

By: Senator(s) Thompson

To: Government Structure;  
Accountability, Efficiency,  
Transparency

SENATE BILL NO. 2573

1 AN ACT TO CREATE THE "MISSISSIPPI TOURISM REORGANIZATION  
2 ACT"; TO CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM; TO REQUIRE  
3 THE GOVERNOR TO APPOINT, WITH THE ADVICE AND CONSENT OF THE  
4 SENATE, AN EXECUTIVE DIRECTOR OF THE DEPARTMENT OF TOURISM; TO  
5 PRESCRIBE THE GENERAL POWERS AND DUTIES OF THE DEPARTMENT OF  
6 TOURISM AND THE EXECUTIVE DIRECTOR; TO AUTHORIZE THE DEPARTMENT OF  
7 TOURISM TO ESTABLISH A PROGRAM OF GRANTS TO BE MATCHED BY TOURISM  
8 ENTITIES IN THE STATE; TO AUTHORIZE THE DEPARTMENT OF TOURISM TO  
9 SELL ADVERTISING AND OTHER TOURISM PROMOTIONAL INFORMATION AND TO  
10 CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM ADVERTISING FUND; TO  
11 CREATE THE MISSISSIPPI TOURISM ASSOCIATION MARKETING ADVISORY  
12 BOARD TO ASSIST THE DEPARTMENT OF TOURISM; TO AMEND SECTION  
13 27-65-75, MISSISSIPPI CODE OF 1972, TO DIVERT A PORTION OF SALES  
14 TAX REVENUE COLLECTED FROM RESTAURANTS AND HOTELS INTO THE  
15 DEPARTMENT OF TOURISM ADVERTISING FUND INSTEAD OF THE MISSISSIPPI  
16 DEVELOPMENT AUTHORITY TOURISM FUND; TO REPEAL SECTION 57-1-59,  
17 MISSISSIPPI CODE OF 1972, WHICH PROVIDES GENERAL POWERS AND DUTIES  
18 OF THE MISSISSIPPI DEVELOPMENT AUTHORITY WITH RESPECT TO TOURISM;  
19 TO REPEAL SECTION 57-1-60, MISSISSIPPI CODE OF 1972, WHICH  
20 AUTHORIZES THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO  
21 ESTABLISH A PROGRAM OF GRANTS TO FINANCE, PROMOTE AND ADVERTISE  
22 LOCAL TOURIST ATTRACTIONS; TO REPEAL SECTION 57-1-61, MISSISSIPPI  
23 CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER OF FUNCTIONS OF THE  
24 TRAVEL AND TOURISM DIVISION OF THE AGRICULTURAL AND INDUSTRIAL  
25 BOARD TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT; TO REPEAL SECTION  
26 57-1-63, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER  
27 OF POWERS AND DUTIES OF STATE AGENCIES RELATING TO TOURISM TO THE  
28 MISSISSIPPI DEVELOPMENT AUTHORITY; TO REPEAL SECTION 57-1-64,  
29 MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES THE MISSISSIPPI  
30 DEVELOPMENT AUTHORITY TO SELL ADVERTISING AND OTHER TOURISM  
31 INFORMATION AND CREATES THE MISSISSIPPI DEVELOPMENT AUTHORITY  
32 TOURISM ADVERTISING FUND; TO REPEAL SECTION 57-1-64.1, MISSISSIPPI  
33 CODE OF 1972, WHICH CREATES THE MISSISSIPPI TOURISM ASSOCIATION



34    MARKETING ADVISORY BOARD TO ASSIST THE MISSISSIPPI DEVELOPMENT  
35    AUTHORITY; AND FOR RELATED PURPOSES.

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

37           **SECTION 1.**   Sections 1 through 8 of this act shall be known  
38    and may be cited as the "Mississippi Tourism Reorganization Act."

39           **SECTION 2.**   (1)   There is hereby created the Mississippi  
40    Department of Tourism.

41           (2)   The department shall be responsible for the promotion,  
42    development, and support services for the tourism industry within  
43    the state.

44           (3)   All of the powers, duties, property, contractual rights  
45    and obligations of the Tourism Division of the Mississippi  
46    Development Authority shall be transferred to the Mississippi  
47    Department of Tourism on July 1, 2025.  The transfer of personnel  
48    shall be commensurate with the number and classification of  
49    positions allocated to that division.  The transfer shall also  
50    include direct support, clerical, data processing and  
51    communications positions allocated to that division.

