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To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 3095

1 AN ACT TO AMEND SECTION 27-7-5, MISSISSIPPI CODE OF 1972, TO  
2 REDUCE THE TAX ON ALL TAXABLE INCOME IN EXCESS OF \$10,000.00 TO  
3 3.75% FOR 2027, 3.5% FOR 2028, 3.25% FOR 2029, AND 2.99% FOR 2030  
4 AND ALL SUBSEQUENT YEARS; TO AMEND SECTION 27-65-17, MISSISSIPPI  
5 CODE OF 1972, TO TAX RETAIL SALES OF GROCERIES AT 5% FROM AND  
6 AFTER JULY 1, 2025; TO AMEND SECTION 27-65-241, MISSISSIPPI CODE  
7 OF 1972, TO CONFORM; TO BRING FORWARD SECTION 27-67-5, MISSISSIPPI  
8 CODE OF 1972, WHICH REQUIRES THE IMPOSITION OF A USE TAX, FOR THE  
9 PURPOSE OF POSSIBLE AMENDMENT; TO AMEND SECTIONS 27-55-11,  
10 27-55-519 AND 27-55-521, MISSISSIPPI CODE OF 1972, TO INCREASE THE  
11 EXCISE TAXES ON GASOLINE AND CERTAIN SPECIAL FUELS TO 21¢ PER  
12 GALLON FROM JULY 1, 2025, THROUGH JUNE 30, 2026, 24¢ PER GALLON  
13 FROM JULY 1, 2026, THROUGH JUNE 30, 2027, AND 27¢ PER GALLON FROM  
14 JULY 1, 2027, UNTIL THE FIRST DAY OF THE MONTH IMMEDIATELY  
15 FOLLOWING THE DATE UPON WHICH THE MISSISSIPPI TRANSPORTATION  
16 COMMISSION AND THE STATE TREASURER MAKE CERTAIN CERTIFICATIONS; TO  
17 PROVIDE FOR THE INDEXING OF SUCH TAXES; TO AMEND SECTIONS 27-55-12  
18 AND 27-55-523, MISSISSIPPI CODE OF 1972, TO CONFORM; TO AMEND  
19 SECTIONS 27-5-101 AND 27-65-75, MISSISSIPPI CODE OF 1972, TO  
20 ADJUST THE DISTRIBUTION OF REVENUE FROM CERTAIN GASOLINE AND  
21 SPECIAL FUEL TAXES; TO REVISE THE DISTRIBUTION OF STATE SALES TAX  
22 REVENUE COLLECTED FROM RETAIL SALES OF FOOD FOR HUMAN CONSUMPTION  
23 NOT PURCHASED WITH FOOD STAMPS BUT WHICH WOULD BE EXEMPT FROM  
24 SALES TAX IF PURCHASED WITH FOOD STAMPS; TO AMEND SECTION  
25 27-67-31, MISSISSIPPI CODE OF 1972, TO ADJUST THE DISTRIBUTION OF  
26 USE TAX REVENUE TO MUNICIPALITIES AND COUNTIES FOR INFRASTRUCTURE;  
27 AND FOR RELATED PURPOSES.

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

29 **SECTION 1.** Section 27-7-5, Mississippi Code of 1972, is  
30 amended as follows:



31           27-7-5. (1) (a) Except as otherwise provided in this  
32 section, there is hereby assessed and levied, to be collected and  
33 paid as hereinafter provided, for the calendar year 1983 and  
34 fiscal years ending during the calendar year 1983 and all taxable  
35 years thereafter, upon the entire net income of every resident  
36 individual, corporation, association, trust or estate, in excess  
37 of the credits provided, a tax at the following rates:

38                       (i) 1. Through calendar year 2017, on the first  
39 Five Thousand Dollars (\$5,000.00) of taxable income, or any part  
40 thereof, the rate shall be three percent (3%);

41                               2. For calendar year 2018, on the first One  
42 Thousand Dollars (\$1,000.00) of taxable income there shall be no  
43 tax levied, and on the next Four Thousand Dollars (\$4,000.00) of  
44 taxable income, or any part thereof, the rate shall be three  
45 percent (3%);

46                               3. For calendar year 2019, on the first Two  
47 Thousand Dollars (\$2,000.00) of taxable income there shall be no  
48 tax levied, and on the next Three Thousand Dollars (\$3,000.00) of  
49 taxable income, or any part thereof, the rate shall be three  
50 percent (3%);

51                               4. For calendar year 2020, on the first Three  
52 Thousand Dollars (\$3,000.00) of taxable income there shall be no  
53 tax levied, and on the next Two Thousand Dollars (\$2,000.00) of  
54 taxable income, or any part thereof, the rate shall be three  
55 percent (3%);



56                   5. For calendar year 2021, on the first Four  
57 Thousand Dollars (\$4,000.00) of taxable income there shall be no  
58 tax levied, and on the next One Thousand Dollars (\$1,000.00) of  
59 taxable income, or any part thereof, the rate shall be three  
60 percent (3%);

61                   6. For calendar year 2022 and all taxable  
62 years thereafter, there shall be no tax levied on the first Five  
63 Thousand Dollars (\$5,000.00) of taxable income;

64                   (ii) On taxable income in excess of Five Thousand  
65 Dollars (\$5,000.00) up to and including Ten Thousand Dollars  
66 (\$10,000.00), or any part thereof, the rate shall be four percent  
67 (4%); and

68                   (iii) On all taxable income in excess of Ten Thousand  
69 Dollars (\$10,000.00), the rate shall be five percent (5%).

70                   (b) (i) For calendar year 2023 and all calendar years  
71 thereafter, there shall be no tax levied under subparagraph (ii)  
72 of paragraph (a) of this subsection on the taxable income of  
73 individuals in excess of Five Thousand Dollars (\$5,000.00) up to  
74 and including Ten Thousand Dollars (\$10,000.00), or any part  
75 thereof; and

76                   (ii) For calendar year 2024 and all calendar years  
77 thereafter, the tax imposed under subparagraph (iii) of paragraph  
78 (a) of this subsection upon all taxable income of individuals in  
79 excess of Ten Thousand Dollars (\$10,000.00), shall be at the  
80 following rates:



81                   1. For calendar year 2024, on such taxable  
82 income, the rate shall be four and seven-tenths percent (4.7%);

83                   2. For calendar year 2025, on such taxable  
84 income, the rate shall be four and four-tenths percent  
85 (4.4%); \* \* \*

86                   3. For calendar year 2026 \* \* \*, on such  
87 taxable income, the rate shall be four percent (4%) \* \* \*;

88                   4. For calendar year 2027, on such taxable  
89 income, the rate shall be three and three-fourths percent (3.75%);

90                   5. For calendar year 2028, on such taxable  
91 income, the rate shall be three and one-half percent (3.5%);

92                   6. For calendar year 2029, on such taxable  
93 income, the rate shall be three and one-fourth percent (3.25%);  
94 and

95                   7. For calendar year 2030 and all calendar  
96 years thereafter, on such taxable income, the rate shall be two  
97 and ninety-nine-hundredths percent (2.99%).

98           It is the intent of the Legislature that before calendar  
99 year \* \* \* 2030, the Legislature will consider whether the revised  
100 tax rates provided for in this subparagraph (ii) will be further  
101 decreased for calendar years after calendar year \* \* \* 2030. If  
102 the revised tax rates provided for in this subparagraph (ii) are  
103 further decreased for calendar years after calendar year \* \* \*  
104 2030 to the extent that there is no tax levied on the taxable



105 income of individuals under this subparagraph (ii), the individual  
106 income tax shall stand repealed.

107 (2) An S corporation, as defined in Section 27-8-3(1)(g),  
108 shall not be subject to the income tax imposed under this section.

109 (3) A like tax is hereby imposed to be assessed, collected  
110 and paid annually, except as hereinafter provided, at the rate  
111 specified in this section and as hereinafter provided, upon and  
112 with respect to the entire net income, from all property owned or  
113 sold, and from every business, trade or occupation carried on in  
114 this state by individuals, corporations, partnerships, trusts or  
115 estates, not residents of the State of Mississippi.

116 (4) In the case of taxpayers having a fiscal year beginning  
117 in a calendar year with a rate in effect that is different than  
118 the rate in effect for the next calendar year and ending in the  
119 next calendar year, the tax due for that taxable year shall be  
120 determined by:

121 (a) Computing for the full fiscal year the amount of  
122 tax that would be due under the rates in effect for the calendar  
123 year in which the fiscal year begins; and

124 (b) Computing for the full fiscal year the amount of  
125 tax that would be due under the rates in effect for the calendar  
126 year in which the fiscal year ends; and

127 (c) Applying to the tax computed under paragraph (a)  
128 the ratio which the number of months falling within the earlier



129 calendar year bears to the total number of months in the fiscal  
130 year; and

131 (d) Applying to the tax computed under paragraph (b)  
132 the ratio which the number of months falling within the later  
133 calendar year bears to the total number of months within the  
134 fiscal year; and

135 (e) Adding to the tax determined under paragraph (c)  
136 the tax determined under paragraph (d) the sum of which shall be  
137 the amount of tax due for the fiscal year.

138 **SECTION 2.** Section 27-65-17, Mississippi Code of 1972, is  
139 amended as follows:

140 27-65-17. (1) (a) Except as otherwise provided in this  
141 section, upon every person engaging or continuing within this  
142 state in the business of selling any tangible personal property  
143 whatsoever there is hereby levied, assessed and shall be collected  
144 a tax equal to seven percent (7%) of the gross proceeds of the  
145 retail sales of the business.

146 (b) Retail sales of farm tractors and parts and labor  
147 used to maintain and/or repair such tractors shall be taxed at the  
148 rate of one and one-half percent (1-1/2%) when made to farmers for  
149 agricultural purposes.

150 (c) (i) Retail sales of farm implements sold to  
151 farmers and used directly in the production of poultry, ratite,  
152 domesticated fish as defined in Section 69-7-501, livestock,  
153 livestock products, agricultural crops or ornamental plant crops



154 or used for other agricultural purposes, and parts and labor used  
155 to maintain and/or repair such implements, shall be taxed at the  
156 rate of one and one-half percent (1-1/2%) when used on the farm.

157 (ii) The one and one-half percent (1-1/2%) rate  
158 shall also apply to all equipment used in logging, pulpwood  
159 operations or tree farming, and parts and labor used to maintain  
160 and/or repair such equipment, which is either:

- 161 1. Self-propelled, or
- 162 2. Mounted so that it is permanently attached  
163 to other equipment which is self-propelled or attached to other  
164 equipment drawn by a vehicle which is self-propelled.

165 In order to be eligible for the rate of tax provided for in  
166 this subparagraph (ii), such sales must be made to a professional  
167 logger. For the purposes of this subparagraph (ii), a  
168 "professional logger" is a person, corporation, limited liability  
169 company or other entity, or an agent thereof, who possesses a  
170 professional logger's permit issued by the Department of Revenue  
171 and who presents the permit to the seller at the time of purchase.  
172 The department shall establish an application process for a  
173 professional logger's permit to be issued, which shall include a  
174 requirement that the applicant submit a copy of documentation  
175 verifying that the applicant is certified according to Sustainable  
176 Forestry Initiative guidelines. Upon a determination that an  
177 applicant is a professional logger, the department shall issue the  
178 applicant a numbered professional logger's permit.



179           (d) Except as otherwise provided in subsection (3) of  
180 this section, retail sales of aircraft, automobiles, trucks,  
181 truck-tractors, semitrailers and manufactured or mobile homes  
182 shall be taxed at the rate of three percent (3%).

183           (e) Sales of manufacturing machinery or manufacturing  
184 machine parts when made to a manufacturer or custom processor for  
185 plant use only when the machinery and machine parts will be used  
186 exclusively and directly within this state in manufacturing a  
187 commodity for sale, rental or in processing for a fee shall be  
188 taxed at the rate of one and one-half percent (1-1/2%).

189           (f) Sales of machinery and machine parts when made to a  
190 technology intensive enterprise for plant use only when the  
191 machinery and machine parts will be used exclusively and directly  
192 within this state for industrial purposes, including, but not  
193 limited to, manufacturing or research and development activities,  
194 shall be taxed at the rate of one and one-half percent (1-1/2%).  
195 In order to be considered a technology intensive enterprise for  
196 purposes of this paragraph:

197                   (i) The enterprise shall meet minimum criteria  
198 established by the Mississippi Development Authority;

199                   (ii) The enterprise shall employ at least ten (10)  
200 persons in full-time jobs;

201                   (iii) At least ten percent (10%) of the workforce  
202 in the facility operated by the enterprise shall be scientists,  
203 engineers or computer specialists;





204 (iv) The enterprise shall manufacture plastics,  
205 chemicals, automobiles, aircraft, computers or electronics; or  
206 shall be a research and development facility, a computer design or  
207 related facility, or a software publishing facility or other  
208 technology intensive facility or enterprise as determined by the  
209 Mississippi Development Authority;

210 (v) The average wage of all workers employed by  
211 the enterprise at the facility shall be at least one hundred fifty  
212 percent (150%) of the state average annual wage; and

213 (vi) The enterprise must provide a basic health  
214 care plan to all employees at the facility.

215 A medical cannabis establishment, as defined in the  
216 Mississippi Medical Cannabis Act, shall not be considered to be a  
217 technology intensive enterprise for the purposes of this paragraph  
218 (f).

219 (g) Sales of materials for use in track and track  
220 structures to a railroad whose rates are fixed by the Interstate  
221 Commerce Commission or the Mississippi Public Service Commission  
222 shall be taxed at the rate of three percent (3%).

