MISSISSIPPI LEGISLATURE REGULAR SESSION 2007

By: Representative Moak

To: Gaming; Ways and Means

HOUSE BILL NO. 1737

AN ACT TO AMEND SECTION 27-65-18, MISSISSIPPI CODE OF 1972, TO CONFORM THE SALES TAX RATE IMPOSED ON SALES RELATED TO THE PERFORMANCE OF CONSTRUCTION ACTIVITY ON CERTAIN CRUISE VESSELS TO THE RATE IMPOSED FOR THE SAME ACTIVITIES ON CERTAIN FLOATING STRUCTURES; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-65-18, Mississippi Code of 1972, is amended as follows:

27-65-18. (1) There is levied, assessed and shall be collected a tax of three and one-half percent (3-1/2%) upon the gross proceeds of sales or gross receipts of sales of every person engaging or continuing within this state in the business of selling any tangible personal property or performing any construction activity upon <u>(a)</u> any floating structure that is normally moored and not normally engaged in the business of transporting people or property, and that is located in the waters within the State of Mississippi<u>, and (b) any cruise vessel</u>. Such structures include, but are not limited to, casinos, floating restaurants, floating hotels and similar property, regardless of whether the property is self-propelled. The tax imposed under this subsection (1) shall not apply to tangible personal property that is not a component part of the structure.

(2) If the owner of a structure described in subsection (1) of this section holds a direct pay permit issued by the State Tax Commission under Section 27-65-93, the owner shall furnish the permit to the seller or person performing the construction activity unless the holder of the direct pay permit is given written instructions or written authority to do otherwise by the

commissioner. After being furnished the direct pay permit, the seller or person performing the construction activity shall be relieved of the duty to collect the tax imposed under subsection (1) of this section. The commissioner may assign a distinctive number to a structure and issue the distinctive number to the owner. The owner of the structure may furnish the distinctive number to persons performing construction activity in order to allow such persons to purchase component materials and parts for use in the construction activity without the requirement of paying sales tax on the purchases.

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

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