52           **SECTION 3.**   The Governor shall appoint an Executive Director  
53    of the Department of Tourism with the advice and consent of the  
54    Senate and in accordance with standards established by the State  
55    Personnel Board.  The executive director shall serve at the will  
56    and pleasure of the Governor.  The salary of the executive  
57    director shall be set by the Governor, subject to the approval of  
58    the State Personnel Board, and shall be provided for out of any  
59    funds made available for such purpose by the Legislature, the



60 federal government or other gifts or grants. The executive  
61 director shall be responsible to the Governor for the proper  
62 administration of the programs of tourism provided for under this  
63 act in conformity with the policies adopted by the Governor and  
64 shall be responsible for appointing directors of offices and any  
65 necessary supervisors, assistants and employees. The salary and  
66 compensation of such employees shall be subject to the rules and  
67 regulations adopted and promulgated by the State Personnel Board  
68 as created under Section 25-9-101 et seq. The executive director  
69 shall be the State Tourism Director with such authority and  
70 responsibility as is prescribed by law.

71 **SECTION 4.** The Department of Tourism shall provide the  
72 tourism services authorized by law, and in carrying out the  
73 purposes of Sections 1 through 8 of this act, the department is  
74 authorized:

75 (a) To expend funds received either by appropriation or  
76 directly from federal or private sources;

77 (b) To develop and implement a comprehensive strategy  
78 for branding, advertising, promotion and development of the  
79 state's diverse tourism product;

80 (c) To use best practices for developing and  
81 coordinating marketing efforts, including data-driven and  
82 trackable marketing and advertising strategies;

83 (d) To promote Mississippi state parks and other  
84 outdoors and natural resources of the state;



85 (e) To develop individual plans and marketing  
86 strategies for each of the state's five (5) distinct regions based  
87 on their individual offerings, markets and growth opportunities;

88 (f) To coordinate with local tourism destination  
89 marketing organizations to most effectively and efficiently market  
90 their regions and tourism offerings to appropriate target markets;

91 (g) To support destination development and management  
92 around the state, including strengthening the state's tourism  
93 portfolio of museums, trails, wildlife and natural areas, state  
94 parks, culinary meeting venues, offerings, civil rights, music,  
95 beaches, casinos and attractions;

96 (h) To coordinate with all agencies of state government  
97 the necessary promotional and advertising materials needed to  
98 promote all facilities and programs which may be of interest to  
99 travelers and tourists;

100 (i) To maintain an educational awareness program for  
101 the citizens of the state to constantly encourage increased  
102 development of activities of interest to tourists and the  
103 traveling public;

104 (j) To develop and maintain an information services  
105 system to adequately guide tourists and the traveling public  
106 within the boundaries of the state;

107 (k) To enter into contracts and other agreements with  
108 local tourism commissions or similar entities for the purpose of  
109 developing regional strategies for tourism promotion. The



110 Department of Tourism, in conjunction with the formulation of  
111 regional strategies for tourism promotion, may require that local  
112 tourism commissions or similar entities enter into agreements with  
113 the authority as a condition for receiving any state grants to  
114 promote tourism; and

115 (1) To develop programs and projects promoting the  
116 state's heritage, history, culture, literature and arts, including  
117 the positive recovery of the state after damages caused by natural  
118 disasters and demonstrating the state's attractiveness as a  
119 tourism destination for those and other reasons.

120 **SECTION 5.** In carrying out his or her duties under Sections  
121 1 through 8 of this act, the Executive Director of the Department  
122 of Tourism:

123 (a) Shall establish appropriate subordinate  
124 administrative units within the department;

125 (b) Shall prepare and submit to the Governor and the  
126 Legislature annual reports of activities and expenditures and,  
127 before each regular session of the Legislature, coordinate budget  
128 requests required for carrying out Sections 1 through 8 of this  
129 act and estimates of the amounts to be made available for this  
130 purpose from all sources;

131 (c) Shall be empowered to exercise executive and  
132 administrative supervision over all offices, programs and services  
133 now existing or hereafter acquired or created under the  
134 jurisdiction of the department;



135           (d) Shall take such other action as he or she deems  
136 necessary or appropriate to effectuate the purposes of Sections 1  
137 through 8 of this act;

138           (e) May delegate to any officer or employee of the  
139 department such of his or her powers and duties as he or she finds  
140 necessary to effectuate the purposes of Sections 1 through 8 of  
141 this act.

142           **SECTION 6.** The Department of Tourism, in its discretion, may  
143 establish a program of grants to be matched by tourism entities in  
144 the state to finance, promote and advertise local tourist  
145 attractions. Monies committed to the program of grants shall not  
146 lapse into the State General Fund at the end of a fiscal year.  
147 Any program of grants established under this section shall be in  
148 addition to those grants authorized by Title 57, Chapter 27,  
149 Mississippi Code of 1972.

150           **SECTION 7.** (1) The Department of Tourism is authorized to  
151 sell advertising and other tourism promotional information through  
152 the Department of Tourism internet website and other marketing  
153 outlets, and to enter into agreements with tourism associations  
154 and similar entities for the purpose of making and facilitating  
155 sales through the use of such entities. Revenues received from  
156 such sales shall be placed into the special fund created in  
157 subsection (2) of this section.