223 (h) Sales of tangible personal property to electric  
224 power associations for use in the ordinary and necessary operation  
225 of their generating or distribution systems shall be taxed at the  
226 rate of one percent (1%).

227 (i) Wholesale sales of food and drink for human  
228 consumption to full-service vending machine operators to be sold



229 through vending machines located apart from and not connected with  
230 other taxable businesses shall be taxed at the rate of eight  
231 percent (8%).

232 (j) Sales of equipment used or designed for the purpose  
233 of assisting disabled persons, such as wheelchair equipment and  
234 lifts, that is mounted or attached to or installed on a private  
235 carrier of passengers or light carrier of property, as defined in  
236 Section 27-51-101, at the time when the private carrier of  
237 passengers or light carrier of property is sold shall be taxed at  
238 the same rate as the sale of such vehicles under this section.

239 (k) Sales of the factory-built components of modular  
240 homes, panelized homes and precut homes, and panel constructed  
241 homes consisting of structural insulated panels, shall be taxed at  
242 the rate of three percent (3%).

243 (l) Sales of materials used in the repair, renovation,  
244 addition to, expansion and/or improvement of buildings and related  
245 facilities used by a dairy producer shall be taxed at the rate of  
246 three and one-half percent (3-1/2%). For the purposes of this  
247 paragraph (l), "dairy producer" means any person engaged in the  
248 production of milk for commercial use.

249 (m) Sales of equipment and materials used in connection  
250 with geophysical surveying, exploring, developing, drilling,  
251 redrilling, completing, working over, producing, distributing, or  
252 testing of oil, gas and other mineral resources shall be taxed at  
253 the rate of four and one-half percent (4-1/2%). Operators that



254 rebill sales of equipment and materials to nonoperating working  
255 interest owners on behalf of a joint account through the joint  
256 interest billing (JIB), where the sales tax has been paid or  
257 accrued by the operator shall not be charged a sales tax on the  
258 JIB as services income.

259 (n) Retail sales of food or drink for human consumption  
260 not purchased with food stamps issued by the United States  
261 Department of Agriculture or other federal agency, but which would  
262 be exempt under Section 27-65-111(o) from the taxes imposed by  
263 this chapter if the food items were purchased with food stamps,  
264 shall be taxed at the rate of five percent (5%) from and after  
265 July 1, 2025.

266 (2) From and after January 1, 1995, retail sales of private  
267 carriers of passengers and light carriers of property, as defined  
268 in Section 27-51-101, shall be taxed an additional two percent  
269 (2%).

270 (3) A manufacturer selling at retail in this state shall be  
271 required to make returns of the gross proceeds of such sales and  
272 pay the tax imposed in this section.

273 **SECTION 3.** Section 27-65-241, Mississippi Code of 1972, is  
274 amended as follows:

275 27-65-241. (1) As used in this section, the following terms  
276 shall have the meanings ascribed to them in this section unless  
277 otherwise clearly indicated by the context in which they are used:



278           (a) "Hotel" or "motel" means and includes a place of  
279 lodging that at any one time will accommodate transient guests on  
280 a daily or weekly basis and that is known to the trade as such.  
281 Such terms shall not include a place of lodging with ten (10) or  
282 less rental units.

283           (b) "Municipality" means any municipality in the State  
284 of Mississippi with a population of one hundred fifty thousand  
285 (150,000) or more according to the most recent federal decennial  
286 census.

287           (c) "Restaurant" means and includes all places where  
288 prepared food is sold and whose annual gross proceeds of sales or  
289 gross income for the preceding calendar year equals or exceeds One  
290 Hundred Thousand Dollars (\$100,000.00). The term "restaurant"  
291 shall not include any nonprofit organization that is exempt from  
292 federal income taxation under Section 501(c)(3) of the Internal  
293 Revenue Code. For the purpose of calculating gross proceeds of  
294 sales or gross income, the sales or income of all establishments  
295 owned, operated or controlled by the same person, persons or  
296 corporation shall be aggregated.

297           (2) (a) Subject to the provisions of this section, the  
298 governing authorities of a municipality may impose upon all  
299 persons as a privilege for engaging or continuing in business or  
300 doing business within such municipality, a special sales tax at  
301 the rate of not more than one percent (1%) of the gross proceeds  
302 of sales or gross income of the business, as the case may be,



303 derived from any of the activities taxed at the rate of seven  
304 percent (7%) or more under the Mississippi Sales Tax Law, Section  
305 27-65-1 et seq.

306 (b) The tax levied under this section shall apply to  
307 every person making sales of tangible personal property or  
308 services within the municipality but shall not apply to:

309 (i) Sales exempted by Sections 27-65-19,  
310 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and  
311 27-65-111 of the Mississippi Sales Tax Law;

312 (ii) Gross proceeds of sales or gross income of  
313 restaurants derived from the sale of food and beverages;

314 (iii) Gross proceeds of sales or gross income of  
315 hotels and motels derived from the sale of hotel rooms and motel  
316 rooms for lodging purposes;

317 \* \* \*

318 ( \* \* \*iv) Gross income of businesses engaging or  
319 continuing in the business of TV cable systems, subscription TV  
320 services, and other similar activities, including, but not limited  
321 to, cable Internet services;

322 ( \* \* \*y) Wholesale sales of food and drink for  
323 human consumption sold to full service vending machine operators;  
324 and

325 ( \* \* \*vi) Wholesale sales of light wine, light  
326 spirit product, beer and alcoholic beverages.



327 (3) (a) Before any tax authorized under this section may be  
328 imposed, the governing authorities of the municipality shall adopt  
329 a resolution declaring its intention to levy the tax, setting  
330 forth the amount of the tax to be imposed, the purposes for which  
331 the revenue collected pursuant to the tax levy may be used and  
332 expended, the date upon which the tax shall become effective, the  
333 date upon which the tax shall be repealed, and calling for an  
334 election to be held on the question. The date of the election  
335 shall be set in the resolution. Notice of the election shall be  
336 published once each week for at least three (3) consecutive weeks  
337 in a newspaper published or having a general circulation in the  
338 municipality, with the first publication of the notice to be made  
339 not less than twenty-one (21) days before the date fixed in the  
340 resolution for the election and the last publication to be made  
341 not more than seven (7) days before the election. At the  
342 election, all qualified electors of the municipality may vote.  
343 The ballots used at the election shall have printed thereon a  
344 brief description of the sales tax, the amount of the sales tax  
345 levy, a description of the purposes for which the tax revenue may  
346 be used and expended and the words "FOR THE LOCAL SALES TAX" and  
347 "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing  
348 a cross (X) or check mark (✓) opposite his choice on the  
349 proposition. When the results of the election have been canvassed  
350 by the election commissioners of the municipality and certified by  
351 them to the governing authorities, it shall be the duty of such



352 governing authorities to determine and adjudicate whether at least  
353 three-fifths (3/5) of the qualified electors who voted in the  
354 election voted in favor of the tax. If at least three-fifths  
355 (3/5) of the qualified electors who voted in the election voted in  
356 favor of the tax, the governing authorities shall adopt a  
357 resolution declaring the levy and collection of the tax provided  
358 in this section and shall set the first day of the second month  
359 following the date of such adoption as the effective date of the  
360 tax levy. A certified copy of this resolution, together with the  
361 result of the election, shall be furnished to the Department of  
362 Revenue not less than thirty (30) days before the effective date  
363 of the levy.

364 (b) A municipality shall not hold more than two (2)  
365 elections under this subsection.

366 (4) The revenue collected pursuant to the tax levy imposed  
367 under this section may be expended to pay the cost of road and  
368 street repair, reconstruction and resurfacing projects based on  
369 traffic patterns, need and usage, and to pay the costs of water,  
370 sewer and drainage projects in accordance with a master plan  
371 adopted by the commission established pursuant to subsection (7).

372 (5) (a) The special sales tax authorized by this section  
373 shall be collected by the Department of Revenue, shall be  
374 accounted for separately from the amount of sales tax collected  
375 for the state in the municipality and shall be paid to the  
376 municipality. The Department of Revenue may retain one percent



377 (1%) of the proceeds of such tax for the purpose of defraying the  
378 costs incurred by the department in the collection of the tax.  
379 Payments to the municipality shall be made by the Department of  
380 Revenue on or before the fifteenth day of the month following the  
381 month in which the tax was collected. However, if a municipality  
382 fails to comply with the audit, reporting and/or report filing  
383 requirements of paragraph (b) of this subsection and does not  
384 remedy such noncompliance within thirty (30) days after receiving  
385 written notice of noncompliance, the Department of Revenue shall  
386 withhold payments otherwise payable to the municipality under this  
387 paragraph (a) until the department receives written notice that  
388 the municipality has complied with such requirements.

389 (b) The proceeds of the special sales tax shall be  
390 placed into a special municipal fund apart from the municipal  
391 general fund and any other funds of the municipality, and shall be  
392 expended by the municipality solely for the purposes authorized in  
393 subsection (4) of this section. The records reflecting the  
394 receipts and expenditures of the revenue from the special sales  
395 tax shall be provided in detail to the members of the commission  
396 monthly, to include the name of the vendor and the project, and  
397 the dates and amounts received and paid, and shall also be audited  
398 annually by an independent certified public accountant. The  
399 accountant shall make a report of his findings to the governing  
400 authorities of the municipality and file a copy of his report with  
401 the Secretary of the Senate and the Clerk of the House of





402 Representatives and the commission members. The audit shall be  
403 made and completed as soon as practical after the close of the  
404 fiscal year of the municipality, and expenses of the audit shall  
405 be paid from the funds derived by the municipality pursuant to  
406 this section.

407 (c) Any expenditure from the special municipal fund  
408 defined in paragraph (b) above that was not for a project approved  
409 by the commission, or was in excess of the amount approved by the  
410 commission, shall be reimbursed by the city to the special fund.

411 (d) All provisions of the Mississippi Sales Tax Law  
412 applicable to filing of returns, discounts to the taxpayer,  
413 remittances to the Department of Revenue, enforced collection,  
414 rights of taxpayers, recovery of improper taxes, refunds of  
415 overpaid taxes or other provisions of law providing for imposition  
416 and collection of the state sales tax shall apply to the special  
417 sales tax authorized by this section, except where there is a  
418 conflict, in which case the provisions of this section shall  
419 control. Any damages, penalties or interest collected for the  
420 nonpayment of taxes imposed under this section, or for  
421 noncompliance with the provisions of this section, shall be paid  
422 to the municipality on the same basis and in the same manner as  
423 the tax proceeds. Any overpayment of tax for any reason that has  
424 been disbursed to a municipality or any payment of the tax to a  
425 municipality in error may be adjusted by the Department of Revenue  
426 on any subsequent payment to the municipality pursuant to the



427 provisions of the Mississippi Sales Tax Law. The Department of  
428 Revenue may, from time to time, make such rules and regulations  
429 not inconsistent with this section as may be deemed necessary to  
430 carry out the provisions of this section, and such rules and  
431 regulations shall have the full force and effect of law.

432 (6) If a municipality expands its corporate boundaries, the  
433 governing authorities of the municipality may not impose the  
434 special sales tax in the annexed area unless the tax is approved  
435 at an election conducted, as far as is practicable, in the manner  
436 provided in subsection (3) of this section, except that only  
437 qualified electors in the annexed area may vote in the election.

438 (7) (a) Any municipality that levies the special sales tax  
439 authorized under this section shall establish a commission as  
440 provided for in this section. Expenditures of revenue from the  
441 special sales tax authorized by this section shall be in  
442 accordance with a master plan adopted by the commission pursuant  
443 to this subsection.

444 (b) The commission shall be composed of ten (10) voting  
445 members who shall be known as commissioners appointed as follows:

446 (i) Four (4) members representing the business  
447 community in the municipality appointed by the local chamber of  
448 commerce for initial terms of one (1), two (2), four (4) and five  
449 (5) years respectively. The members appointed pursuant to this  
450 paragraph shall be persons who represent businesses located within  
451 the city limits of the municipality.



452                   (ii) Three (3) members shall be appointed at large  
453 by the mayor of the municipality, with the advice and consent of  
454 the legislative body of the municipality, for initial terms of two  
455 (2), three (3) and four (4) years respectively. All appointments  
456 made by the mayor pursuant to this paragraph shall be residents of  
457 the municipality.

458                   (iii) One (1) member shall be appointed at large  
459 by the Governor for an initial term of four (4) years. All  
460 appointments made by the Governor pursuant to this paragraph shall  
461 be residents of the municipality.

462                   (iv) One (1) member shall be appointed at large by  
463 the Lieutenant Governor for an initial term of four (4) years.  
464 All appointments made by the Lieutenant Governor pursuant to this  
465 paragraph shall be residents of the municipality.

466                   (v) One (1) member shall be appointed at large by  
467 the Speaker of the House of Representatives for a term of four (4)  
468 years. All appointments made by the Speaker of the House of  
469 Representatives pursuant to this paragraph shall be residents of  
470 the municipality.

471                   (c) The terms of all appointments made subsequent to  
472 the initial appointment shall be made for five (5) years. Any  
473 vacancy which may occur shall be filled in the same manner as the  
474 original appointment and shall be made for the unexpired term.

475                   (d) The mayor of the municipality shall designate a  
476 chairman of the commission from among the membership of the



477 commission. The vice chairman and secretary shall be elected by  
478 the commission from among the membership of the commission for a  
479 term of two (2) years. The vice chairman and secretary may be  
480 reelected, and the chairman may be reappointed.

481 (e) The commissioners shall serve without compensation.

