

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1248

BY: Committee

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

8 **SECTION 1.** Section 41-49-3, Mississippi Code of 1972, is
9 amended as follows:

10 41-49-3. The term "hotel" shall mean and include any entity
11 or individual engaged in the business of furnishing or providing
12 one or more rooms intended or designed for dwelling, lodging or
13 sleeping purposes that at any one time will accommodate transient
14 guests and that are known to the trade as such and includes every
15 building or other structure kept, used, maintained or advertised
16 as, or held out to the public to be, a place where sleeping
17 accommodations are supplied for pay or other consideration to
18 transient guests regardless of the number of rooms, units, suites
19 or cabins available, excluding nursing homes or institutions for
20 the aged or infirm as defined in Section 43-11-1 * * *.

21 **SECTION 2.** Section 27-65-23, Mississippi Code of 1972, is
22 amended as follows:

23 27-65-23. Upon every person engaging or continuing in any of
24 the following businesses or activities there is hereby levied,
25 assessed and shall be collected a tax equal to seven percent (7%)
26 of the gross income of the business, except as otherwise provided:

27 Air conditioning installation or repairs;
28 Automobile, motorcycle, boat or any other vehicle
29 repairing or servicing;
30 Billiards, pool or domino parlors;
31 Bowling or tenpin alleys;
32 Burglar and fire alarm systems or services;
33 Car washing--automatic, self-service, or manual;
34 Computer software sales and services;
35 Cotton compresses or cotton warehouses;
36 Custom creosoting or treating, custom planing, custom
37 sawing;
38 Custom meat processing;
39 Electricians, electrical work, wiring, all repairs or
40 installation of electrical equipment;
41 Elevator or escalator installing, repairing or
42 servicing;
43 Film developing or photo finishing;
44 Foundries, machine or general repairing;
45 Furniture repairing or upholstering;
46 Grading, excavating, ditching, dredging or landscaping;
47 Hotels (as defined in Section 41-49-3), motels, tourist
48 courts or camps, trailer parks;
49 Insulating services or repairs;
50 Jewelry or watch repairing;
51 Laundering, cleaning, pressing or dyeing;
52 Marina services;
53 Mattress renovating;
54 Office and business machine repairing;
55 Parking garages and lots;
56 Plumbing or pipe fitting;
57 Public storage warehouses (There shall be no tax levied
58 on gross income of a public storage warehouse derived from the

59 temporary storage of tangible personal property in this state
60 pending shipping or mailing of the property to another state);

61 Refrigerating equipment repairs;

62 Radio or television installing, repairing, or servicing;

63 Renting or leasing personal property used within this
64 state;

65 Services performed in connection with geophysical
66 surveying, exploring, developing, drilling, producing,
67 distributing, or testing of oil, gas, water and other mineral
68 resources;

69 Shoe repairing;

70 Storage lockers;

71 Telephone answering or paging services;

72 Termite or pest control services;

73 Tin and sheet metal shops;

74 TV cable systems, subscription TV services, and other
75 similar activities;

76 Vulcanizing, repairing or recapping of tires or tubes;

77 Welding; and

78 Woodworking or wood turning shops.

79 Income from services taxed herein performed for electric
80 power associations in the ordinary and necessary operation of
81 their generating or distribution systems shall be taxed at the
82 rate of one percent (1%).

83 Income from services taxed herein performed on materials for
84 use in track or track structures to a railroad whose rates are
85 fixed by the Interstate Commerce Commission or the Mississippi
86 Public Service Commission shall be taxed at the rate of three
87 percent (3%).

88 Income from renting or leasing tangible personal property
89 used within this state shall be taxed at the same rates as sales
90 of the same property.

91 Persons doing business in this state who rent transportation
92 equipment with a situs within or without the state to common,
93 contract or private commercial carriers are taxed on that part of
94 the income derived from use within this state. If specific
95 accounting is impracticable, a formula may be used with approval
96 of the commissioner.

97 A lessor may deduct from the tax computed on the rental
98 income from tangible personal property a credit for sales or use
99 tax paid to this state at the time of purchase of the specific
100 personal property being leased or rented until such credit has
101 been exhausted.

102 Charges for custom processing and repairing services may be
103 excluded from gross taxable income when the property on which the
104 service was performed is delivered to the customer in another
105 state either by common carrier or in the seller's equipment.

106 When a taxpayer performs unitary services covered by this
107 section, which are performed both in intrastate and interstate
108 commerce, the commissioner is hereby invested with authority to
109 formulate in each particular case and to fix for such taxpayer in
110 each instance formulae of apportionment which will apportion to
111 this state, for taxation, that portion of the services which are
112 performed within the State of Mississippi.

113 **SECTION 3.** This act shall take effect and be in force from
114 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 SECTION 41-49-3, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF "HOTEL" IN ORDER TO REFLECT CHANGES IN
3 THE HOTEL INDUSTRY WITHIN THE STATE OF MISSISSIPPI; TO AMEND
4 SECTION 27-65-23, MISSISSIPPI CODE OF 1972, IN ORDER TO ENSURE
5 THAT ANY "HOTEL" AS DEFINED IN SECTION 41-49-3 COMPLIES WITH THE
6 STATE'S SALES TAX REQUIREMENTS; AND FOR RELATED PURPOSES.