158           (2) There is created a special fund in the State Treasury to  
159 be known as the Department of Tourism Advertising Fund which shall



160 consist of monies from any source designated for deposit into the  
161 fund. Any unexpended amounts remaining on June 30, 2025, in the  
162 Mississippi Development Authority Tourism Advertising Fund  
163 established in Section 57-1-64 shall be transferred and deposited  
164 into the fund. Monies in the fund may be used by the Department  
165 of Tourism for the purpose of paying costs incurred in connection  
166 with the purchase of advertising, marketing, promotional  
167 information and materials, and other services related to  
168 Mississippi tourism resources and activities. Unexpended amounts  
169 remaining in the fund at the end of a fiscal year shall not lapse  
170 into the State General Fund, and any investment earnings or  
171 interest earned on amounts in the fund shall be deposited to the  
172 credit of the fund.

173 (3) The Department of Tourism shall have all powers  
174 necessary to implement and administer the provisions of this  
175 section.

176 **SECTION 8.** (1) There is hereby created a Mississippi  
177 Tourism Association Marketing Advisory Board to assist the  
178 Department of Tourism in the planning of initiatives for  
179 advertising and promoting tourism in Mississippi.

180 (2) The advisory board shall be composed of the following  
181 members:

182 (a) The Executive Director of the Mississippi Tourism  
183 Association;



184           (b) The members of the Mississippi Tourism Association  
185 Board of Directors, composed through the bylaws of the Mississippi  
186 Tourism Association as being geographically and ethnically diverse  
187 members from the five (5) tourism regions designated as the Hills,  
188 the Delta, the Capital/River, the Pines and the Coastal regions of  
189 Mississippi, and three (3) at-large members;

190           (c) Three (3) at-large members appointed by the  
191 Governor;

192           (d) One (1) at-large member appointed by the Lieutenant  
193 Governor; and

194           (e) One (1) at-large member appointed by the Speaker of  
195 the House of Representatives.

196           (3) Members of the advisory board may not be compensated for  
197 the performance of their duties.

198           (4) The advisory board will give input and advice to the  
199 Department of Tourism on marketing and advertising planning, but  
200 shall have no executive powers at the Department of Tourism.

201           (5) For marketing activities paid for with federal funds  
202 related to the COVID-19 public health emergency and carried out by  
203 either the Department of Tourism or destination marketing  
204 organizations, the advisory board will give input on appropriate  
205 branding and messaging that communicates pertinent public health  
206 information.

207           **SECTION 9.** Section 27-65-75, Mississippi Code of 1972, is  
208 amended as follows:





209           27-65-75. On or before the fifteenth day of each month, the  
210 revenue collected under the provisions of this chapter during the  
211 preceding month shall be paid and distributed as follows:

212           (1) (a) On or before August 15, 1992, and each succeeding  
213 month thereafter through July 15, 1993, eighteen percent (18%) of  
214 the total sales tax revenue collected during the preceding month  
215 under the provisions of this chapter, except that collected under  
216 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
217 business activities within a municipal corporation shall be  
218 allocated for distribution to the municipality and paid to the  
219 municipal corporation. Except as otherwise provided in this  
220 paragraph (a), on or before August 15, 1993, and each succeeding  
221 month thereafter, eighteen and one-half percent (18-1/2%) of the  
222 total sales tax revenue collected during the preceding month under  
223 the provisions of this chapter, except that collected under the  
224 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
225 27-65-24, on business activities within a municipal corporation  
226 shall be allocated for distribution to the municipality and paid  
227 to the municipal corporation. However, in the event the State  
228 Auditor issues a certificate of noncompliance pursuant to Section  
229 21-35-31, the Department of Revenue shall withhold ten percent  
230 (10%) of the allocations and payments to the municipality that  
231 would otherwise be payable to the municipality under this  
232 paragraph (a) until such time that the department receives written



233 notice of the cancellation of a certificate of noncompliance from  
234 the State Auditor.

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

238 Monies allocated for distribution and credited to a municipal  
239 corporation under this paragraph may be pledged as security for a  
240 loan if the distribution received by the municipal corporation is  
241 otherwise authorized or required by law to be pledged as security  
242 for such a loan.

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

250 (b) On or before August 15, 2006, and each succeeding  
251 month thereafter, eighteen and one-half percent (18-1/2%) of the  
252 total sales tax revenue collected during the preceding month under  
253 the provisions of this chapter, except that collected under the  
254 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
255 business activities on the campus of a state institution of higher  
256 learning or community or junior college whose campus is not  
257 located within the corporate limits of a municipality, shall be



258 allocated for distribution to the state institution of higher  
259 learning or community or junior college and paid to the state  
260 institution of higher learning or community or junior college.