482 (f) Any commissioner shall be disqualified and shall be  
483 removed from office for either of the following reasons:

484 (i) Conviction of a felony in any state court or  
485 in federal court; or

486 (ii) Failure to attend three (3) consecutive  
487 meetings without just cause.

488 If a commissioner is removed for any of the above reasons,  
489 the vacancy shall be filled in the manner prescribed in this  
490 section and shall be made for the unexpired term.

491 (g) A quorum shall consist of six (6) voting members of  
492 the commission. The commission shall adopt such rules and  
493 regulations as may govern the time and place for holding meetings,  
494 regular and special.

495 (h) The commission shall, with input from the  
496 municipality, establish a master plan for road and street repair,  
497 reconstruction and resurfacing projects based on traffic patterns,  
498 need and usage, and for water, sewer and drainage projects.

499 Expenditures of the revenue from the tax authorized to be imposed  
500 pursuant to this section shall be made at the discretion of the  
501 governing authorities of the municipality if the expenditures



502 comply with the master plan. The commission shall monitor the  
503 compliance of the municipality with the master plan.

504 (8) The governing authorities of any municipality that  
505 levies the special sales tax authorized under this section are  
506 authorized to incur debt, including bonds, notes or other  
507 evidences of indebtedness, for the purpose of paying the costs of  
508 road and street repair, reconstruction and resurfacing projects  
509 based on traffic patterns, need and usage, and to pay the costs of  
510 water, sewer and drainage projects in accordance with a master  
511 plan adopted by the commission established pursuant to subsection  
512 (7) of this section. Any bonds or notes issued to pay such costs  
513 may be secured by the proceeds of the special sales tax levied  
514 pursuant to this section or may be general obligations of the  
515 municipality and shall satisfy the requirements for the issuance  
516 of debt provided by Sections 21-33-313 through 21-33-323.

517 (9) This section shall stand repealed from and after July 1,  
518 2035.

519 **SECTION 4.** Section 27-67-5, Mississippi Code of 1972, is  
520 brought forward as follows:

521 27-67-5. There is hereby levied, assessed and shall be  
522 collected from every person a tax for the privilege of using,  
523 storing or consuming, within this state, any tangible personal  
524 property or specified digital product possession of which is  
525 acquired in any manner.



526 (a) The use tax hereby imposed and levied shall be  
527 collected at the same rates as imposed under Section 27-65-20, and  
528 Sections 27-65-17, 27-65-18, 27-65-19, 27-65-24, 27-65-25 and  
529 27-65-26 computed on the purchase or sales price, or value, as  
530 defined in this article.

531 (b) It shall be the duty of the tax collectors of the  
532 several counties, or the commissioner, as the case may be, to  
533 collect, remit and account for the tax on the use of all vehicles  
534 licensed or registered by the State of Mississippi for the first  
535 time, except when the Mississippi use tax was collected by an  
536 authorized out-of-state dealer at the time of purchase, or when  
537 the use thereof was exempt by Section 27-67-7. The tax collector  
538 or the commissioner shall give to the person registering the  
539 vehicle a receipt in a form prescribed and furnished by the  
540 Department of Revenue for the amount of tax collected.

541 The tax collector or the commissioner is expressly prohibited  
542 from issuing a license tag to any applicant without collecting the  
543 tax levied by this article, unless positive proof is filed,  
544 together with the application for the license tag, that the  
545 Mississippi tax has been paid, or that the sale was exempt by  
546 Section 27-67-7.

547 Persons not engaging and continuing in business so as to be  
548 registered for payment of sales and/or use tax may pay use tax due  
549 on the first use of boats, airplanes, equipment or other tangible  
550 personal property and specified digital products to county tax



551 collectors who are hereby authorized to accept such payments on  
552 behalf of the commissioner. Receipts for all such payments shall  
553 be given to taxpayers in a form prescribed and furnished by the  
554 Department of Revenue.

555 County tax collectors and the commissioner shall be liable  
556 for the tax they are required hereby to collect, and taxes which  
557 are in fact collected under authority of this section; and failure  
558 to properly collect or maintain proper records shall not relieve  
559 them of liability for payment to the commissioner. Deficiencies  
560 in collection or payment shall be assessed against the tax  
561 collector or the commissioner in the same manner and subject to  
562 the same penalties and provisions for appeal as are deficiencies  
563 assessed against taxpayers.

564 A dealer authorized to collect and remit the tax to the  
565 Department of Revenue shall give to the purchaser a receipt for  
566 the payment of the tax, in a form prescribed and furnished by the  
567 commissioner, which shall serve as proof of payment to the tax  
568 collector of the county in which the license is to be issued.

569 Each tax collector of the several counties shall, on or  
570 before the twentieth day of each month, file a report with and pay  
571 to the commissioner all funds collected under the provisions of  
572 this article, less a commission of five percent (5%) which shall  
573 be retained by the tax collector as a commission for collecting  
574 such tax and be deposited in the county general fund. The report  
575 required to be filed shall cover all collections made during the



576 calendar month next preceding the date on which the report is due  
577 and filed.

578 Any error in the report and remittance to the commissioner  
579 may be adjusted on a subsequent report. If the error was in the  
580 collection by the tax collector, it shall be adjusted through the  
581 tax collector with the taxpayer before credit is allowed by the  
582 commissioner.

583 All information relating to the collection of use tax by tax  
584 collectors and such records as the commissioner may require shall  
585 be preserved in the tax collector's office for a period of three  
586 (3) years for audit by the commissioner.

587 Computer software maintained on a server located outside the  
588 state and accessible for use only via the internet is not a  
589 taxable use, storage or consumption under this chapter.

590 **SECTION 5.** Section 27-55-11, Mississippi Code of 1972, is  
591 amended as follows:

592 27-55-11. Any person in business as a distributor of  
593 gasoline or who acts as a distributor of gasoline, as defined in  
594 this article, shall pay for the privilege of engaging in such  
595 business or acting as such distributor an excise tax equal to  
596 Eighteen Cents (18¢) per gallon through June 30, 2025, Twenty-one  
597 Cents (21¢) per gallon from July 1, 2025, through June 30, 2026,  
598 Twenty-four Cents (24¢) per gallon from July 1, 2026, through June  
599 30, 2027, Twenty-seven Cents (27¢) per gallon from July 1, 2027,  
600 until the date specified in Section 65-39-35, and Fourteen and





601 Four-tenths Cents (14.4¢) per gallon thereafter, on all gasoline  
602 and blend stock stored, sold, distributed, manufactured, refined,  
603 distilled, blended or compounded in this state or received in this  
604 state for sale, use on the highways, storage, distribution, or for  
605 any purpose.

606 Any person in business as a distributor of aviation gasoline,  
607 or who acts as a distributor of aviation gasoline, shall pay for  
608 the privilege of engaging in such business or acting as such  
609 distributor an excise tax equal to Six and Four-tenths Cents  
610 (6.4¢) per gallon on all aviation gasoline stored, sold,  
611 distributed, manufactured, refined, distilled, blended or  
612 compounded in this state or received in this state for sale,  
613 storage, distribution or for any purpose.

614 Beginning July 1, 2029, and on July 1 of every other year  
615 thereafter, the excise tax rate provided in this section shall be  
616 adjusted by the percentage change in the yearly average of the  
617 National Highway Construction Cost Index (NHCCI) issued by the  
618 U.S. Federal Highway Administration (FHWA) for the most recent  
619 twelve-month published period ending December 31, compared to the  
620 base year average, which is the average for the twelve-month  
621 period ending December 31, 2025, and rounded to the nearest whole  
622 cent. The maximum amount of increase in the excise tax rate shall  
623 not exceed One Cent (1¢) per net gallon of gasoline or special  
624 fuel and shall take effect every other year. The Department of  
625 Revenue shall notify each terminal supplier, position holder,



626 licensed distributors distributor, and importer of the tax rate  
627 adjustment applicable under this paragraph on or before March 1.

628 The excise taxes collected under this section shall be paid  
629 and distributed in accordance with Section 27-5-101.

630 The tax herein imposed and assessed shall be collected and  
631 paid to the State of Mississippi but once in respect to any  
632 gasoline. The basis for determining the tax liability shall be  
633 the correct invoiced gallons, adjusted to sixty (60) degrees  
634 Fahrenheit at the refinery or point of origin of shipment when  
635 such shipment is made by tank car or by motor carrier. The point  
636 of origin of shipment of gasoline transported into this state by  
637 pipelines shall be deemed to be that point in this state where  
638 such gasoline is withdrawn from the pipeline for storage or  
639 distribution, and adjustment to sixty (60) degrees Fahrenheit  
640 shall there be made. The basis for determining the tax liability  
641 on gasoline shipped into this state in barge cargoes and by  
642 pipeline shall be the actual number of gallons adjusted to sixty  
643 (60) degrees Fahrenheit unloaded into storage tanks or other  
644 containers in this state, such gallonage to be determined by  
645 measurement and/or gauge of storage tank or tanks or by any other  
646 method authorized by the commission. The tank or tanks into which  
647 barge cargoes of gasoline are discharged, or into which gasoline  
648 transported by pipeline is discharged, shall have correct gauge  
649 tables listing capacity, such gauge tables to be prepared by some



650 recognized calibrating agency and to be approved by the  
651 commission.

652 The tax levied herein shall accrue at the time gasoline is  
653 withdrawn from a refinery in this state except when withdrawal is  
654 by pipeline, barge, ship or vessel. The refiner shall pay to the  
655 commission the tax levied herein when gasoline is sold or  
656 delivered to persons who do not hold gasoline distributor permits.  
657 The refiner shall report to the commission all sales and  
658 deliveries of gasoline to bonded distributors of gasoline. The  
659 bonded distributor of gasoline who purchases, receives or acquires  
660 gasoline from a refinery in this state shall report such gasoline  
661 and pay the tax levied herein.

662 Gasoline imported by common carrier shall be deemed to be  
663 received by the distributor of gasoline, and the tax levied herein  
664 shall accrue, when the car or tank truck containing such gasoline  
665 is unloaded by the carrier.

666 With respect to distributors or other persons who bring,  
667 ship, have transported, or have brought into this state gasoline  
668 by means other than through a common carrier, the tax accrues and  
669 the tax liability attaches on the distributor or other person for  
670 each gallon of gasoline brought into the state at the time when  
671 and at the point where such gasoline is brought into the state.

672 The tax levied herein shall accrue on blend stock at the time  
673 it is blended with gasoline. The blender shall pay to the  
674 commission the tax levied herein when blend stock is sold or



675 delivered to persons who do not hold gasoline distributor permits.  
676 The blender shall report to the commission all sales and  
677 deliveries of blend stock to bonded distributors of gasoline. The  
678 bonded distributor of gasoline who purchases, receives or acquires  
679 blend stock from a blender in this state shall report blend stock  
680 and pay the tax levied herein.

681       **SECTION 6.** Section 27-55-519, Mississippi Code of 1972, is  
682 amended as follows:

683       27-55-519. (1) Any person engaged in business as a  
684 distributor of special fuel or who acts as a distributor of  
685 special fuel, as defined in this article, shall pay for the  
686 privilege of engaging in such business or acting as such  
687 distributor an excise tax on all special fuel stored, used, sold,  
688 distributed, manufactured, refined, distilled, blended or  
689 compounded in this state or received in this state for sale,  
690 storage, distribution or for any purpose, adjusted to sixty (60)  
691 degrees Fahrenheit.

692       The excise tax shall become due and payable when:

693           (a) Special fuel is withdrawn from storage at a  
694 refinery, marine or pipeline terminal, except when withdrawal is  
695 by barge or pipeline.

696           (b) Special fuel imported by a common carrier is  
697 unloaded by that carrier unless the special fuel is unloaded  
698 directly into the storage tanks of a refinery, marine or pipeline  
699 terminal.



700 (c) Special fuel imported by any person other than a  
701 common carrier enters the State of Mississippi unless the special  
702 fuel is unloaded directly into the storage tanks of a refinery,  
703 marine or pipeline terminal.

704 (d) Special fuel is blended in this state unless such  
705 blending occurs in a refinery, marine or pipeline terminal.

706 (e) Special fuel is acquired tax free.

707 (2) The special fuel excise tax shall be as follows:

708 (a) \* \* \* On undyed diesel fuel, Eighteen Cents (18¢)  
709 per gallon through June 30, 2025, Twenty-one Cents (21¢) per  
710 gallon from July 1, 2025, through June 30, 2026, Twenty-four Cents  
711 (24¢) per gallon from July 1, 2026, through June 30, 2027,  
712 Twenty-seven Cents (27¢) per gallon from July 1, 2027, until the  
713 date specified in Section 65-39-35, and Fourteen and Three-fourths  
714 Cents (14.75¢) per gallon thereafter;

715 (b) Five and Three-fourths Cents (5.75¢) per gallon on  
716 all special fuel except undyed diesel fuel and special fuel used  
717 as fuels in aircraft; and

718 (c) Five and One-fourth Cents (5.25¢) per gallon on  
719 special fuel used as fuel in aircraft.

720 (3) Beginning July 1, 2029, and on July 1 of every other  
721 year thereafter, the excise tax rate provided in this section  
722 shall be adjusted by the percentage change in the yearly average  
723 of the National Highway Construction Cost Index (NHCCI) issued by  
724 the U.S. Federal Highway Administration (FHWA) for the most recent



725 twelve-month published period ending December 31, compared to the  
726 base year average, which is the average for the twelve-month  
727 period ending December 31, 2025, and rounded to the nearest whole  
728 cent. The maximum amount of increase in the excise tax rate shall  
729 not exceed One Cent (1¢) per net gallon of gasoline or special  
730 fuel and shall take effect every other year. The Department of  
731 Revenue shall notify each terminal supplier, position holder,  
732 licensed distributors distributor, and importer of the tax rate  
733 adjustment applicable under this paragraph on or before March 1.

