

By: Representatives Zuber, Williamson,  
Hopkins

To: Ways and Means

HOUSE BILL NO. 375

1 AN ACT TO AMEND SECTION 27-65-111, MISSISSIPPI CODE OF 1972,  
2 TO EXEMPT FROM SALES TAXATION SALES OF GOLD, SILVER, PLATINUM AND  
3 PALLADIUM BULLION; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 27-65-111, Mississippi Code of 1972, is  
6 amended as follows:

7 27-65-111. The exemptions from the provisions of this  
8 chapter which are not industrial, agricultural or governmental, or  
9 which do not relate to utilities or taxes, or which are not  
10 properly classified as one (1) of the exemption classifications of  
11 this chapter, shall be confined to persons or property exempted by  
12 this section or by the Constitution of the United States or the  
13 State of Mississippi. No exemptions as now provided by any other  
14 section, except the classified exemption sections of this chapter  
15 set forth herein, shall be valid as against the tax herein levied.  
16 Any subsequent exemption from the tax levied hereunder, except as  
17 indicated above, shall be provided by amendments to this section.



18 No exemption provided in this section shall apply to taxes  
19 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

20 The tax levied by this chapter shall not apply to the  
21 following:

22 (a) Sales of tangible personal property and services to  
23 hospitals or infirmaries owned and operated by a corporation or  
24 association in which no part of the net earnings inures to the  
25 benefit of any private shareholder, group or individual, and which  
26 are subject to and governed by Sections 41-7-123 through 41-7-127.

27 Only sales of tangible personal property or services which  
28 are ordinary and necessary to the operation of such hospitals and  
29 infirmaries are exempted from tax.

30 (b) Sales of daily or weekly newspapers, and  
31 periodicals or publications of scientific, literary or educational  
32 organizations exempt from federal income taxation under Section  
33 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of  
34 March 31, 1975, and subscription sales of all magazines.

35 (c) Sales of coffins, caskets and other materials used  
36 in the preparation of human bodies for burial.

37 (d) Sales of tangible personal property for immediate  
38 export to a foreign country.

39 (e) Sales of tangible personal property to an  
40 orphanage, old men's or ladies' home, supported wholly or in part  
41 by a religious denomination, fraternal nonprofit organization or  
42 other nonprofit organization.



43           (f) Sales of tangible personal property, labor or  
44 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,  
45 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a  
46 corporation or association in which no part of the net earnings  
47 inures to the benefit of any private shareholder, group or  
48 individual.

49           (g) Sales to elementary and secondary grade schools,  
50 junior and senior colleges owned and operated by a corporation or  
51 association in which no part of the net earnings inures to the  
52 benefit of any private shareholder, group or individual, and which  
53 are exempt from state income taxation, provided that this  
54 exemption does not apply to sales of property or services which  
55 are not to be used in the ordinary operation of the school, or  
56 which are to be resold to the students or the public.

57           (h) The gross proceeds of retail sales and the use or  
58 consumption in this state of drugs and medicines:

59                   (i) Prescribed for the treatment of a human being  
60 by a person authorized to prescribe the medicines, and dispensed  
61 or prescription filled by a registered pharmacist in accordance  
62 with law; or

63                   (ii) Furnished by a licensed physician, surgeon,  
64 dentist or podiatrist to his own patient for treatment of the  
65 patient; or



66 (iii) Furnished by a hospital for treatment of any  
67 person pursuant to the order of a licensed physician, surgeon,  
68 dentist or podiatrist; or

69 (iv) Sold to a licensed physician, surgeon,  
70 podiatrist, dentist or hospital for the treatment of a human  
71 being; or

72 (v) Sold to this state or any political  
73 subdivision or municipal corporation thereof, for use in the  
74 treatment of a human being or furnished for the treatment of a  
75 human being by a medical facility or clinic maintained by this  
76 state or any political subdivision or municipal corporation  
77 thereof.