261 (c) On or before August 15, 2018, and each succeeding  
262 month thereafter until August 14, 2019, two percent (2%) of the  
263 total sales tax revenue collected during the preceding month under  
264 the provisions of this chapter, except that collected under the  
265 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
266 27-65-24, on business activities within the corporate limits of  
267 the City of Jackson, Mississippi, shall be deposited into the  
268 Capitol Complex Improvement District Project Fund created in  
269 Section 29-5-215. On or before August 15, 2019, and each  
270 succeeding month thereafter until August 14, 2020, four percent  
271 (4%) of the total sales tax revenue collected during the preceding  
272 month under the provisions of this chapter, except that collected  
273 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
274 and 27-65-24, on business activities within the corporate limits  
275 of the City of Jackson, Mississippi, shall be deposited into the  
276 Capitol Complex Improvement District Project Fund created in  
277 Section 29-5-215. On or before August 15, 2020, and each  
278 succeeding month thereafter through July 15, 2023, six percent  
279 (6%) of the total sales tax revenue collected during the preceding  
280 month under the provisions of this chapter, except that collected  
281 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
282 and 27-65-24, on business activities within the corporate limits



283 of the City of Jackson, Mississippi, shall be deposited into the  
284 Capitol Complex Improvement District Project Fund created in  
285 Section 29-5-215. On or before August 15, 2023, and each  
286 succeeding month thereafter, nine percent (9%) of the total sales  
287 tax revenue collected during the preceding month under the  
288 provisions of this chapter, except that collected under the  
289 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
290 27-65-24, on business activities within the corporate limits of  
291 the City of Jackson, Mississippi, shall be deposited into the  
292 Capitol Complex Improvement District Project Fund created in  
293 Section 29-5-215.

294 (d) (i) On or before the fifteenth day of the month  
295 that the diversion authorized by this section begins, and each  
296 succeeding month thereafter, eighteen and one-half percent  
297 (18-1/2%) of the total sales tax revenue collected during the  
298 preceding month under the provisions of this chapter, except that  
299 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
300 and 27-65-21, on business activities within a redevelopment  
301 project area developed under a redevelopment plan adopted under  
302 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be  
303 allocated for distribution to the county in which the project area  
304 is located if:

305 1. The county:

306 a. Borders on the Mississippi Sound and  
307 the State of Alabama, or



308                                   b. Is Harrison County, Mississippi, and  
309 the project area is within a radius of two (2) miles from the  
310 intersection of Interstate 10 and Menge Avenue;

311                                   2. The county has issued bonds under Section  
312 21-45-9 to finance all or a portion of a redevelopment project in  
313 the redevelopment project area;

314                                   3. Any debt service for the indebtedness  
315 incurred is outstanding; and

316                                   4. A development with a value of Ten Million  
317 Dollars (\$10,000,000.00) or more is, or will be, located in the  
318 redevelopment area.

319                                   (ii) Before any sales tax revenue may be allocated  
320 for distribution to a county under this paragraph, the county  
321 shall certify to the Department of Revenue that the requirements  
322 of this paragraph have been met, the amount of bonded indebtedness  
323 that has been incurred by the county for the redevelopment project  
324 and the expected date the indebtedness incurred by the county will  
325 be satisfied.

326                                   (iii) The diversion of sales tax revenue  
327 authorized by this paragraph shall begin the month following the  
328 month in which the Department of Revenue determines that the  
329 requirements of this paragraph have been met. The diversion shall  
330 end the month the indebtedness incurred by the county is  
331 satisfied. All revenue received by the county under this  
332 paragraph shall be deposited in the fund required to be created in



333 the tax increment financing plan under Section 21-45-11 and be  
334 utilized solely to satisfy the indebtedness incurred by the  
335 county.

336 (2) On or before September 15, 1987, and each succeeding  
337 month thereafter, from the revenue collected under this chapter  
338 during the preceding month, One Million One Hundred Twenty-five  
339 Thousand Dollars (\$1,125,000.00) shall be allocated for  
340 distribution to municipal corporations as defined under subsection  
341 (1) of this section in the proportion that the number of gallons  
342 of gasoline and diesel fuel sold by distributors to consumers and  
343 retailers in each such municipality during the preceding fiscal  
344 year bears to the total gallons of gasoline and diesel fuel sold  
345 by distributors to consumers and retailers in municipalities  
346 statewide during the preceding fiscal year. The Department of  
347 Revenue shall require all distributors of gasoline and diesel fuel  
348 to report to the department monthly the total number of gallons of  
349 gasoline and diesel fuel sold by them to consumers and retailers  
350 in each municipality during the preceding month. The Department  
351 of Revenue shall have the authority to promulgate such rules and  
352 regulations as is necessary to determine the number of gallons of  
353 gasoline and diesel fuel sold by distributors to consumers and  
354 retailers in each municipality. In determining the percentage  
355 allocation of funds under this subsection for the fiscal year  
356 beginning July 1, 1987, and ending June 30, 1988, the Department  
357 of Revenue may consider gallons of gasoline and diesel fuel sold



358 for a period of less than one (1) fiscal year. For the purposes  
359 of this subsection, the term "fiscal year" means the fiscal year  
360 beginning July 1 of a year.