734       **SECTION 7.** Section 27-55-521, Mississippi Code of 1972, is  
735 amended as follows:

736       27-55-521. (1) An excise tax at the rate of Eighteen Cents  
737 (18¢) per gallon through June 30, 2025, Twenty-one Cents (21¢) per  
738 gallon from July 1, 2025, through June 30, 2026, Twenty-four Cents  
739 (24¢) per gallon from July 1, 2026, through June 30, 2027,  
740 Twenty-seven Cents (27¢) per gallon from July 1, 2027, until the  
741 date specified in Section 65-39-35, \* \* \* and Fourteen and  
742 Three-fourths Cents (14.75¢) per gallon thereafter is levied on  
743 any person engaged in business as a distributor of special fuel or  
744 who acts as such who sells:

745           (a) Special fuel for use in performing contracts for  
746 construction, reconstruction, maintenance or repairs, where such  
747 contracts are entered into with the State of Mississippi, any  
748 political subdivision of the State of Mississippi, or any



749 department, agency, institution of the State of Mississippi or any  
750 political subdivision thereof.

751 (b) Dyed diesel fuel or kerosene to a state or local  
752 governmental entity for use on the highways in a motor vehicle.

753 (c) Special fuel for use on the highway.

754 (2) An excise tax at the rate of Eighteen Cents (18¢) per  
755 gallon through June 30, 2025, Twenty-one Cents (21¢) per gallon  
756 from July 1, 2025, through June 30, 2026, Twenty-four Cents (24¢)  
757 per gallon from July 1, 2026, through June 30, 2027, Twenty-seven  
758 Cents (27¢) per gallon from July 1, 2027, until the date specified  
759 in Section 65-39-35, \* \* \* and Fourteen and Three-fourths Cents  
760 (14.75¢) per gallon thereafter is levied on any person who:

761 (a) Uses dyed diesel fuel or kerosene in a motor  
762 vehicle on the highways of this state in violation of Section  
763 27-55-539.

764 (b) Purchases or acquires undyed diesel fuel or  
765 kerosene for nonhighway use and subsequently uses such diesel fuel  
766 or kerosene in a motor vehicle on the highways of this state.

767 (c) Purchases or acquires special fuel for use in  
768 performing contracts as specified in this section.

769 (3) Beginning July 1, 2029, and on July 1 of every other  
770 year thereafter, the excise tax rate provided in this section  
771 shall be adjusted by the percentage change in the yearly average  
772 of the National Highway Construction Cost Index (NHCCI) issued by  
773 the U.S. Federal Highway Administration (FHWA) for the most recent



774 twelve-month published period ending December 31, compared to the  
775 base year average, which is the average for the twelve-month  
776 period ending December 31, 2025, and rounded to the nearest whole  
777 cent. The maximum amount of increase in the excise tax rate shall  
778 not exceed One Cent (1¢) per net gallon of gasoline or special  
779 fuel and shall take effect every other year. The Department of  
780 Revenue shall notify each terminal supplier, position holder,  
781 licensed distributors distributor, and importer of the tax rate  
782 adjustment applicable under this paragraph on or before March 1.

783       **SECTION 8.** Section 27-55-12, Mississippi Code of 1972, is  
784 amended as follows:

785       27-55-12. (1) The United States government, the State of  
786 Mississippi, counties, municipalities, school districts and all  
787 other political subdivisions of the state, and volunteer fire  
788 departments chartered under the laws of the State of Mississippi  
789 as nonprofit corporations shall be exempt from excise taxes on  
790 gasoline, special fuel and compressed gas as follows:

791           (a) From the excise tax rate in excess of Nine Cents  
792 (9¢) per gallon of gasoline and from the excise tax rate in excess  
793 of One Cent (1¢) per gallon of aviation gasoline levied under  
794 Section 27-55-11, Mississippi Code of 1972, Five and Four-tenths  
795 Cents (5.4¢) thereof shall be exempt as provided in Section  
796 27-55-19, Mississippi Code of 1972.

797           (b) From the excise tax rate in excess of Ten Cents  
798 (10¢) per gallon of special fuel levied \* \* \* under Sections





799 27-55-519 and 27-55-521 and subject to reduction on the date  
800 specified in Section 65-39-35, Four and Three-fourths Cents  
801 (4.75¢) thereof shall be exempt.

802 (c) From the excise tax rate in excess of One Cent (1¢)  
803 per gallon of special fuel taxed at Five and Three-fourths Cents  
804 (5.75¢) per gallon and from the excise tax rate in excess of  
805 One-half Cent (1/2¢) per gallon of special fuel used in aircraft  
806 levied under Section 27-55-519, Four and Three-fourths Cents  
807 (4.75¢) thereof shall be exempt.

808 (d) From the portion of the excise tax rate on  
809 compressed gas used as a motor fuel that exceeds the rate of tax  
810 in effect on June 30, 1987, Three Cents (3¢) thereof shall be  
811 exempt.

812 (2) The exemption provided in subsection (1) of this section  
813 for sales of gasoline, special fuel and compressed gas to  
814 volunteer fire departments shall apply only to sales of gasoline,  
815 special fuel and compressed gas for use in a vehicle owned by a  
816 volunteer fire department and used for department purposes.

817 (3) The exemption provided in subsection (1) of this section  
818 for sales of gasoline, special fuel and compressed gas also shall  
819 apply to sales of gasoline, special fuel and compressed gas to an  
820 entity described in Section 27-51-41(2)(u) for use in buses and  
821 other motor vehicles that are exempt from ad valorem taxation  
822 under Section 27-51-41(2)(u).



823 (4) Any person other than a bonded distributor of gasoline,  
824 bonded distributor of special fuel or bonded distributor of  
825 compressed gas who sells or delivers any gasoline, special fuel or  
826 compressed gas, subject to the exemption set forth in this  
827 section, is required to obtain credit for such exemption from a  
828 bonded distributor of gasoline, special fuel or compressed gas.

829 **SECTION 9.** Section 27-55-523, Mississippi Code of 1972, is  
830 amended as follows:

831 27-55-523. For the purpose of determining the amount of his  
832 liability for the tax imposed by this article, each bonded  
833 distributor of special fuel shall, not later than the twentieth  
834 day of the month next following the month in which this article  
835 becomes effective, and not later than the twentieth day of each  
836 month thereafter, file with the department a monthly report which  
837 shall include a statement of the number of gallons of special fuel  
838 received and sold by such distributor of special fuel within this  
839 state during the preceding calendar month, and such other  
840 information as may be reasonably necessary for the proper  
841 administration of this article.

842 At the time of filing each monthly report with the  
843 department, a distributor may take a credit for the number of  
844 gallons of special fuel that he purchased during the preceding  
845 calendar month from a distributor who pays the excise tax imposed  
846 by this article on such special fuel.



847           At the time of filing each monthly report with the  
848 department, each distributor of special fuel shall pay to the  
849 department the full amount of the special fuel tax due from such  
850 distributor for the preceding calendar month.

851           Reports and payments must be filed electronically by the due  
852 date in order to be considered timely filed, except when the due  
853 date falls on a weekend or holiday, in which case such reports and  
854 payments must be filed electronically by the first working day  
855 following the due date in order to be considered timely filed.

856           The monthly report of the distributor of special fuel shall  
857 be prepared and filed with the department on forms prescribed by  
858 the department, or the distributor of special fuel may, with the  
859 approval of the department, furnish the required information on  
860 machine-prepared schedules. Such monthly reports or schedules  
861 shall be signed by the distributor or his duly authorized agent  
862 and shall contain a declaration that the statements contained in  
863 such report are true and correct and are made under the penalty of  
864 perjury.

865           When special fuel, which would otherwise be taxable under the  
866 provisions of this article, is imported, sold, delivered or  
867 exported, under conditions which will exclude such special fuel  
868 from the tax levied under this article by reasons of one or more  
869 of the exemptions provided in this article, deduction for such  
870 exempt special fuel may be taken without prior approval of the  
871 department on the monthly report of the bonded distributor of



872 special fuel importing, selling, delivering or exporting such  
873 special fuel. Provided, however, that the department may require  
874 proof to be furnished of such deduction for exempt special fuel.

875 When the Five and Three-fourths Cents (5.75¢) per gallon tax  
876 has accrued or has been paid on special fuel that is taxed \* \* \*  
877 under Sections 27-55-519 and 27-55-521 and subject to reduction on  
878 the date specified in Section 65-39-35, a deduction of Five and  
879 Three-fourths Cents (5.75¢) per gallon may be made.

880 **SECTION 10.** Section 27-5-101, Mississippi Code of 1972, is  
881 amended as follows:

882 **[With regard to any county which is exempt from the**  
883 **provisions of Section 19-2-3, this section shall read as follows:]**

884 27-5-101. Unless otherwise provided in this section, on or  
885 before the fifteenth day of each month, all gasoline, diesel fuel  
886 or kerosene taxes which are levied under the laws of this state  
887 and collected during the previous month shall be paid and  
888 apportioned by the \* \* \* Department of Revenue as follows:

889 (a) (i) Except as otherwise provided in Section  
890 31-17-127, from the gross amount of gasoline, diesel fuel or  
891 kerosene taxes produced by the state, there shall be deducted an  
892 amount equal to one-sixth (1/6) of principal and interest  
893 certified by the State Treasurer to the \* \* \* Department of  
894 Revenue to be due on the next semiannual bond and interest payment  
895 date, as required under the provisions of Chapter 130, Laws of  
896 1938, and subsequent acts authorizing the issuance of bonds



897 payable from gasoline, diesel fuel or kerosene tax revenue on a  
898 parity with the bonds issued under authority of said Chapter 130.  
899 The State Treasurer shall certify to the \* \* \* Department of  
900 Revenue on or before the fifteenth day of each month the amount to  
901 be paid to the "Highway Bonds Sinking Fund" as provided by said  
902 Chapter 130, Laws of 1938, and subsequent acts authorizing the  
903 issuance of bonds payable from gasoline, diesel fuel or kerosene  
904 tax revenue, on a parity with the bonds issued under authority of  
905 said Chapter 130; and the \* \* \* Department of Revenue shall, on or  
906 before the twenty-fifth day of each month, pay into the State  
907 Treasury for credit to the "Highway Bonds Sinking Fund" the amount  
908 so certified to him by the State Treasurer due to be paid into  
909 such fund each month. The payments to the "Highway Bonds Sinking  
910 Fund" shall be made out of gross gasoline, diesel fuel or kerosene  
911 tax collections before deductions of any nature are considered;  
912 however, such payments shall be deducted from the allocation to  
913 the Mississippi Department of Transportation under paragraph (c)  
914 of this section.

915 (ii) From collections derived from the portion of  
916 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
917 up to and including Eighteen Cents (18¢) per gallon, from the  
918 portion of the tax on aviation gas under Section 27-55-11 that  
919 exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
920 portion of the special fuel tax levied under Sections 27-55-519  
921 and 27-55-521 \* \* \* that exceeds Ten Cents (10¢) per gallon, up to



922 and including Eighteen Cents (18¢) per gallon, from the portion of  
923 the taxes levied under Section 27-55-519, at Five and  
924 Three-fourths Cents (5.75¢) per gallon that exceeds One Cent (1¢)  
925 per gallon on special fuel and Five and One-fourth Cents (5.25¢)  
926 per gallon on special fuel used as aircraft fuel, from the portion  
927 of the excise tax on compressed gas used as a motor fuel that  
928 exceeds the rate of tax in effect on June 30, 1987, and from the  
929 portion of the gasoline excise tax in excess of Seven Cents (7¢)  
930 per gallon and the diesel excise tax in excess of Ten Cents (10¢)  
931 per gallon under Section 27-61-5 there shall be deducted:

932                   1. An amount as provided in Section  
933 27-65-75(4) to the credit of a special fund designated as the  
934 "Office of State Aid Road Construction."

935                   2. An amount equal to the tax collections  
936 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
937 for distribution to the State Highway Fund to be used exclusively  
938 for the construction, reconstruction and maintenance of highways  
939 of the State of Mississippi or the payment of interest and  
940 principal on bonds when specifically authorized by the Legislature  
941 for that purpose.

942                   3. The balance shall be deposited in the  
943 State Treasury to the credit of the State Highway Fund.

944                   (iii) From collections derived from the portion of  
945 the gasoline excise tax that exceeds Eighteen Cents (18¢) per  
946 gallon, and from the portion of the special fuel tax levied under



947 Sections 27-55-519 and 27-55-521 that exceeds Eighteen Cents (18¢)  
948 per gallon, and from the portion of the gasoline excise tax and  
949 the diesel excise tax in excess of Eighteen Cents (18¢) per gallon  
950 under Section 27-61-5, there shall be deducted:

951 1. Twenty-three and one-fourth percent  
952 (23.25%) of such amount to the credit of a special fund designated  
953 as the "Office of State Aid Road Construction."

954 2. Two and three-fourths percent (2.75%) of  
955 such amount to the Strategic Multi-Modal Investments Fund created  
956 in Section 65-1-901.

957 3. Seventy-four percent (74%) of such amount  
958 to the Mississippi Department of Transportation for constructing,  
959 maintaining or improving segments of highways and bridges under  
960 its jurisdiction, and for operational improvements on such  
961 segments, in accordance with a project schedule as reported in the  
962 three-year plan as adopted, amended by or reissued by the  
963 Mississippi Transportation Commission under Section 65-1-141.

