

By: Representative Lamar

To: Ways and Means

## HOUSE BILL NO. 1881

1 AN ACT TO CREATE THE INTEGRITY IN GAMING IN SUPPORT OF HONEST  
2 TAXPAYERS ACT; TO AMEND SECTION 75-76-177, TO IMPOSE AN ADDITIONAL  
3 TAX ON THE GROSS REVENUE OF GAMING LICENSEES; TO BRING FORWARD  
4 SECTIONS 75-76-129, 75-76-179 AND 75-76-185, MISSISSIPPI CODE OF  
5 1972, WHICH ARE SECTIONS OF THE MISSISSIPPI GAMING CONTROL ACT,  
6 FOR THE PURPOSES OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** (1) This act shall be known and may be cited as  
9 the "Integrity in Gaming in Support of Honest Taxpayers Act".

10 (2) The Legislature finds that the State of Mississippi is  
11 losing approximately Fifty Million Dollars (\$50,000,000.00) a year  
12 due to illegal sports betting. The purpose of this act is to  
13 generate revenue that will be used to replace the revenue that the  
14 State of Mississippi is losing as a result of this illegal sports  
15 betting.

16 **SECTION 2.** Section 75-76-177, Mississippi Code of 1972, is  
17 amended as follows:

18 75-76-177. (1) From and after August 1, 1990, there is  
19 hereby imposed and levied on each gaming licensee a license fee  
20 based upon all the gross revenue of the licensee as follows:



21 (a) Four percent (4%) of all the gross revenue of the  
22 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)  
23 per calendar month;

24 (b) Six percent (6%) of all the gross revenue of the  
25 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per  
26 calendar month and does not exceed One Hundred Thirty-four  
27 Thousand Dollars (\$134,000.00) per calendar month; and

28 (c) Eight percent (8%) of all the gross revenue of the  
29 licensee which exceeds One Hundred Thirty-four Thousand Dollars  
30 (\$134,000.00) per calendar month.

31 (2) In addition to any fees and taxes provided for in this  
32 chapter, there is imposed and levied on each gaming licensee a tax  
33 in the amount of four percent (4%) upon all the gross revenue of  
34 the licensee.

35 ( \* \* \*3) All revenue received from any game or gaming  
36 device which is leased for operation on the premises of the  
37 licensee-owner to a person other than the owner thereof or which  
38 is located in an area or space on such premises which is leased by  
39 the licensee-owner to any such person, must be attributed to the  
40 owner for the purposes of this section and be counted as part of  
41 the gross revenue of the owner. The lessee is liable to the owner  
42 for his proportionate share of such license fees and taxes.

43 ( \* \* \*4) If the amount of license fees and taxes required  
44 to be reported and paid pursuant to this section is later



determined to be greater or less than the amount actually reported  
and paid by the licensee, the \* \* \* Commissioner of Revenue shall:

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

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

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

( \* \* \*5) Failure to pay the fees provided for in this  
section when they are due for continuation of a license shall be  
deemed a surrender of the license.

**SECTION 3.** Section 75-76-129, Mississippi Code of 1972, is  
brought forward as follows:

**[Through June 30, 2028, this section shall read as follows:]**

75-76-129. (1) On or before the last day of each month all  
taxes, fees, interest, penalties, damages, fines or other monies  
collected by the Department of Revenue during that month under the  
provisions of this chapter, with the exception of (a) the local  
government fees imposed under Section 75-76-195, and (b) an amount  
equal to Three Million Dollars (\$3,000,000.00) of the revenue  
collected pursuant to the fee imposed under Section  
75-76-177(1)(c), and (c) the revenue collected pursuant to the fee



imposed under Section 75-76-177(1)(c) as a result of wagers on sporting events shall be paid by the Department of Revenue to the State Treasurer to be deposited in the State General Fund. The local government fees shall be distributed by the Department of Revenue pursuant to Section 75-76-197.

(2) An amount equal to Three Million Dollars (\$3,000,000.00) of the revenue collected during that month pursuant to the fee imposed under Section 75-76-177(1)(c) shall be deposited by the Department of Revenue into the bond sinking fund created in Section 1(3) of Chapter 479, Laws of 2015.

(3) Revenue collected pursuant to the fee imposed under Section 75-76-177(1)(c) as a result of wagers on sporting events shall be deposited into the State Highway Fund to be used solely for the repair and maintenance of highways and bridges of the State of Mississippi. This revenue shall be used first for matching funds made available to the state for such purposes pursuant to any federal highway infrastructure program implemented after September 1, 2018.

**[From and after July 1, 2028, this section shall read as follows:]**

75-76-129. On or before the last day of each month all taxes, fees, interest, penalties, damages, fines or other monies collected by the Department of Revenue during that month under the provisions of this chapter, with the exception of (a) the local government fees imposed under Section 75-76-195, and (b) an amount



equal to Three Million Dollars (\$3,000,000.00) of the revenue collected pursuant to the fee imposed under Section 75-76-177(1)(c) shall be paid by the Department of Revenue to the State Treasurer to be deposited in the State General Fund. The local government fees shall be distributed by the Department of Revenue pursuant to Section 75-76-197. An amount equal to Three Million Dollars (\$3,000,000.00) of the revenue collected during that month pursuant to the fee imposed under Section 75-76-177(1)(c) shall be deposited by the Department of Revenue into the bond sinking fund created in Section 1(3) of Chapter 479, Laws of 2015.

**SECTION 4.** Section 75-76-179, Mississippi Code of 1972, is brought forward as follows:

75-76-179. License fees paid under Section 75-76-177 in any taxable year shall be allowed as credit against the income tax liability of the licensee for that taxable year.

**SECTION 5.** Section 75-76-185, Mississippi Code of 1972, is brought forward as follows:

75-76-185. (1) Except as otherwise provided in Section 75-76-187, there is hereby imposed and levied on each licensee who conducts a gaming operation a fee based on the value of any collectible credit instrument received as a result of that gaming operation which is held by the licensee or any affiliate of the licensee and remains unpaid on the last tax day.

(2) The fee must be:



120                   (a)   Calculated by using the rates and monetary limits  
121 set forth in Section 75-76-177; and

122                   (b)   Collected by the State Tax Commission and refunded  
123 pursuant to the regulations adopted by the State Tax Commission.

124           **SECTION 6.** This act shall take effect and be in force from  
125 and after July 1, 2025.

