

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.