964 (b) Subject to the provisions that said basis of  
965 distribution shall in nowise affect adversely the amount  
966 specifically pledged in paragraph (a) of this section to be paid  
967 into the "Highway Bonds Sinking Fund," the following shall be  
968 deducted from the amount produced by the state tax on gasoline,  
969 diesel fuel or kerosene tax collections, excluding collections  
970 derived from the portion of the gasoline excise tax that exceeds  
971 Seven Cents (7¢) per gallon, from the portion of the tax on



972 aviation gas under Section 27-55-11 that exceeds Six and  
973 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
974 special fuel tax levied under Sections 27-55-519 and 27-55-521, at  
975 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per  
976 gallon, from the portion of the taxes levied under Section  
977 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that  
978 exceeds One Cent (1¢) per gallon on special fuel and Five and  
979 One-fourth Cents (5.25¢) per gallon on special fuel used as  
980 aircraft fuel, from the portion of the excise tax on compressed  
981 gas used as a motor fuel that exceeds the rate of tax in effect on  
982 June 30, 1987, and from the portion of the gasoline excise tax in  
983 excess of Seven Cents (7¢) per gallon and the diesel excise tax in  
984 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

985           (i) Twenty percent (20%) of such amount which  
986 shall be earmarked and set aside for the construction,  
987 reconstruction and maintenance of the highways and roads of the  
988 state, provided that if such twenty percent (20%) should reduce  
989 any county to a lesser amount than that received in the fiscal  
990 year ending June 30, 1966, then such twenty percent (20%) shall be  
991 reduced to a percentage to provide that no county shall receive  
992 less than its portion for the fiscal year ending June 30, 1966;

993           (ii) The amount allowed as refund on gasoline or  
994 as tax credit on diesel fuel or kerosene used for agricultural,  
995 maritime, industrial, domestic, and nonhighway purposes;





996 (iii) Five percent (5%) of such amount shall be  
997 paid to the State Highway Fund;

998 (iv) The amount or portion thereof authorized by  
999 legislative appropriation to the Fisheries and Wildlife Fund  
1000 created under Section 59-21-25;

1001 (v) The amount for deposit into the special  
1002 aviation fund under paragraph (d) of this section; and

1003 (vi) The remainder shall be divided on a basis of  
1004 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the  
1005 same basis as Four and One-half Cents (4-1/2¢) and Two and  
1006 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and  
1007 six and forty-three one-hundredths (6.43) and three and  
1008 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel  
1009 fuel or kerosene). The amount produced by the nine-fourteenths  
1010 (9/14) division shall be allocated to the \* \* \* Department of  
1011 Transportation and paid into the State Treasury as provided in  
1012 this section and in Section 27-5-103 and the five-fourteenths  
1013 (5/14) division shall be returned to the counties of the state on  
1014 the following basis:

1015 1. In each fiscal year, each county shall be  
1016 paid each month the same percentage of the monthly total to be  
1017 distributed as was paid to that county during the same month in  
1018 the fiscal year which ended April 9, 1960, until the county  
1019 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such



1020 fiscal year, at which time funds shall be distributed under the  
1021 provisions of paragraph (b) (vi)4 of this section.

1022                   2. If after payments in 1 above, any county  
1023 has not received a total of One Hundred Ninety Thousand Dollars  
1024 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
1025 and each fiscal year thereafter, then any available funds not  
1026 distributed under 1 above shall be used to bring such county or  
1027 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
1028 or such funds shall be divided equally among such counties not  
1029 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
1030 there is not sufficient money to bring all the counties to said  
1031 One Hundred Ninety Thousand Dollars (\$190,000.00).

1032                   3. When a county has been paid an amount  
1033 equal to the total which was paid to the same county during the  
1034 fiscal year ended April 9, 1960, such county shall receive no  
1035 further payments during the then current fiscal year until the  
1036 last month of such current fiscal year, at which time distribution  
1037 will be made under 2 above, except as set out in 4 below.

1038                   4. During the last month of the current  
1039 fiscal year, should it be determined that there are funds  
1040 available in excess of the amount distributed for the year under 1  
1041 and 2 above, then such excess funds shall be distributed among the  
1042 various counties as follows:

1043                                   One-third (1/3) of such excess to be  
1044 divided equally among the counties;



1045                                    One-third (1/3) of such excess to be paid  
1046 to the counties in the proportion which the population of each  
1047 county bears to the total population of the state according to the  
1048 last federal census;

1049                                    One-third (1/3) of such excess to be paid  
1050 to the counties in the proportion which the number of square miles  
1051 of each county bears to the total square miles in the state.

1052                                    5. It is the declared purpose and intent of  
1053 the Legislature that no county shall be paid less than was paid  
1054 during the year ended April 9, 1960, unless the amount to be  
1055 distributed to all counties in any year is less than the amount  
1056 distributed to all counties during the year ended April 9, 1960.

1057                                    The Municipal Aid Fund as established by Section 27-5-103  
1058 shall not participate in any portion of any funds allocated to any  
1059 county hereunder over and above One Hundred Ninety Thousand  
1060 Dollars (\$190,000.00).

1061                                    In any county having countywide road or bridge bonds, or  
1062 supervisors district or district road or bridge bonds outstanding,  
1063 which exceed, in the aggregate, twelve percent (12%) of the  
1064 assessed valuation of the taxable property of the county or  
1065 district, it shall be the duty of the board of supervisors to set  
1066 aside not less than sixty percent (60%) of such county's share or  
1067 district's share of the gasoline, diesel fuel or kerosene taxes to  
1068 be used in paying the principal and interest on such road or  
1069 bridge bonds as they mature.



1070           In any county having such countywide road or bridge bonds or  
1071 district road or bridge bonds outstanding which exceed, in the  
1072 aggregate, eight percent (8%) of the assessed valuation of the  
1073 taxable property of the county, but which do not exceed, in the  
1074 aggregate, twelve percent (12%) of the assessed valuation of the  
1075 taxable property of the county, it shall be the duty of the board  
1076 of supervisors to set aside not less than thirty-five percent  
1077 (35%) of such county's share of the gasoline, diesel fuel or  
1078 kerosene taxes to be used in paying the principal and interest of  
1079 such road or bridge bonds as they mature.

1080           In any county having such countywide road or bridge bonds or  
1081 district road or bridge bonds outstanding which exceed, in the  
1082 aggregate, five percent (5%) of the assessed valuation of the  
1083 taxable property of the county, but which do not exceed, in the  
1084 aggregate, eight percent (8%) of the assessed valuation of the  
1085 taxable property of the county, it shall be the duty of the board  
1086 of supervisors to set aside not less than twenty percent (20%) of  
1087 such county's share of the gasoline, diesel fuel or kerosene taxes  
1088 to be used in paying the principal and interest of such road and  
1089 bridge bonds as they mature.

1090           In any county having such countywide road or bridge bonds or  
1091 district road or bridge bonds outstanding which do not exceed, in  
1092 the aggregate, five percent (5%) of the assessed valuation of the  
1093 taxable property of the county, it shall be the duty of the board  
1094 of supervisors to set aside not less than ten percent (10%) of



1095 such county's share of the gasoline, diesel fuel or kerosene taxes  
1096 to be used in paying the principal and interest on such road or  
1097 bridge bonds as they mature.

1098         The portion of any such county's share of the gasoline,  
1099 diesel fuel or kerosene taxes thus set aside for the payment of  
1100 the principal and interest of road or bridge bonds, as provided  
1101 for in this section, shall be used first in paying the currently  
1102 maturing installments of the principal and interest of such  
1103 countywide road or bridge bonds, if there be any such countywide  
1104 road or bridge bonds outstanding, and secondly, in paying the  
1105 currently maturing installments of principal and interest of  
1106 district road or bridge bonds outstanding. It shall be the duty  
1107 of the board of supervisors to pay bonds and interest maturing in  
1108 each supervisors district out of the supervisors district's share  
1109 of the gasoline, diesel fuel or kerosene taxes of such district.

1110         The remaining portion of such county's share of the gasoline,  
1111 diesel fuel or kerosene taxes, after setting aside the portion  
1112 above provided for the payment of the principal and interest of  
1113 bonds, shall be used in the construction and maintenance of any  
1114 public highways, bridges, or culverts of the county, including the  
1115 roads in special or separate road districts, in the discretion of  
1116 the board of supervisors, or in paying the interest and principal  
1117 of county road and bridge bonds or district road and bridge bonds,  
1118 in the discretion of the board of supervisors.



1119           In any county having no countywide road or bridge bonds or  
1120 district road or bridge bonds outstanding, all such county's share  
1121 of the gasoline, diesel fuel or kerosene taxes shall be used in  
1122 the construction, reconstruction, and maintenance of the public  
1123 highways, bridges, or culverts of the county as the board of  
1124 supervisors may determine.

1125           In every county in which there are county road bonds or  
1126 seawall or road protection bonds outstanding which were issued for  
1127 the purpose of building bridges or constructing public roads or  
1128 seawalls, such funds shall be used in the manner provided by law.

1129           (c) From the amount produced by the nine-fourteenths  
1130 (9/14) division allocated to the \* \* \* Department of  
1131 Transportation, there shall be deducted:

1132                   (i) The amount paid to the State Treasurer for the  
1133 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

1134                   (ii) Any amounts due counties in accordance with  
1135 Section 65-33-45 which have outstanding bonds issued for seawall  
1136 or road protection purposes, issued under provisions of Chapter  
1137 319, Laws of 1924, and amendments thereto;

1138                   (iii) Except as otherwise provided in Section  
1139 31-17-127, the remainder shall be paid by the \* \* \* Department of  
1140 Revenue to the State Treasurer on the fifteenth day of each month  
1141 next succeeding the month in which the gasoline, diesel fuel or  
1142 kerosene taxes were collected to the credit of the State Highway  
1143 Fund.



1144           The funds allocated for the construction, reconstruction, and  
1145 improvement of state highways, bridges, and culverts, or so much  
1146 thereof as may be necessary, shall first be used in conjunction  
1147 with funds supplied by the federal government for such purposes  
1148 and allocated to the \* \* \* Department of Transportation to be  
1149 expended on the state highway system. It is specifically provided  
1150 hereby that the necessary portion of such funds hereinabove  
1151 allocated to the \* \* \* Department of Transportation may be used  
1152 for the prompt payment of principal and interest on highway bonds  
1153 heretofore issued, including such bonds issued or to be issued  
1154 under the provisions of Chapter 312, Laws of 1956, and amendments  
1155 thereto.

1156           Nothing contained in this section shall be construed to  
1157 reduce the amount of such gasoline, diesel fuel or kerosene excise  
1158 taxes levied by the state, allotted under the provisions of Title  
1159 65, Chapter 33, Mississippi Code of 1972, to counties in which  
1160 there are outstanding bonds issued for seawall or road protection  
1161 purposes issued under the provisions of Chapter 319, Laws of 1924,  
1162 and amendments thereto; the amount of said gasoline, diesel fuel  
1163 or kerosene excise taxes designated in this section for the  
1164 payment of bonds and interest authorized and issued or to be  
1165 issued under the provisions of Chapter 130, Laws of 1938, and  
1166 subsequent acts authorizing the issuance of bonds payable from  
1167 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
1168 counties, be considered as being paid "into the State Treasury to



1169 the credit of the State Highway Fund" within the meaning of  
1170 Section 65-33-45 in computing the amount to be paid to such  
1171 counties under the provisions of said section, and this section  
1172 shall be administered in connection with Title 65, Chapter 33,  
1173 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
1174 65-33-49 dealing with seawalls, as if made a part of this section.

1175 (d) The proceeds of the Five and One-fourth Cents  
1176 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
1177 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
1178 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
1179 gallon for each gallon of gasoline for which a refund has been  
1180 made pursuant to Section 27-55-23 because such gasoline was used  
1181 for aviation purposes, shall be paid to the State Treasury into a  
1182 special fund to be used exclusively, pursuant to legislative  
1183 appropriation, for the support and development of aeronautics as  
1184 defined in Section 61-1-3.

1185 (e) State highway funds in an amount equal to the  
1186 difference between Forty-two Million Dollars (\$42,000,000.00) and  
1187 the annual debt service payable on the state's highway revenue  
1188 refunding bonds, Series 1985, shall be expended for the  
1189 construction or reconstruction of highways designated under the  
1190 highway program created under Section 65-3-97.

1191 (f) "Gasoline, diesel fuel or kerosene taxes" as used  
1192 in this section shall be deemed to mean and include state  
1193 gasoline, diesel fuel or kerosene taxes levied and imposed on





1194 distributors of gasoline, diesel fuel or kerosene, and all state  
1195 excise taxes derived from any fuel used to propel vehicles upon  
1196 the highways of this state, when levied by any statute.