78 "Medicines," as used in this paragraph (h), shall mean and  
79 include any substance or preparation intended for use by external  
80 or internal application to the human body in the diagnosis, cure,  
81 mitigation, treatment or prevention of disease and which is  
82 commonly recognized as a substance or preparation intended for  
83 such use; provided that "medicines" do not include any auditory,  
84 prosthetic, ophthalmic or ocular device or appliance, any dentures  
85 or parts thereof or any artificial limbs or their replacement  
86 parts, articles which are in the nature of splints, bandages,  
87 pads, compresses, supports, dressings, instruments, apparatus,  
88 contrivances, appliances, devices or other mechanical, electronic,  
89 optical or physical equipment or article or the component parts



90 and accessories thereof, or any alcoholic beverage or any other  
91 drug or medicine not commonly referred to as a prescription drug.

92 Notwithstanding the preceding sentence of this paragraph (h),  
93 "medicines" as used in this paragraph (h), shall mean and include  
94 sutures, whether or not permanently implanted, bone screws, bone  
95 pins, pacemakers and other articles permanently implanted in the  
96 human body to assist the functioning of any natural organ, artery,  
97 vein or limb and which remain or dissolve in the body.

98 "Hospital," as used in this paragraph (h), shall have the  
99 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
100 1972.

101 Insulin furnished by a registered pharmacist to a person for  
102 treatment of diabetes as directed by a physician shall be deemed  
103 to be dispensed on prescription within the meaning of this  
104 paragraph (h).

105 (i) Retail sales of automobiles, trucks and  
106 truck-tractors if exported from this state within forty-eight (48)  
107 hours and registered and first used in another state.

108 (j) Sales of tangible personal property or services to  
109 the Salvation Army and the Muscular Dystrophy Association, Inc.

110 (k) From July 1, 1985, through December 31, 1992,  
111 retail sales of "alcohol-blended fuel" as such term is defined in  
112 Section 75-55-5. The gasoline-alcohol blend or the straight  
113 alcohol eligible for this exemption shall not contain alcohol  
114 distilled outside the State of Mississippi.



115           (1) Sales of tangible personal property or services to  
116 the Institute for Technology Development.

117           (m) The gross proceeds of retail sales of food and  
118 drink for human consumption made through vending machines serviced  
119 by full-line vendors from and not connected with other taxable  
120 businesses.

121           (n) The gross proceeds of sales of motor fuel.

122           (o) Retail sales of food for human consumption  
123 purchased with food stamps issued by the United States Department  
124 of Agriculture, or other federal agency, from and after October 1,  
125 1987, or from and after the expiration of any waiver granted  
126 pursuant to federal law, the effect of which waiver is to permit  
127 the collection by the state of tax on such retail sales of food  
128 for human consumption purchased with food stamps.

129           (p) Sales of cookies for human consumption by the Girl  
130 Scouts of America no part of the net earnings from which sales  
131 inures to the benefit of any private group or individual.

132           (q) Gifts or sales of tangible personal property or  
133 services to public or private nonprofit museums of art.

134           (r) Sales of tangible personal property or services to  
135 alumni associations of state-supported colleges or universities.

136           (s) Sales of tangible personal property or services to  
137 National Association of Junior Auxiliaries, Inc., and chapters of  
138 the National Association of Junior Auxiliaries, Inc.



139           (t) Sales of tangible personal property or services to  
140 domestic violence shelters which qualify for state funding under  
141 Sections 93-21-101 through 93-21-113.

142           (u) Sales of tangible personal property or services to  
143 the National Multiple Sclerosis Society, Mississippi Chapter.

144           (v) Retail sales of food for human consumption  
145 purchased with food instruments issued the Mississippi Band of  
146 Choctaw Indians under the Women, Infants and Children Program  
147 (WIC) funded by the United States Department of Agriculture.

148           (w) Sales of tangible personal property or services to  
149 a private company, as defined in Section 57-61-5, which is making  
150 such purchases with proceeds of bonds issued under Section 57-61-1  
151 et seq., the Mississippi Business Investment Act.