361 (3) On or before September 15, 1987, and on or before the  
362 fifteenth day of each succeeding month, until the date specified  
363 in Section 65-39-35, the proceeds derived from contractors' taxes  
364 levied under Section 27-65-21 on contracts for the construction or  
365 reconstruction of highways designated under the highway program  
366 created under Section 65-3-97 shall, except as otherwise provided  
367 in Section 31-17-127, be deposited into the State Treasury to the  
368 credit of the State Highway Fund to be used to fund that highway  
369 program. The Mississippi Department of Transportation shall  
370 provide to the Department of Revenue such information as is  
371 necessary to determine the amount of proceeds to be distributed  
372 under this subsection.

373 (4) On or before August 15, 1994, and on or before the  
374 fifteenth day of each succeeding month through July 15, 1999, from  
375 the proceeds of gasoline, diesel fuel or kerosene taxes as  
376 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
377 (\$4,000,000.00) shall be deposited in the State Treasury to the  
378 credit of a special fund designated as the "State Aid Road Fund,"  
379 created by Section 65-9-17. On or before August 15, 1999, and on  
380 or before the fifteenth day of each succeeding month, from the  
381 total amount of the proceeds of gasoline, diesel fuel or kerosene  
382 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million



383 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
384 one-fourth percent (23-1/4%) of those funds, whichever is the  
385 greater amount, shall be deposited in the State Treasury to the  
386 credit of the "State Aid Road Fund," created by Section 65-9-17.  
387 Those funds shall be pledged to pay the principal of and interest  
388 on state aid road bonds heretofore issued under Sections 19-9-51  
389 through 19-9-77, in lieu of and in substitution for the funds  
390 previously allocated to counties under this section. Those funds  
391 may not be pledged for the payment of any state aid road bonds  
392 issued after April 1, 1981; however, this prohibition against the  
393 pledging of any such funds for the payment of bonds shall not  
394 apply to any bonds for which intent to issue those bonds has been  
395 published for the first time, as provided by law before March 29,  
396 1981. From the amount of taxes paid into the special fund under  
397 this subsection and subsection (9) of this section, there shall be  
398 first deducted and paid the amount necessary to pay the expenses  
399 of the Office of State Aid Road Construction, as authorized by the  
400 Legislature for all other general and special fund agencies. The  
401 remainder of the fund shall be allocated monthly to the several  
402 counties in accordance with the following formula:

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

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





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

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

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

416 The amount of funds allocated to any county under this  
417 subsection for any fiscal year after fiscal year 1994 shall not be  
418 less than the amount allocated to the county for fiscal year 1994.

419 Any reference in the general laws of this state or the  
420 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
421 construed to refer and apply to this subsection (4) \* \* \*.

422 (5) On or before August 15, 2024, and each succeeding month  
423 thereafter, One Million Six Hundred Sixty-six Thousand Six Hundred  
424 Sixty-six Dollars (\$1,666,666.00) shall be paid into the special  
425 fund known as the Education Enhancement Fund created and existing  
426 under the provisions of Section 37-61-33.

427 (6) An amount each month beginning August 15, 1983, through  
428 November 15, 1986, as specified in Section 6, Chapter 542, Laws of  
429 1983, shall be paid into the special fund known as the  
430 Correctional Facilities Construction Fund created in Section 6,  
431 Chapter 542, Laws of 1983.



432           (7) On or before August 15, 1992, and each succeeding month  
433 thereafter through July 15, 2000, two and two hundred sixty-six  
434 one-thousandths percent (2.266%) of the total sales tax revenue  
435 collected during the preceding month under the provisions of this  
436 chapter, except that collected under the provisions of Section  
437 27-65-17(2), shall be deposited by the department into the School  
438 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
439 or before August 15, 2000, and each succeeding month thereafter,  
440 two and two hundred sixty-six one-thousandths percent (2.266%) of  
441 the total sales tax revenue collected during the preceding month  
442 under the provisions of this chapter, except that collected under  
443 the provisions of Section 27-65-17(2), shall be deposited into the  
444 School Ad Valorem Tax Reduction Fund created under Section  
445 37-61-35 until such time that the total amount deposited into the  
446 fund during a fiscal year equals Forty-two Million Dollars  
447 (\$42,000,000.00). Thereafter, the amounts diverted under this  
448 subsection (7) during the fiscal year in excess of Forty-two  
449 Million Dollars (\$42,000,000.00) shall be deposited into the  
450 Education Enhancement Fund created under Section 37-61-33 for  
451 appropriation by the Legislature as other education needs and  
452 shall not be subject to the percentage appropriation requirements  
453 set forth in Section 37-61-33.