1197 **[With regard to any county which is required to operate on a**  
1198 **countywide system of road administration as described in Section**  
1199 **19-2-3, this section shall read as follows:]**

1200 27-5-101. Unless otherwise provided in this section, on or  
1201 before the fifteenth day of each month, all gasoline, diesel fuel  
1202 or kerosene taxes which are levied under the laws of this state  
1203 and collected during the previous month shall be paid and  
1204 apportioned by the \* \* \* Department of Revenue as follows:

1205 (a) (i) Except as otherwise provided in Section  
1206 31-17-127, from the gross amount of gasoline, diesel fuel or  
1207 kerosene taxes produced by the state, there shall be deducted an  
1208 amount equal to one-sixth (1/6) of principal and interest  
1209 certified by the State Treasurer to the \* \* \* Department of  
1210 Revenue to be due on the next semiannual bond and interest payment  
1211 date, as required under the provisions of Chapter 130, Laws of  
1212 1938, and subsequent acts authorizing the issuance of bonds  
1213 payable from gasoline, diesel fuel or kerosene tax revenue on a  
1214 parity with the bonds issued under authority of said Chapter 130.  
1215 The State Treasurer shall certify to the \* \* \* Department of  
1216 Revenue on or before the fifteenth day of each month the amount to  
1217 be paid to the "Highway Bonds Sinking Fund" as provided by said  
1218 Chapter 130, Laws of 1938, and subsequent acts authorizing the



1219 issuance of bonds payable from gasoline, diesel fuel or kerosene  
1220 tax revenue, on a parity with the bonds issued under authority of  
1221 said Chapter 130; and the \* \* \* Department of Revenue shall, on or  
1222 before the twenty-fifth day of each month, pay into the State  
1223 Treasury for credit to the "Highway Bonds Sinking Fund" the amount  
1224 so certified to him by the State Treasurer due to be paid into  
1225 such fund each month. The payments to the "Highway Bonds Sinking  
1226 Fund" shall be made out of gross gasoline, diesel fuel or kerosene  
1227 tax collections before deductions of any nature are considered;  
1228 however, such payments shall be deducted from the allocation to  
1229 the \* \* \* Department of Transportation under paragraph (c) of this  
1230 section.

1231 (ii) From collections derived from the portion of  
1232 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,  
1233 up to and including Eighteen Cents (18¢) per gallon, from the  
1234 portion of the tax on aviation gas under Section 27-55-11 that  
1235 exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the  
1236 portion of the special fuel tax levied under Sections 27-55-519  
1237 and 27-55-521 \* \* \* that exceeds Ten Cents (10¢) per gallon, up to  
1238 and including Eighteen Cents (18¢) per gallon, from the portion of  
1239 the taxes levied under Section 27-55-519, at Five and  
1240 Three-fourths Cents (5.75¢) per gallon that exceeds One Cent (1¢)  
1241 per gallon on special fuel and Five and One-fourth Cents (5.25¢)  
1242 per gallon on special fuel used as aircraft fuel, from the portion  
1243 of the excise tax on compressed gas used as a motor fuel that



1244 exceeds the rate of tax in effect on June 30, 1987, and from the  
1245 portion of the gasoline excise tax in excess of Seven Cents (7¢)  
1246 per gallon and the diesel excise tax in excess of Ten Cents (10¢)  
1247 per gallon under Section 27-61-5 there shall be deducted:

1248                   1. An amount as provided in Section  
1249 27-65-75(4) to the credit of a special fund designated as the  
1250 "Office of State Aid Road Construction."

1251                   2. An amount equal to the tax collections  
1252 derived from Two Cents (2¢) per gallon of the gasoline excise tax  
1253 for distribution to the State Highway Fund to be used exclusively  
1254 for the construction, reconstruction and maintenance of highways  
1255 of the State of Mississippi or the payment of interest and  
1256 principal on bonds when specifically authorized by the Legislature  
1257 for that purpose.

1258                   3. The balance shall be deposited in the  
1259 State Treasury to the credit of the State Highway Fund.

1260                   (iii) From collections derived from the portion of  
1261 the gasoline excise tax that exceeds Eighteen Cents (18¢) per  
1262 gallon, and from the portion of the special fuel tax levied under  
1263 Sections 27-55-519 and 27-55-521 that exceeds Eighteen Cents (18¢)  
1264 per gallon, and from the portion of the gasoline excise tax and  
1265 the diesel excise tax in excess of Eighteen Cents (18¢) per gallon  
1266 under Section 27-61-5, there shall be deducted:



1267 1. Twenty-three and one-fourth percent  
1268 (23.25%) of such amount to the credit of a special fund designated  
1269 as the "Office of State Aid Road Construction."

1270 2. Two and three-fourths percent (2.75%) of  
1271 such amount to the Strategic Multi-Modal Investments Fund created  
1272 in Section 65-1-901.

1273 3. Seventy-four percent (74%) of such amount  
1274 to the Mississippi Department of Transportation for constructing,  
1275 maintaining or improving segments of highways and bridges under  
1276 its jurisdiction, and for operational improvements on such  
1277 segments, in accordance with a project schedule as reported in the  
1278 three-year plan as adopted, amended by or reissued by the  
1279 Mississippi Transportation Commission under Section 65-1-141.

1280 (b) Subject to the provisions that said basis of  
1281 distribution shall in nowise affect adversely the amount  
1282 specifically pledged in paragraph (a) of this section to be paid  
1283 into the "Highway Bonds Sinking Fund," the following shall be  
1284 deducted from the amount produced by the state tax on gasoline,  
1285 diesel fuel or kerosene tax collections, excluding collections  
1286 derived from the portion of the gasoline excise tax that exceeds  
1287 Seven Cents (7¢) per gallon, from the portion of the tax on  
1288 aviation gas under Section 27-55-11 that exceeds Six and  
1289 Four-tenths Cents (6.4¢) per gallon, from the portion of the  
1290 special fuel tax levied under Sections 27-55-519 and 27-55-521, at  
1291 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per



1292 gallon, from the portion of the taxes levied under Section  
1293 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds  
1294 One Cent (1¢) per gallon on special fuel and Five and One-fourth  
1295 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,  
1296 from the portion of the excise tax on compressed gas used as a  
1297 motor fuel that exceeds the rate of tax in effect on June 30,  
1298 1987, and from the portion of the gasoline excise tax in excess of  
1299 Seven Cents (7¢) per gallon and the diesel excise tax in excess of  
1300 Ten Cents (10¢) per gallon under Section 27-61-5:

1301                   (i) Twenty percent (20%) of such amount which  
1302 shall be earmarked and set aside for the construction,  
1303 reconstruction and maintenance of the highways and roads of the  
1304 state, provided that if such twenty percent (20%) should reduce  
1305 any county to a lesser amount than that received in the fiscal  
1306 year ending June 30, 1966, then such twenty percent (20%) shall be  
1307 reduced to a percentage to provide that no county shall receive  
1308 less than its portion for the fiscal year ending June 30, 1966;

1309                   (ii) The amount allowed as refund on gasoline or  
1310 as tax credit on diesel fuel or kerosene used for agricultural,  
1311 maritime, industrial, domestic and nonhighway purposes;

1312                   (iii) Five percent (5%) of such amount shall be  
1313 paid to the State Highway Fund;

1314                   (iv) The amount or portion thereof authorized by  
1315 legislative appropriation to the Fisheries and Wildlife Fund  
1316 created under Section 59-21-25;



1317 (v) The amount for deposit into the special  
1318 aviation fund under paragraph (d) of this section; and

1319 (vi) The remainder shall be divided on a basis of  
1320 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the  
1321 same basis as Four and One-half Cents (4-1/2¢) and Two and  
1322 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and  
1323 six and forty-three one-hundredths (6.43) and three and  
1324 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel  
1325 fuel or kerosene). The amount produced by the nine-fourteenths  
1326 (9/14) division shall be allocated to the \* \* \* Department of  
1327 Transportation and paid into the State Treasury as provided in  
1328 this section and in Section 27-5-103 and the five-fourteenths  
1329 (5/14) division shall be returned to the counties of the state on  
1330 the following basis:

1331 1. In each fiscal year, each county shall be  
1332 paid each month the same percentage of the monthly total to be  
1333 distributed as was paid to that county during the same month in  
1334 the fiscal year which ended April 9, 1960, until the county  
1335 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such  
1336 fiscal year, at which time funds shall be distributed under the  
1337 provisions of paragraph (b) (vi)4 of this section.

1338 2. If after payments in 1 above, any county  
1339 has not received a total of One Hundred Ninety Thousand Dollars  
1340 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,  
1341 and each fiscal year thereafter, then any available funds not



1342 distributed under 1 above shall be used to bring such county or  
1343 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)  
1344 or such funds shall be divided equally among such counties not  
1345 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if  
1346 there is not sufficient money to bring all the counties to said  
1347 One Hundred Ninety Thousand Dollars (\$190,000.00).

1348                   3. When a county has been paid an amount  
1349 equal to the total which was paid to the same county during the  
1350 fiscal year ended April 9, 1960, such county shall receive no  
1351 further payments during the then current fiscal year until the  
1352 last month of such current fiscal year, at which time distribution  
1353 will be made under 2 above, except as set out in 4 below.

1354                   4. During the last month of the current  
1355 fiscal year, should it be determined that there are funds  
1356 available in excess of the amount distributed for the year under 1  
1357 and 2 above, then such excess funds shall be distributed among the  
1358 various counties as follows:

1359                                   One-third (1/3) of such excess to be  
1360 divided equally among the counties;

1361                                   One-third (1/3) of such excess to be paid  
1362 to the counties in the proportion which the population of each  
1363 county bears to the total population of the state according to the  
1364 last federal census;



1365   One-third (1/3) of such excess to be paid  
1366 to the counties in the proportion which the number of square miles  
1367 of each county bears to the total square miles in the state.

1368   5. It is the declared purpose and intent of  
1369 the Legislature that no county shall be paid less than was paid  
1370 during the year ended April 9, 1960, unless the amount to be  
1371 distributed to all counties in any year is less than the amount  
1372 distributed to all counties during the year ended April 9, 1960.

1373   The Municipal Aid Fund as established by Section 27-5-103  
1374 shall not participate in any portion of any funds allocated to any  
1375 county hereunder over and above One Hundred Ninety Thousand  
1376 Dollars (\$190,000.00).

1377   In any county having road or bridge bonds outstanding which  
1378 exceed, in the aggregate, twelve percent (12%) of the assessed  
1379 valuation of the taxable property of the county, it shall be the  
1380 duty of the board of supervisors to set aside not less than sixty  
1381 percent (60%) of such county's share of the gasoline, diesel fuel  
1382 or kerosene taxes to be used in paying the principal and interest  
1383 on such road or bridge bonds as they mature.

1384   In any county having such road or bridge bonds outstanding  
1385 which exceed, in the aggregate, eight percent (8%) of the assessed  
1386 valuation of the taxable property of the county, but which do not  
1387 exceed, in the aggregate, twelve percent (12%) of the assessed  
1388 valuation of the taxable property of the county, it shall be the  
1389 duty of the board of supervisors to set aside not less than





1390 thirty-five percent (35%) of such county's share of the gasoline,  
1391 diesel fuel or kerosene taxes to be used in paying the principal  
1392 and interest of such road or bridge bonds as they mature.

1393 In any county having such road or bridge bonds outstanding  
1394 which exceed, in the aggregate, five percent (5%) of the assessed  
1395 valuation of the taxable property of the county, but which do not  
1396 exceed, in the aggregate, eight percent (8%) of the assessed  
1397 valuation of the taxable property of the county, it shall be the  
1398 duty of the board of supervisors to set aside not less than twenty  
1399 percent (20%) of such county's share of the gasoline, diesel fuel  
1400 or kerosene taxes to be used in paying the principal and interest  
1401 of such road and bridge bonds as they mature.

1402 In any county having such road or bridge bonds outstanding  
1403 which do not exceed, in the aggregate, five percent (5%) of the  
1404 assessed valuation of the taxable property of the county, it shall  
1405 be the duty of the board of supervisors to set aside not less than  
1406 ten percent (10%) of such county's share of the gasoline, diesel  
1407 fuel or kerosene taxes to be used in paying the principal and  
1408 interest on such road or bridge bonds as they mature.

1409 The portion of any such county's share of the gasoline,  
1410 diesel fuel or kerosene taxes thus set aside for the payment of  
1411 the principal and interest of road or bridge bonds, as provided  
1412 for in this section, shall be used in paying the currently  
1413 maturing installments of the principal and interest of such road



1414 or bridge bonds, if there be any such road or bridge bonds  
1415 outstanding.

1416       The remaining portion of such county's share of the gasoline,  
1417 diesel fuel or kerosene taxes, after setting aside the portion  
1418 above provided for the payment of the principal and interest of  
1419 bonds, shall be used in the construction and maintenance of any  
1420 public highways, bridges or culverts of the county, in the  
1421 discretion of the board of supervisors.

1422       In any county having no road or bridge bonds outstanding, all  
1423 such county's share of the gasoline, diesel fuel or kerosene taxes  
1424 shall be used in the construction, reconstruction and maintenance  
1425 of the public highways, bridges or culverts of the county, as the  
1426 board of supervisors may determine.

1427       In every county in which there are county road bonds or  
1428 seawall or road protection bonds outstanding which were issued for  
1429 the purpose of building bridges or constructing public roads or  
1430 seawalls, such funds shall be used in the manner provided by law.

1431       (c) From the amount produced by the nine-fourteenths  
1432 (9/14) division allocated to the \* \* \* Department of  
1433 Transportation, there shall be deducted:

1434               (i) The amount paid to the State Treasurer for the  
1435 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

1436               (ii) Any amounts due counties in accordance with  
1437 Section 65-33-45 which have outstanding bonds issued for seawall



1438 or road protection purposes, issued under provisions of Chapter  
1439 319, Laws of 1924, and amendments thereto; and

1440 (iii) Except as otherwise provided in Section  
1441 31-17-127, the remainder shall be paid by the \* \* \* Department of  
1442 Revenue to the State Treasurer on the fifteenth day of each month  
1443 next succeeding the month in which the gasoline, diesel fuel or  
1444 kerosene taxes were collected to the credit of the State Highway  
1445 Fund.