152           (x) The gross collections from the operation of  
153 self-service, coin-operated car washing equipment and sales of the  
154 service of washing motor vehicles with portable high-pressure  
155 washing equipment on the premises of the customer.

156           (y) Sales of tangible personal property or services to  
157 the Mississippi Technology Alliance.

158           (z) Sales of tangible personal property to nonprofit  
159 organizations that provide foster care, adoption services and  
160 temporary housing for unwed mothers and their children if the  
161 organization is exempt from federal income taxation under Section  
162 501(c) (3) of the Internal Revenue Code.



163           (aa) Sales of tangible personal property to nonprofit  
164 organizations that provide residential rehabilitation for persons  
165 with alcohol and drug dependencies if the organization is exempt  
166 from federal income taxation under Section 501(c)(3) of the  
167 Internal Revenue Code.

168           (bb) (i) Retail sales of an article of clothing or  
169 footwear designed to be worn on or about the human body and retail  
170 sales of school supplies if the sales price of the article of  
171 clothing or footwear or school supply is less than One Hundred  
172 Dollars (\$100.00) and the sale takes place during a period  
173 beginning at 12:01 a.m. on the last Friday in July and ending at  
174 12:00 midnight the following Saturday. This paragraph (bb) shall  
175 not apply to:

176                           1. Accessories including jewelry, handbags,  
177 luggage, umbrellas, wallets, watches, briefcases, garment bags and  
178 similar items carried on or about the human body, without regard  
179 to whether worn on the body in a manner characteristic of  
180 clothing;

181                           2. The rental of clothing or footwear; and

182                           3. Skis, swim fins, roller blades, skates and  
183 similar items worn on the foot.

184           (ii) For purposes of this paragraph (bb), "school  
185 supplies" means items that are commonly used by a student in a  
186 course of study. The following is an all-inclusive list:

187                           1. Backpacks;





- 188 2. Binder pockets;
- 189 3. Binders;
- 190 4. Blackboard chalk;
- 191 5. Book bags;
- 192 6. Calculators;
- 193 7. Cellophane tape;
- 194 8. Clays and glazes;
- 195 9. Compasses;
- 196 10. Composition books;
- 197 11. Crayons;
- 198 12. Dictionaries and thesauruses;
- 199 13. Dividers;
- 200 14. Erasers;
- 201 15. Folders: expandable, pocket, plastic and  
202 manila;
- 203 16. Glue, paste and paste sticks;
- 204 17. Highlighters;
- 205 18. Index card boxes;
- 206 19. Index cards;
- 207 20. Legal pads;
- 208 21. Lunch boxes;
- 209 22. Markers;
- 210 23. Notebooks;
- 211 24. Paintbrushes for artwork;
- 212 25. Paints: acrylic, tempera and oil;



213                           26. Paper: loose-leaf ruled notebook paper,  
214 copy paper, graph paper, tracing paper, manila paper, colored  
215 paper, poster board and construction paper;

216                           27. Pencil boxes and other school supply  
217 boxes;

218                           28. Pencil sharpeners;

219                           29. Pencils;

220                           30. Pens;

221                           31. Protractors;

222                           32. Reference books;

223                           33. Reference maps and globes;

224                           34. Rulers;

225                           35. Scissors;

226                           36. Sheet music;

227                           37. Sketch and drawing pads;

228                           38. Textbooks;

229                           39. Watercolors;

230                           40. Workbooks; and

231                           41. Writing tablets.

232                           (iii) From and after January 1, 2010, the  
233 governing authorities of a municipality, for retail sales  
234 occurring within the corporate limits of the municipality, may  
235 suspend the application of the exemption provided for in this  
236 paragraph (bb) by adoption of a resolution to that effect stating  
237 the date upon which the suspension shall take effect. A certified



238 copy of the resolution shall be furnished to the Department of  
239 Revenue at least ninety (90) days prior to the date upon which the  
240 municipality desires such suspension to take effect.

241 (cc) The gross proceeds of sales of tangible personal  
242 property made for the sole purpose of raising funds for a school  
243 or an organization affiliated with a school.