454           (8) On or before August 15, 1992, and each succeeding month  
455 thereafter, nine and seventy-three one-thousandths percent  
456 (9.073%) of the total sales tax revenue collected during the



457 preceding month under the provisions of this chapter, except that  
458 collected under the provisions of Section 27-65-17(2), shall be  
459 deposited into the Education Enhancement Fund created under  
460 Section 37-61-33.

461 (9) On or before August 15, 1994, and each succeeding month  
462 thereafter, from the revenue collected under this chapter during  
463 the preceding month, Two Hundred Fifty Thousand Dollars  
464 (\$250,000.00) shall be paid into the State Aid Road Fund.

465 (10) On or before August 15, 1994, and each succeeding month  
466 thereafter through August 15, 1995, from the revenue collected  
467 under this chapter during the preceding month, Two Million Dollars  
468 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
469 Valorem Tax Reduction Fund established in Section 27-51-105.

470 (11) Notwithstanding any other provision of this section to  
471 the contrary, on or before February 15, 1995, and each succeeding  
472 month thereafter, the sales tax revenue collected during the  
473 preceding month under the provisions of Section 27-65-17(2) and  
474 the corresponding levy in Section 27-65-23 on the rental or lease  
475 of private carriers of passengers and light carriers of property  
476 as defined in Section 27-51-101 shall be deposited, without  
477 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
478 established in Section 27-51-105.

479 (12) Notwithstanding any other provision of this section to  
480 the contrary, on or before August 15, 1995, and each succeeding  
481 month thereafter, the sales tax revenue collected during the



482 preceding month under the provisions of Section 27-65-17(1) on  
483 retail sales of private carriers of passengers and light carriers  
484 of property, as defined in Section 27-51-101 and the corresponding  
485 levy in Section 27-65-23 on the rental or lease of these vehicles,  
486 shall be deposited, after diversion, into the Motor Vehicle Ad  
487 Valorem Tax Reduction Fund established in Section 27-51-105.

488 (13) On or before July 15, 1994, and on or before the  
489 fifteenth day of each succeeding month thereafter, that portion of  
490 the avails of the tax imposed in Section 27-65-22 that is derived  
491 from activities held on the Mississippi State Fairgrounds Complex  
492 shall be paid into a special fund that is created in the State  
493 Treasury and shall be expended upon legislative appropriation  
494 solely to defray the costs of repairs and renovation at the Trade  
495 Mart and Coliseum.

496 (14) On or before August 15, 1998, and each succeeding month  
497 thereafter through July 15, 2005, that portion of the avails of  
498 the tax imposed in Section 27-65-23 that is derived from sales by  
499 cotton compresses or cotton warehouses and that would otherwise be  
500 paid into the General Fund shall be deposited in an amount not to  
501 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
502 created under Section 69-37-39. On or before August 15, 2007, and  
503 each succeeding month thereafter through July 15, 2010, that  
504 portion of the avails of the tax imposed in Section 27-65-23 that  
505 is derived from sales by cotton compresses or cotton warehouses  
506 and that would otherwise be paid into the General Fund shall be



507 deposited in an amount not to exceed Two Million Dollars  
508 (\$2,000,000.00) into the special fund created under Section  
509 69-37-39 until all debts or other obligations incurred by the  
510 Certified Cotton Growers Organization under the Mississippi Boll  
511 Weevil Management Act before January 1, 2007, are satisfied in  
512 full. On or before August 15, 2010, and each succeeding month  
513 thereafter through July 15, 2011, fifty percent (50%) of that  
514 portion of the avails of the tax imposed in Section 27-65-23 that  
515 is derived from sales by cotton compresses or cotton warehouses  
516 and that would otherwise be paid into the General Fund shall be  
517 deposited into the special fund created under Section 69-37-39  
518 until such time that the total amount deposited into the fund  
519 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
520 On or before August 15, 2011, and each succeeding month  
521 thereafter, that portion of the avails of the tax imposed in  
522 Section 27-65-23 that is derived from sales by cotton compresses  
523 or cotton warehouses and that would otherwise be paid into the  
524 General Fund shall be deposited into the special fund created  
525 under Section 69-37-39 until such time that the total amount  
526 deposited into the fund during a fiscal year equals One Million  
527 Dollars (\$1,000,000.00).

528 (15) Notwithstanding any other provision of this section to  
529 the contrary, on or before September 15, 2000, and each succeeding  
530 month thereafter, the sales tax revenue collected during the  
531 preceding month under the provisions of Section



532 27-65-19(1) (d) (i)2, and 27-65-19(1) (d) (i)3 shall be deposited,  
533 without diversion, into the Telecommunications Ad Valorem Tax  
534 Reduction Fund established in Section 27-38-7.

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

542 (b) On or before August 15, 2007, and each succeeding  
543 month thereafter, eighty percent (80%) of the sales tax revenue  
544 collected during the preceding month under the provisions of this  
545 chapter from the operation of a tourism project under the  
546 provisions of Sections 57-26-1 through 57-26-5, shall be  
547 deposited, after the diversions required in subsections (7) and  
548 (8) of this section, into the Tourism Project Sales Tax Incentive  
549 Fund created in Section 57-26-3.

