of
487 the tax imposed in Section 27-65-23 that is derived from sales by
488 cotton compresses or cotton warehouses and that would otherwise be
489 paid into the General Fund, shall be deposited in an amount not to
490 exceed Two Million Dollars (\$2,000,000.00) into the special fund
491 created under Section 69-37-39.

492 (15) Notwithstanding any other provision of this section to
493 the contrary, on or before September 15, 2000, and each succeeding
494 month thereafter, the sales tax revenue collected during the
495 preceding month under the provisions of Section 27-65-19(1)(f) and
496 (g)(i)2, shall be deposited, without diversion, into the
497 Telecommunications Ad Valorem Tax Reduction Fund established in
498 Section 27-38-7.

499 (16) On or before August 15, 2000, and each succeeding month
500 thereafter, the sales tax revenue collected during the preceding
501 month under the provisions of this chapter on the gross proceeds
502 of sales of a project as defined in Section 57-30-1 shall be
503 deposited, after all diversions except the diversion provided for
504 in subsection (1) of this section, into the Sales Tax Incentive
505 Fund created in Section 57-30-3.

506 (17) Notwithstanding any other provision of this section to
507 the contrary, on or before April 15, 2002, and each succeeding
508 month thereafter, the sales tax revenue collected during the
509 preceding month under Section 27-65-23 on sales of parking
510 services of parking garages and lots at airports shall be

511 deposited, without diversion, into the special fund created under
512 Section 27-5-101(d).

513 (18) On or before August 15, 2005, and each succeeding month
514 thereafter through July 15, 2006, from the sales tax revenue
515 collected during the preceding month under the provisions of this
516 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)
517 shall be deposited into the Special Funds Transfer Fund created in
518 Section 4 of Chapter 556, Laws of 2003.

519 (19) On or before August 15, 2005, and each succeeding month
520 thereafter, the sales tax revenue collected during the preceding
521 month under the provisions of this chapter on the gross proceeds
522 of sales of a project as defined in Section 1 of House Bill No.
523 1025, 2005 Regular Session, shall be deposited, after all
524 diversions except the diversion provided for in subsection (1) of
525 this section, into the Tourism Sales Tax Incentive Fund created in
526 Section 2 of House Bill No. 1025, 2005 Regular Session.

527 (20) The remainder of the amounts collected under the
528 provisions of this chapter shall be paid into the State Treasury
529 to the credit of the General Fund.

530 (21) It shall be the duty of the municipal officials of any
531 municipality that expands its limits, or of any community that
532 incorporates as a municipality, to notify the commissioner of
533 that action thirty (30) days before the effective date. Failure
534 to so notify the commissioner shall cause the municipality to
535 forfeit the revenue that it would have been entitled to receive
536 during this period of time when the commissioner had no knowledge
537 of the action. If any funds have been erroneously disbursed to
538 any municipality or any overpayment of tax is recovered by the
539 taxpayer, the commissioner may make correction and adjust the
540 error or overpayment with the municipality by withholding the
541 necessary funds from any later payment to be made to the
542 municipality.

SECTION 4. Section 57-30-5, Mississippi Code of 1972, is amended as follows:

57-30-5. (1) The MDA shall develop, implement and administer the incentive program authorized in this chapter and shall promulgate rules and regulations necessary for the development, implementation and administration of such program.

(2) A person, corporation or other entity desiring to participate in the incentive payment program authorized in this chapter must submit an application to the MDA. Such application must contain (a) plans for the proposed project; (b) a detailed description of the proposed project; (c) the method of financing the proposed project and the terms of such financing; and (d) any other information required by the MDA. The Executive Director of the MDA shall review the application and determine whether it qualifies as a project. If the executive director determines the proposed project qualifies as a project, he shall issue a certificate to the person, corporation or other entity designating such person, corporation or other entity as an approved participant and authorizing the approved participant to participate in the incentive payment program provided for in this chapter; however, no certificates shall be issued after July 1, 2004, for projects that pertain to facilities whose primary purpose is the retail sale of tangible personal property. No certificates shall be issued for any project under this section after July 1, 2005.

(3) This section shall stand repealed from and after July 1, 2006.

SECTION 5. This act shall take effect and be in force from and after July 1, 2005, and shall stand repealed from and after June 30, 2005.

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

1 AN ACT TO PROVIDE AN INCENTIVE FOR PERSONS, CORPORATIONS OR
2 OTHER ENTITIES THAT MAKE CAPITAL INVESTMENTS TO LOCATE CERTAIN
3 TOURISM-ORIENTED ENTERPRISES IN THIS STATE; TO CREATE THE TOURISM
4 SALES TAX INCENTIVE FUND; TO AUTHORIZE INCENTIVE PAYMENTS FROM
5 SUCH FUND TO PERSONS, CORPORATIONS OR OTHER ENTITIES THAT MAKE
6 CAPITAL INVESTMENTS TO LOCATE CERTAIN TOURISM-ORIENTED ENTERPRISES
7 IN THIS STATE; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY
8 TO DEVELOP A PROGRAM TO ADMINISTER THE TOURISM INCENTIVE PROGRAM
9 AUTHORIZED BY THIS ACT; TO CREATE THE TOURISM INCENTIVE PROGRAM;
10 TO AMEND SECTION 57-30-5, MISSISSIPPI CODE OF 1972, WHICH PROVIDES
11 FOR PARTICIPATION IN THE SALES TAX INCENTIVE FUND PROGRAM, TO
12 PROVIDE THAT NO CERTIFICATES AUTHORIZING PARTICIPATION IN THE
13 PROGRAM SHALL BE ISSUED AFTER JULY 1, 2005; TO EXTEND THE DATE OF
14 REPEAL FOR SUCH SECTION; TO AMEND SECTION 27-65-75, MISSISSIPPI
15 CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR
16 RELATED PURPOSES.