1446 The funds allocated for the construction, reconstruction and  
1447 improvement of state highways, bridges and culverts, or so much  
1448 thereof as may be necessary, shall first be used in conjunction  
1449 with funds supplied by the federal government for such purposes  
1450 and allocated to the \* \* \* Department of Transportation to be  
1451 expended on the state highway system. It is specifically provided  
1452 hereby that the necessary portion of such funds hereinabove  
1453 allocated to the \* \* \* Department of Transportation may be used  
1454 for the prompt payment of principal and interest on highway bonds  
1455 heretofore issued, including such bonds issued or to be issued  
1456 under the provisions of Chapter 312, Laws of 1956, and amendments  
1457 thereto.

1458 Nothing contained in this section shall be construed to  
1459 reduce the amount of such gasoline, diesel fuel or kerosene excise  
1460 taxes levied by the state, allotted under the provisions of Title  
1461 65, Chapter 33, Mississippi Code of 1972, to counties in which  
1462 there are outstanding bonds issued for seawall or road protection



1463 purposes issued under the provisions of Chapter 319, Laws of 1924,  
1464 and amendments thereto; the amount of said gasoline, diesel fuel  
1465 or kerosene excise taxes designated in this section for the  
1466 payment of bonds and interest authorized and issued or to be  
1467 issued under the provisions of Chapter 130, Laws of 1938, and  
1468 subsequent acts authorizing the issuance of bonds payable from  
1469 gasoline, diesel fuel or kerosene tax revenue, shall, in such  
1470 counties, be considered as being paid "into the State Treasury to  
1471 the credit of the State Highway Fund" within the meaning of  
1472 Section 65-33-45 in computing the amount to be paid to such  
1473 counties under the provisions of said section, and this section  
1474 shall be administered in connection with Title 65, Chapter 33,  
1475 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and  
1476 65-33-49 dealing with seawalls, as if made a part of this section.

1477 (d) The proceeds of the Five and One-fourth Cents  
1478 (5.25¢) of the tax per gallon on oils used as a propellant for jet  
1479 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax  
1480 per gallon on aviation gasoline and the tax of One Cent (1¢) per  
1481 gallon for each gallon of gasoline for which a refund has been  
1482 made pursuant to Section 27-55-23 because such gasoline was used  
1483 for aviation purposes, shall be paid to the State Treasury into a  
1484 special fund to be used exclusively, pursuant to legislative  
1485 appropriation, for the support and development of aeronautics as  
1486 defined in Section 61-1-3.



1487 (e) State highway funds in an amount equal to the  
1488 difference between Forty-two Million Dollars (\$42,000,000.00) and  
1489 the annual debt service payable on the state's highway revenue  
1490 refunding bonds, Series 1985, shall be expended for the  
1491 construction or reconstruction of highways designated under the  
1492 highway program created under Section 65-3-97.

1493 (f) "Gasoline, diesel fuel or kerosene taxes" as used  
1494 in this section shall be deemed to mean and include state  
1495 gasoline, diesel fuel or kerosene taxes levied and imposed on  
1496 distributors of gasoline, diesel fuel or kerosene, and all state  
1497 excise taxes derived from any fuel used to propel vehicles upon  
1498 the highways of this state, when levied by any statute.

1499 **SECTION 11.** Section 27-65-75, Mississippi Code of 1972, is  
1500 amended as follows:

1501 27-65-75. On or before the fifteenth day of each month, the  
1502 revenue collected under the provisions of this chapter during the  
1503 preceding month shall be paid and distributed as follows:

1504 (1) (a) On or before August 15, 1992, and each succeeding  
1505 month thereafter through July 15, 1993, eighteen percent (18%) of  
1506 the total sales tax revenue collected during the preceding month  
1507 under the provisions of this chapter, except that collected under  
1508 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
1509 business activities within a municipal corporation shall be  
1510 allocated for distribution to the municipality and paid to the  
1511 municipal corporation. Except as otherwise provided in this



1512 paragraph (a), on or before August 15, 1993, and each succeeding  
1513 month thereafter through August 15, 2025, eighteen and one-half  
1514 percent (18-1/2%) of the total sales tax revenue collected during  
1515 the preceding month under the provisions of this chapter, except  
1516 that collected under the provisions of Sections 27-65-15,  
1517 27-65-19(3), 27-65-21 and 27-65-24, on business activities within  
1518 a municipal corporation shall be allocated for distribution to the  
1519 municipality and paid to the municipal corporation. Except as  
1520 otherwise provided in this paragraph (a), on or before September  
1521 15, 2025, and each succeeding month thereafter, eighteen and  
1522 one-half percent (18.5%) of the total sales tax revenue collected  
1523 during the preceding month under this chapter, except that  
1524 collected under Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3),  
1525 27-65-21 and 27-65-24, on business activities within a municipal  
1526 corporation shall be allocated for distribution and paid to the  
1527 municipal corporation. On or before September 15, 2025, and each  
1528 succeeding month thereafter, twenty-five and nine-tenths percent  
1529 (25.9%) of the total sales tax revenue collected during the  
1530 preceding month under Section 27-65-17(1) (n) on business  
1531 activities within a municipal corporation shall be allocated for  
1532 distribution and paid to the municipal corporation. However, in  
1533 the event the State Auditor issues a certificate of noncompliance  
1534 pursuant to Section 21-35-31, the department \* \* \* shall withhold  
1535 ten percent (10%) of the allocations and payments to the  
1536 municipality that would otherwise be payable to the municipality



1537 under this paragraph (a) until such time that the department  
1538 receives written notice of the cancellation of a certificate of  
1539 noncompliance from the State Auditor.

1540 A municipal corporation, for the purpose of distributing the  
1541 tax under this subsection, shall mean and include all incorporated  
1542 cities, towns and villages.

1543 Monies allocated for distribution and credited to a municipal  
1544 corporation under this paragraph may be pledged as security for a  
1545 loan if the distribution received by the municipal corporation is  
1546 otherwise authorized or required by law to be pledged as security  
1547 for such a loan.

1548 In any county having a county seat that is not an  
1549 incorporated municipality, the distribution provided under this  
1550 subsection shall be made as though the county seat was an  
1551 incorporated municipality; however, the distribution to the  
1552 municipality shall be paid to the county treasury in which the  
1553 municipality is located, and those funds shall be used for road,  
1554 bridge and street construction or maintenance in the county.

1555 (b) On or before August 15, 2006, and each succeeding  
1556 month thereafter through August 15, 2025, eighteen and one-half  
1557 percent (18-1/2%) of the total sales tax revenue collected during  
1558 the preceding month under the provisions of this chapter, except  
1559 that collected under the provisions of Sections 27-65-15,  
1560 27-65-19(3) and 27-65-21, on business activities on the campus of  
1561 a state institution of higher learning or community or junior



1562 college whose campus is not located within the corporate limits of  
1563 a municipality, shall be allocated for distribution to the state  
1564 institution of higher learning or community or junior college and  
1565 paid to the state institution of higher learning or community or  
1566 junior college. On or before September 15, 2025, and each  
1567 succeeding month thereafter, eighteen and one-half percent (18.5%)  
1568 of the total sales tax revenue collected during the preceding  
1569 month under this chapter, except that collected under Sections  
1570 27-65-15, 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business  
1571 activities on the campus of a state institution of higher learning  
1572 or community or junior college whose campus is not located within  
1573 the corporate limits of a municipality, shall be allocated for  
1574 distribution and paid to the state institution of higher learning  
1575 or community or junior college. On or before September 15, 2025,  
1576 and each succeeding month thereafter, twenty-five and nine-tenths  
1577 percent (25.9%) of the total sales tax revenue collected during  
1578 the preceding month under Section 27-65-17(1) (n) on business  
1579 activities on the campus of a state institution of higher learning  
1580 or community or junior college whose campus is not located within  
1581 the corporate limits of a municipality, shall be allocated for  
1582 distribution and paid to the state institution of higher learning  
1583 or community or junior college.

1584 (c) On or before August 15, 2018, and each succeeding  
1585 month thereafter until August 14, 2019, two percent (2%) of the  
1586 total sales tax revenue collected during the preceding month under





1587 the provisions of this chapter, except that collected under the  
1588 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
1589 27-65-24, on business activities within the corporate limits of  
1590 the City of Jackson, Mississippi, shall be deposited into the  
1591 Capitol Complex Improvement District Project Fund created in  
1592 Section 29-5-215. On or before August 15, 2019, and each  
1593 succeeding month thereafter until August 14, 2020, four percent  
1594 (4%) of the total sales tax revenue collected during the preceding  
1595 month under the provisions of this chapter, except that collected  
1596 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
1597 and 27-65-24, on business activities within the corporate limits  
1598 of the City of Jackson, Mississippi, shall be deposited into the  
1599 Capitol Complex Improvement District Project Fund created in  
1600 Section 29-5-215. On or before August 15, 2020, and each  
1601 succeeding month thereafter through July 15, 2023, six percent  
1602 (6%) of the total sales tax revenue collected during the preceding  
1603 month under the provisions of this chapter, except that collected  
1604 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
1605 and 27-65-24, on business activities within the corporate limits  
1606 of the City of Jackson, Mississippi, shall be deposited into the  
1607 Capitol Complex Improvement District Project Fund created in  
1608 Section 29-5-215. On or before August 15, 2023, and each  
1609 succeeding month thereafter through August 15, 2025, nine percent  
1610 (9%) of the total sales tax revenue collected during the preceding  
1611 month under the provisions of this chapter, except that collected



1612 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
1613 and 27-65-24, on business activities within the corporate limits  
1614 of the City of Jackson, Mississippi, shall be deposited into the  
1615 Capitol Complex Improvement District Project Fund created in  
1616 Section 29-5-215. On or before September 15, 2025, and each  
1617 succeeding month thereafter, nine percent (9%) of the total sales  
1618 tax revenue collected during the preceding month under this  
1619 chapter, except that collected under Sections 27-65-15,  
1620 27-65-17(1) (n), 27-65-19(3), 27-65-21 and 27-65-24, on business  
1621 activities within the corporate limits of the City of Jackson,  
1622 Mississippi, shall be deposited into the Capitol Complex  
1623 Improvement District Project Fund created in Section 27-5-215. On  
1624 or before September 15, 2025, and each succeeding month  
1625 thereafter, twelve and six-tenths percent (12.6%) of the total  
1626 sales tax revenue collected during the preceding month under  
1627 Section 27-65-17(1) (n) on business activities within the corporate  
1628 limits of the City of Jackson, Mississippi, shall be deposited  
1629 into the Capitol Complex Improvement District Project Fund created  
1630 in Section 27-5-215.

1631 (d) (i) Except as otherwise provided in this paragraph  
1632 (d), on or before the fifteenth day of the month that the  
1633 diversion authorized by this section begins, and each succeeding  
1634 month thereafter, eighteen and one-half percent (18-1/2%) of the  
1635 total sales tax revenue collected during the preceding month under  
1636 the provisions of this chapter, except that collected under the



1637 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
1638 business activities within a redevelopment project area developed  
1639 under a redevelopment plan adopted under the Tax Increment  
1640 Financing Act (Section 21-45-1 et seq.) shall be allocated for  
1641 distribution to the county in which the project area is located  
1642 if:

- 1643 1. The county:
  - 1644 a. Borders on the Mississippi Sound and  
1645 the State of Alabama, or
  - 1646 b. Is Harrison County, Mississippi, and  
1647 the project area is within a radius of two (2) miles from the  
1648 intersection of Interstate 10 and Menge Avenue;
- 1649 2. The county has issued bonds under Section  
1650 21-45-9 to finance all or a portion of a redevelopment project in  
1651 the redevelopment project area;
- 1652 3. Any debt service for the indebtedness  
1653 incurred is outstanding; and
- 1654 4. A development with a value of Ten Million  
1655 Dollars (\$10,000,000.00) or more is, or will be, located in the  
1656 redevelopment area.

1657 (ii) For a county that is eligible to receive  
1658 funds under this paragraph (d), as determined by the department  
1659 under this paragraph (d), from and after September 15, 2025, and  
1660 each succeeding month thereafter, eighteen and one-half percent  
1661 (18.5%) of the total sales tax revenue collected during the



1662 preceding month under this chapter, except that collected under  
1663 Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on  
1664 business activities within a redevelopment project area developed  
1665 under a redevelopment plan adopted under the Tax Increment  
1666 Financing Act (Section 21-45-1 et seq.) shall be allocated for  
1667 distribution to the county in which the project is located, and  
1668 twenty-five and nine-tenths percent (25.9%) of the total sales tax  
1669 revenue collected during the preceding month under Section  
1670 27-65-17(1) (n) shall be allocated for distribution to that county.

1671 ( \* \* \*iii) Before any sales tax revenue may be  
1672 allocated for distribution to a county under this paragraph (d),  
1673 the county shall certify to the Department of Revenue that the  
1674 requirements of this paragraph (d) have been met, the amount of  
1675 bonded indebtedness that has been incurred by the county for the  
1676 redevelopment project and the expected date the indebtedness  
1677 incurred by the county will be satisfied.

1678 ( \* \* \*iv) The diversion of sales tax revenue  
1679 authorized by this paragraph (d) shall begin the month following  
1680 the month in which the Department of Revenue determines that the  
1681 requirements of this paragraph (d) have been met. The diversion  
1682 shall end the month the indebtedness incurred by the county is  
1683 satisfied. All revenue received by the county under this  
1684 paragraph (d) shall be deposited in the fund required to be  
1685 created in the tax increment financing plan under Section 21-45-11



1686 and be utilized solely to satisfy the indebtedness incurred by the  
1687 county.