550 (17) Notwithstanding any other provision of this section to  
551 the contrary, on or before April 15, 2002, and each succeeding  
552 month thereafter, the sales tax revenue collected during the  
553 preceding month under Section 27-65-23 on sales of parking  
554 services of parking garages and lots at airports shall be  
555 deposited, without diversion, into the special fund created under  
556 Section 27-5-101(d).



557 (18) [Repealed]

558 (19) (a) On or before August 15, 2005, and each succeeding  
559 month thereafter, the sales tax revenue collected during the  
560 preceding month under the provisions of this chapter on the gross  
561 proceeds of sales of a business enterprise located within a  
562 redevelopment project area under the provisions of Sections  
563 57-91-1 through 57-91-11, and the revenue collected on the gross  
564 proceeds of sales from sales made to a business enterprise located  
565 in a redevelopment project area under the provisions of Sections  
566 57-91-1 through 57-91-11 (provided that such sales made to a  
567 business enterprise are made on the premises of the business  
568 enterprise), shall, except as otherwise provided in this  
569 subsection (19), be deposited, after all diversions, into the  
570 Redevelopment Project Incentive Fund as created in Section  
571 57-91-9.

572 (b) For a municipality participating in the Economic  
573 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
574 the diversion provided for in subsection (1) of this section  
575 attributable to the gross proceeds of sales of a business  
576 enterprise located within a redevelopment project area under the  
577 provisions of Sections 57-91-1 through 57-91-11, and attributable  
578 to the gross proceeds of sales from sales made to a business  
579 enterprise located in a redevelopment project area under the  
580 provisions of Sections 57-91-1 through 57-91-11 (provided that  
581 such sales made to a business enterprise are made on the premises



582 of the business enterprise), shall be deposited into the  
583 Redevelopment Project Incentive Fund as created in Section  
584 57-91-9, as follows:

585 (i) For the first six (6) years in which payments  
586 are made to a developer from the Redevelopment Project Incentive  
587 Fund, one hundred percent (100%) of the diversion shall be  
588 deposited into the fund;

589 (ii) For the seventh year in which such payments  
590 are made to a developer from the Redevelopment Project Incentive  
591 Fund, eighty percent (80%) of the diversion shall be deposited  
592 into the fund;

593 (iii) For the eighth year in which such payments  
594 are made to a developer from the Redevelopment Project Incentive  
595 Fund, seventy percent (70%) of the diversion shall be deposited  
596 into the fund;

597 (iv) For the ninth year in which such payments are  
598 made to a developer from the Redevelopment Project Incentive Fund,  
599 sixty percent (60%) of the diversion shall be deposited into the  
600 fund; and

601 (v) For the tenth year in which such payments are  
602 made to a developer from the Redevelopment Project Incentive Fund,  
603 fifty percent (50%) of the funds shall be deposited into the fund.

604 (20) On or before January 15, 2007, and each succeeding  
605 month thereafter, eighty percent (80%) of the sales tax revenue  
606 collected during the preceding month under the provisions of this





607 chapter from the operation of a tourism project under the  
608 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,  
609 after the diversions required in subsections (7) and (8) of this  
610 section, into the Tourism Sales Tax Incentive Fund created in  
611 Section 57-28-3.

612 (21) (a) On or before April 15, 2007, and each succeeding  
613 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
614 Dollars (\$150,000.00) of the sales tax revenue collected during  
615 the preceding month under the provisions of this chapter shall be  
616 deposited into the MMEIA Tax Incentive Fund created in Section  
617 57-101-3.

618 (b) On or before July 15, 2013, and each succeeding  
619 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)  
620 of the sales tax revenue collected during the preceding month  
621 under the provisions of this chapter shall be deposited into the  
622 Mississippi Development Authority Job Training Grant Fund created  
623 in Section 57-1-451.

624 (22) On or before June 1, 2024, and each succeeding month  
625 thereafter until December 31, 2057, an amount determined annually  
626 by the Mississippi Development Authority of the sales tax revenue  
627 collected during the preceding month under the provisions of this  
628 chapter shall be deposited into the MMEIA Tax Incentive Fund  
629 created in Section 57-125-3. This amount shall be based on  
630 estimated payments due within the upcoming year to construction  
631 contractors pursuant to construction contracts subject to the tax



632 imposed by Section 27-65-21 for construction to be performed on  
633 the project site of a project defined under Section  
634 57-75-5(f) (xxxiii) for the coming year.

635 (23) Notwithstanding any other provision of this section to  
636 the contrary, on or before August 15, 2009, and each succeeding  
637 month thereafter, the sales tax revenue collected during the  
638 preceding month under the provisions of Section 27-65-201 shall be  
639 deposited, without diversion, into the Motor Vehicle Ad Valorem  
640 Tax Reduction Fund established in Section 27-51-105.