244 As used in this paragraph (cc), "school" means any public or  
245 private school that teaches courses of instruction to students in  
246 any grade from kindergarten through Grade 12.

247 (dd) Sales of durable medical equipment and home  
248 medical supplies when ordered or prescribed by a licensed  
249 physician for medical purposes of a patient. As used in this  
250 paragraph (dd), "durable medical equipment" and "home medical  
251 supplies" mean equipment, including repair and replacement parts  
252 for the equipment or supplies listed under Title XVIII of the  
253 Social Security Act or under the state plan for medical assistance  
254 under Title XIX of the Social Security Act, prosthetics,  
255 orthotics, hearing aids, hearing devices, prescription eyeglasses,  
256 oxygen and oxygen equipment. Payment does not have to be made, in  
257 whole or in part, by any particular person to be eligible for this  
258 exemption. Purchases of home medical equipment and supplies by a  
259 provider of home health services or a provider of hospice services  
260 are eligible for this exemption if the purchases otherwise meet  
261 the requirements of this paragraph.



262 (ee) Sales of tangible personal property or services to  
263 Mississippi Blood Services.

264 (ff) (i) Subject to the provisions of this paragraph  
265 (ff), retail sales of firearms, ammunition and hunting supplies if  
266 sold during the annual Mississippi Second Amendment Weekend  
267 holiday beginning at 12:01 a.m. on the last Friday in August and  
268 ending at 12:00 midnight the following Sunday. For the purposes  
269 of this paragraph (ff), "hunting supplies" means tangible personal  
270 property used for hunting, including, and limited to, archery  
271 equipment, firearm and archery cases, firearm and archery  
272 accessories, hearing protection, holsters, belts and slings.  
273 Hunting supplies does not include animals used for hunting.

274 (ii) This paragraph (ff) shall apply only if one  
275 or more of the following occur:

276 1. Title to and/or possession of an eligible  
277 item is transferred from a seller to a purchaser; and/or

278 2. A purchaser orders and pays for an  
279 eligible item and the seller accepts the order for immediate  
280 shipment, even if delivery is made after the time period provided  
281 in subparagraph (i) of this paragraph (ff), provided that the  
282 purchaser has not requested or caused the delay in shipment.

283 (gg) Sales of nonperishable food items to charitable  
284 organizations that are exempt from federal income taxation under  
285 Section 501(c) (3) of the Internal Revenue Code and operate a food  
286 bank or food pantry or food lines.



287 (hh) Sales of tangible personal property or services to  
288 the United Way of the Pine Belt Region, Inc.

289 (ii) Sales of tangible personal property or services to  
290 the Mississippi Children's Museum or any subsidiary or affiliate  
291 thereof operating a satellite or branch museum within this state.

292 (jj) Sales of tangible personal property or services to  
293 the Jackson Zoological Park.

294 (kk) Sales of tangible personal property or services to  
295 the Hattiesburg Zoo.

296 (ll) Gross proceeds from sales of food, merchandise or  
297 other concessions at an event held solely for religious or  
298 charitable purposes at livestock facilities, agriculture  
299 facilities or other facilities constructed, renovated or expanded  
300 with funds for the grant program authorized under Section 18,  
301 Chapter 530, Laws of 1995.

302 (mm) Sales of tangible personal property and services  
303 to the Diabetes Foundation of Mississippi and the Mississippi  
304 Chapter of the Juvenile Diabetes Research Foundation.

305 (nn) Sales of potting soil, mulch, or other soil  
306 amendments used in growing ornamental plants which bear no fruit  
307 of commercial value when sold to commercial plant nurseries that  
308 operate exclusively at wholesale and where no retail sales can be  
309 made.



310 (oo) Sales of tangible personal property or services to  
311 the University of Mississippi Medical Center Research Development  
312 Foundation.

313 (pp) Sales of tangible personal property or services to  
314 Keep Mississippi Beautiful, Inc., and all affiliates of Keep  
315 Mississippi Beautiful, Inc.

316 (qq) Sales of tangible personal property or services to  
317 the Friends of Children's Hospital.

318 (rr) Sales of tangible personal property or services to  
319 the Pinecrest Weekend Backpacks for Kids located in Corinth,  
320 Mississippi.

321 (ss) Sales of hearing aids when ordered or prescribed  
322 by a licensed physician, audiologist or hearing aid specialist for  
323 the medical purposes of a patient.

324 (tt) Sales exempt under the Facilitating Business Rapid  
325 Response to State Declared Disasters Act of 2015 (Sections  
326 27-113-1 through 27-113-9).

327 (uu) Sales of tangible personal property or services to  
328 the Junior League of Jackson.

329 (vv) Sales of tangible personal property or services to  
330 the Mississippi's Toughest Kids Foundation for use in the  
331 construction, furnishing and equipping of buildings and related  
332 facilities and infrastructure at Camp Kamassa in Copiah County,  
333 Mississippi. This paragraph (vv) shall stand repealed on July 1,  
334 2022.



335 (ww) Sales of tangible personal property or services to  
336 MS Gulf Coast Buddy Sports, Inc.

337 (xx) Sales of tangible personal property or services to  
338 Biloxi Lions, Inc.

339 (yy) Sales of tangible personal property or services to  
340 Lions Sight Foundation of Mississippi, Inc.

341 (zz) Sales of tangible personal property and services  
342 to the Goldring/Woldenberg Institute of Southern Jewish Life  
343 (ISJL).

344 (aaa) (i) Sales of bullion. For the purposes of this  
345 paragraph (aaa), the following words and phrases shall have the  
346 meanings ascribed in this paragraph (aaa) unless the context  
347 clearly indicates otherwise:

348 1. "Bullion" means gold, silver, platinum,  
349 palladium, or a combination of each precious metal, that has gone  
350 through a refining process and for which the item's value depends  
351 on its mass and purity, and not on its form, numismatic value, or  
352 other value. The term "bullion" includes bullion in the form of  
353 bars, ingots, or coins that meet the requirements set forth above  
354 in this item 1. Qualifying bullion may contain other metals or  
355 substances, provided that the other substances are minimal in  
356 value compared with the value of the gold, silver, platinum, or  
357 palladium and the other substances do not add value to the item.  
358 For purposes of this item 1, gold, silver, platinum, or palladium  
359 does not include jewelry or works of art.



360 2. "Mass" means an item's weight in precious  
361 metal.

362 3. "Numismatic value" means an external value  
363 above and beyond the base value of the underlying precious metal,  
364 due to the item's rarity, condition, age, or other external  
365 factor.

366 4. "Purity" means the amount of precious  
367 metal contained within an item.

368 (ii) In order for bullion to qualify for the  
369 exemption provided in this paragraph (aaa), gold, silver,  
370 platinum, and palladium items must be refined and contain at least  
371 ninety percent (90%) gold, silver, platinum, or palladium or some  
372 combination of these metals, and the sales price of the item must  
373 fluctuate with and depend on the market price of the underlying  
374 precious metal, and not on the item's rarity, condition, age, or  
375 other external factor.

376 **SECTION 2.** Nothing in this act shall affect or defeat any  
377 claim, assessment, appeal, suit, right or cause of action for  
378 taxes due or accrued under the sales tax laws before the date on  
379 which this act becomes effective, whether such claims,  
380 assessments, appeals, suits or actions have been begun before the  
381 date on which this act becomes effective or are begun thereafter;  
382 and the provisions of the sales tax laws are expressly continued  
383 in full force, effect and operation for the purpose of the  
384 assessment, collection and enrollment of liens for any taxes due





385 or accrued and the execution of any warrant under such laws before  
386 the date on which this act becomes effective, and for the  
387 imposition of any penalties, forfeitures or claims for failure to  
388 comply with such laws.

389         **SECTION 3.** This act shall take effect and be in force from  
390 and after July 1, 2021.