641 (24) (a) On or before August 15, 2019, and each month  
642 thereafter through July 15, 2020, one percent (1%) of the total  
643 sales tax revenue collected during the preceding month from  
644 restaurants and hotels shall be allocated for distribution to the  
645 Mississippi \* \* \* Department of Tourism Advertising Fund  
646 established under Section \* \* \* 7 of this act, to be used  
647 exclusively for the purpose stated therein. On or before August  
648 15, 2020, and each month thereafter through July 15, 2021, two  
649 percent (2%) of the total sales tax revenue collected during the  
650 preceding month from restaurants and hotels shall be allocated for  
651 distribution to the Mississippi \* \* \* Department of Tourism  
652 Advertising Fund established under Section \* \* \* 7 of this act, to  
653 be used exclusively for the purpose stated therein. On or before  
654 August 15, 2021, and each month thereafter, three percent (3%) of  
655 the total sales tax revenue collected during the preceding month  
656 from restaurants and hotels shall be allocated for distribution to



657 the Mississippi \* \* \* Department of Tourism Advertising Fund  
658 established under Section \* \* \* 7 of this act, to be used  
659 exclusively for the purpose stated therein. The revenue diverted  
660 pursuant to this subsection shall not be available for expenditure  
661 until February 1, 2020.

662 (b) The Joint Legislative Committee on Performance  
663 Evaluation and Expenditure Review (PEER) must provide an annual  
664 report to the Legislature indicating the amount of funds deposited  
665 into the Mississippi \* \* \* Department of Tourism Advertising Fund  
666 established under Section \* \* \* 7 of this act, and a detailed  
667 record of how the funds are spent.

668 (25) The remainder of the amounts collected under the  
669 provisions of this chapter shall be paid into the State Treasury  
670 to the credit of the General Fund.

671 (26) (a) It shall be the duty of the municipal officials of  
672 any municipality that expands its limits, or of any community that  
673 incorporates as a municipality, to notify the commissioner of that  
674 action thirty (30) days before the effective date. Failure to so  
675 notify the commissioner shall cause the municipality to forfeit  
676 the revenue that it would have been entitled to receive during  
677 this period of time when the commissioner had no knowledge of the  
678 action.

679 (b) (i) Except as otherwise provided in subparagraph  
680 (ii) of this paragraph, if any funds have been erroneously  
681 disbursed to any municipality or any overpayment of tax is



682 recovered by the taxpayer, the commissioner may make correction  
683 and adjust the error or overpayment with the municipality by  
684 withholding the necessary funds from any later payment to be made  
685 to the municipality.

686 (ii) Subject to the provisions of Sections  
687 27-65-51 and 27-65-53, if any funds have been erroneously  
688 disbursed to a municipality under subsection (1) of this section  
689 for a period of three (3) years or more, the maximum amount that  
690 may be recovered or withheld from the municipality is the total  
691 amount of funds erroneously disbursed for a period of three (3)  
692 years beginning with the date of the first erroneous disbursement.  
693 However, if during such period, a municipality provides written  
694 notice to the Department of Revenue indicating the erroneous  
695 disbursement of funds, then the maximum amount that may be  
696 recovered or withheld from the municipality is the total amount of  
697 funds erroneously disbursed for a period of one (1) year beginning  
698 with the date of the first erroneous disbursement.

699 **SECTION 10.** Section 57-1-59, Mississippi Code of 1972, which  
700 provides for the general powers and duties of the Mississippi  
701 Development Authority with respect to tourism, is repealed.

702 **SECTION 11.** Section 57-1-60, Mississippi Code of 1972, which  
703 authorizes the Department of Economic and Community Development to  
704 establish a program of grants to be matched by tourism entities in  
705 the state, is repealed.



706           **SECTION 12.** Section 57-1-61, Mississippi Code of 1972, which  
707 provide for the transfer of functions of travel and tourism from  
708 the Department of the Agricultural and Industrial Board, is  
709 repealed.

710           **SECTION 13.** Section 57-1-63, Mississippi Code of 1972, which  
711 provide for the transfer of powers and duties of state agencies  
712 relating to tourism to the Mississippi Development Authority, is  
713 repealed.

714           **SECTION 14.** Section 57-1-64, Mississippi Code of 1972, which  
715 authorizes the Mississippi Development Authority to sell  
716 advertising and other tourism promotional information and creates  
717 the Mississippi Development Authority Tourism Advertising Fund, is  
718 repealed.

719           **SECTION 15.** Section 57-1-64.1, Mississippi Code of 1972,  
720 which creates the Mississippi Tourism Association Marketing  
721 Advisory Board to assist the Mississippi Development Authority, is  
722 repealed.

723           **SECTION 16.** This act shall take effect and be in force from  
724 and after July 1, 2025.