1688 (2) On or before September 15, 1987, and each succeeding  
1689 month thereafter, from the revenue collected under this chapter  
1690 during the preceding month, One Million One Hundred Twenty-five  
1691 Thousand Dollars (\$1,125,000.00) shall be allocated for  
1692 distribution to municipal corporations as defined under subsection  
1693 (1) of this section in the proportion that the number of gallons  
1694 of gasoline and diesel fuel sold by distributors to consumers and  
1695 retailers in each such municipality during the preceding fiscal  
1696 year bears to the total gallons of gasoline and diesel fuel sold  
1697 by distributors to consumers and retailers in municipalities  
1698 statewide during the preceding fiscal year. The Department of  
1699 Revenue shall require all distributors of gasoline and diesel fuel  
1700 to report to the department monthly the total number of gallons of  
1701 gasoline and diesel fuel sold by them to consumers and retailers  
1702 in each municipality during the preceding month. The Department  
1703 of Revenue shall have the authority to promulgate such rules and  
1704 regulations as is necessary to determine the number of gallons of  
1705 gasoline and diesel fuel sold by distributors to consumers and  
1706 retailers in each municipality. In determining the percentage  
1707 allocation of funds under this subsection for the fiscal year  
1708 beginning July 1, 1987, and ending June 30, 1988, the Department  
1709 of Revenue may consider gallons of gasoline and diesel fuel sold  
1710 for a period of less than one (1) fiscal year. For the purposes



1711 of this subsection, the term "fiscal year" means the fiscal year  
1712 beginning July 1 of a year.

1713 (3) On or before September 15, 1987, and on or before the  
1714 fifteenth day of each succeeding month, until the date specified  
1715 in Section 65-39-35, the proceeds derived from contractors' taxes  
1716 levied under Section 27-65-21 on contracts for the construction or  
1717 reconstruction of highways designated under the highway program  
1718 created under Section 65-3-97 shall, except as otherwise provided  
1719 in Section 31-17-127, be deposited into the State Treasury to the  
1720 credit of the State Highway Fund to be used to fund that highway  
1721 program. The Mississippi Department of Transportation shall  
1722 provide to the Department of Revenue such information as is  
1723 necessary to determine the amount of proceeds to be distributed  
1724 under this subsection.

1725 (4) On or before August 15, 1994, and on or before the  
1726 fifteenth day of each succeeding month through July 15, 1999, from  
1727 the proceeds of gasoline, diesel fuel or kerosene taxes as  
1728 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
1729 (\$4,000,000.00) shall be deposited in the State Treasury to the  
1730 credit of a special fund designated as the "State Aid Road Fund,"  
1731 created by Section 65-9-17. On or before August 15, 1999, and on  
1732 or before the fifteenth day of each succeeding month through  
1733 August 15, 2026, from the total amount of the proceeds of  
1734 gasoline, diesel fuel or kerosene taxes apportioned by Section  
1735 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) or an



1736 amount equal to twenty-three and one-fourth percent (23-1/4%) of  
1737 those funds, whichever is the greater amount, shall be deposited  
1738 in the State Treasury to the credit of the "State Aid Road Fund,"  
1739 created by Section 65-9-17. \* \* \* After August 15, 2025, from the  
1740 total amount of the proceeds of gasoline, diesel fuel or kerosene  
1741 taxes apportioned by Section 27-5-101(a)(ii)1 and (iii), Five  
1742 Million Dollars (\$5,000,000.00) or an amount equal to twenty-three  
1743 and one-fourth percent (23-1/4%) of those funds, whichever is  
1744 greater, shall be deposited in the State Treasury to the credit of  
1745 the "State Aid Road Fund" on or before September 15, 2025, and on  
1746 or before the fifteenth day of each succeeding month through  
1747 August 15, 2026, and Six Million Five Hundred Thousand Dollars  
1748 (\$6,500,000.00) or an amount equal to twenty-three and one-fourth  
1749 percent (23-1/4%) of those funds, whichever is greater, shall be  
1750 deposited in the State Treasury to the credit of the "State Aid  
1751 Road Fund" on or before September 15, 2026, and on or before the  
1752 fifteenth day of each succeeding month through August 15, 2027,  
1753 and Eight Million Dollars (\$8,000,000.00) or an amount equal to  
1754 twenty-three and one-fourth percent (23-1/4%) of those funds,  
1755 whichever is greater, shall be deposited in the State Treasury to  
1756 the credit of the "State Aid Road Fund" on or before September 15,  
1757 2027, and on or before the fifteenth day of each succeeding month.  
1758 From the amount of taxes paid into the special fund under this  
1759 subsection and subsection (9) of this section, there shall be  
1760 first deducted and paid the amount necessary to pay the expenses



1761 of the Office of State Aid Road Construction, as authorized by the  
1762 Legislature for all other general and special fund agencies. The  
1763 remainder of the funds shall be allocated monthly to the several  
1764 counties in accordance with the following formula:

1765 (a) One-third (1/3) shall be allocated to all counties  
1766 in equal shares;

1767 (b) One-third (1/3) shall be allocated to counties  
1768 based on the proportion that the total number of rural road miles  
1769 in a county bears to the total number of rural road miles in all  
1770 counties of the state; and

1771 (c) One-third (1/3) shall be allocated to counties  
1772 based on the proportion that the rural population of the county  
1773 bears to the total rural population in all counties of the state,  
1774 according to the latest federal decennial census.

1775 For the purposes of this subsection, the term "gasoline,  
1776 diesel fuel or kerosene taxes" means such taxes as defined in  
1777 paragraph (f) of Section 27-5-101.

1778 The amount of funds allocated to any county under this  
1779 subsection for any fiscal year after fiscal year 1994 shall not be  
1780 less than the amount allocated to the county for fiscal year 1994.

1781 Any reference in the general laws of this state or the  
1782 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
1783 construed to refer and apply to subsection (4) of Section  
1784 27-65-75.





1785 (5) On or before August 15, 2024, and each succeeding month  
1786 thereafter, One Million Six Hundred Sixty-six Thousand Six Hundred  
1787 Sixty-six Dollars (\$1,666,666.00) shall be paid into the special  
1788 fund known as the Education Enhancement Fund created and existing  
1789 under the provisions of Section 37-61-33.

1790 (6) An amount each month beginning August 15, 1983, through  
1791 November 15, 1986, as specified in Section 6, Chapter 542, Laws of  
1792 1983, shall be paid into the special fund known as the  
1793 Correctional Facilities Construction Fund created in Section 6,  
1794 Chapter 542, Laws of 1983.

1795 (7) On or before August 15, 1992, and each succeeding month  
1796 thereafter through July 15, 2000, two and two hundred sixty-six  
1797 one-thousandths percent (2.266%) of the total sales tax revenue  
1798 collected during the preceding month under the provisions of this  
1799 chapter, except that collected under the provisions of Section  
1800 27-65-17(2), shall be deposited by the department into the School  
1801 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
1802 or before August 15, 2000, and each succeeding month thereafter  
1803 through August 15, 2025, two and two hundred sixty-six  
1804 one-thousandths percent (2.266%) of the total sales tax revenue  
1805 collected during the preceding month under the provisions of this  
1806 chapter, except that collected under the provisions of Section  
1807 27-65-17(2), shall be deposited into the School Ad Valorem Tax  
1808 Reduction Fund created under Section 37-61-35 until such time that  
1809 the total amount deposited into the fund during a fiscal year



1810 equals Forty-two Million Dollars (\$42,000,000.00). Thereafter,  
1811 the amounts diverted under this subsection (7) during the fiscal  
1812 year in excess of Forty-two Million Dollars (\$42,000,000.00) shall  
1813 be deposited into the Education Enhancement Fund created under  
1814 Section 37-61-33 for appropriation by the Legislature as other  
1815 education needs and shall not be subject to the percentage  
1816 appropriation requirements set forth in Section 37-61-33. On or  
1817 before September 15, 2025, and each succeeding month thereafter,  
1818 two and two hundred sixty-six one-thousandths percent (2.266%) of  
1819 the total sales tax revenue collected during the preceding month  
1820 under this chapter, except that collected under Section  
1821 27-65-17(1) (n) and (2), and three and seventeen one-hundredths  
1822 percent (3.17%) of the total sales tax revenue collected during  
1823 the preceding month under Section 27-65-17(1) (n), shall be  
1824 deposited into the School Ad Valorem Tax Reduction Fund created  
1825 under Section 37-61-35 until such time that the total amount  
1826 deposited into the fund during a fiscal year equals Forty-two  
1827 Million Dollars (\$42,000,000.00). Thereafter, the amounts  
1828 diverted under this subsection (7) during the fiscal year in  
1829 excess of Forty-two Million Dollars (\$42,000,000.00) shall be  
1830 deposited into the Education Enhancement Fund created under  
1831 Section 37-61-33 for appropriation by the Legislature as other  
1832 education needs and shall not be subject to the percentage  
1833 appropriation requirements set forth in Section 37-61-33.



1834 (8) On or before August 15, 1992, and each succeeding month  
1835 thereafter through August 15, 2025, nine and seventy-three  
1836 one-thousandths percent (9.073%) of the total sales tax revenue  
1837 collected during the preceding month under the provisions of this  
1838 chapter, except that collected under the provisions of Section  
1839 27-65-17(2), shall be deposited into the Education Enhancement  
1840 Fund created under Section 37-61-33. On or before September 15,  
1841 2025, and each succeeding month thereafter, nine and seventy-three  
1842 one-thousandths percent (9.073%) of the total sales tax revenue  
1843 collected during the preceding month this chapter, except that  
1844 collected under Section 27-65-17(1) (n) and (2), and twelve and  
1845 seven-tenths percent (12.7%) of the total sales tax revenue  
1846 collected during the preceding month under Section 27-65-17(1) (n),  
1847 shall be deposited into the Education Enhancement Fund created  
1848 under Section 37-61-33.

1849 (9) On or before August 15, 1994, and each succeeding month  
1850 thereafter, from the revenue collected under this chapter during  
1851 the preceding month, Two Hundred Fifty Thousand Dollars  
1852 (\$250,000.00) shall be paid into the State Aid Road Fund.

1853 (10) On or before August 15, 1994, and each succeeding month  
1854 thereafter through August 15, 1995, from the revenue collected  
1855 under this chapter during the preceding month, Two Million Dollars  
1856 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
1857 Valorem Tax Reduction Fund established in Section 27-51-105.



1858           (11) Notwithstanding any other provision of this section to  
1859 the contrary, on or before February 15, 1995, and each succeeding  
1860 month thereafter, the sales tax revenue collected during the  
1861 preceding month under the provisions of Section 27-65-17(2) and  
1862 the corresponding levy in Section 27-65-23 on the rental or lease  
1863 of private carriers of passengers and light carriers of property  
1864 as defined in Section 27-51-101 shall be deposited, without  
1865 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
1866 established in Section 27-51-105.

1867           (12) Notwithstanding any other provision of this section to  
1868 the contrary, on or before August 15, 1995, and each succeeding  
1869 month thereafter, the sales tax revenue collected during the  
1870 preceding month under the provisions of Section 27-65-17(1) on  
1871 retail sales of private carriers of passengers and light carriers  
1872 of property, as defined in Section 27-51-101 and the corresponding  
1873 levy in Section 27-65-23 on the rental or lease of these vehicles,  
1874 shall be deposited, after diversion, into the Motor Vehicle Ad  
1875 Valorem Tax Reduction Fund established in Section 27-51-105.

1876           (13) On or before July 15, 1994, and on or before the  
1877 fifteenth day of each succeeding month thereafter, that portion of  
1878 the avails of the tax imposed in Section 27-65-22 that is derived  
1879 from activities held on the Mississippi State Fairgrounds Complex  
1880 shall be paid into a special fund that is created in the State  
1881 Treasury and shall be expended upon legislative appropriation



1882 solely to defray the costs of repairs and renovation at the Trade  
1883 Mart and Coliseum.

1884 (14) On or before August 15, 1998, and each succeeding month  
1885 thereafter through July 15, 2005, that portion of the avails of  
1886 the tax imposed in Section 27-65-23 that is derived from sales by  
1887 cotton compresses or cotton warehouses and that would otherwise be  
1888 paid into the General Fund shall be deposited in an amount not to  
1889 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
1890 created under Section 69-37-39. On or before August 15, 2007, and  
1891 each succeeding month thereafter through July 15, 2010, that  
1892 portion of the avails of the tax imposed in Section 27-65-23 that  
1893 is derived from sales by cotton compresses or cotton warehouses  
1894 and that would otherwise be paid into the General Fund shall be  
1895 deposited in an amount not to exceed Two Million Dollars  
1896 (\$2,000,000.00) into the special fund created under Section  
1897 69-37-39 until all debts or other obligations incurred by the  
1898 Certified Cotton Growers Organization under the Mississippi Boll  
1899 Weevil Management Act before January 1, 2007, are satisfied in  
1900 full. On or before August 15, 2010, and each succeeding month  
1901 thereafter through July 15, 2011, fifty percent (50%) of that  
1902 portion of the avails of the tax imposed in Section 27-65-23 that  
1903 is derived from sales by cotton compresses or cotton warehouses  
1904 and that would otherwise be paid into the General Fund shall be  
1905 deposited into the special fund created under Section 69-37-39  
1906 until such time that the total amount deposited into the fund



1907 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
1908 On or before August 15, 2011, and each succeeding month  
1909 thereafter, that portion of the avails of the tax imposed in  
1910 Section 27-65-23 that is derived from sales by cotton compresses  
1911 or cotton warehouses and that would otherwise be paid into the  
1912 General Fund shall be deposited into the special fund created  
1913 under Section 69-37-39 until such time that the total amount  
1914 deposited into the fund during a fiscal year equals One Million  
1915 Dollars (\$1,000,000.00).

1916 (15) Notwithstanding any other provision of this section to  
1917 the contrary, on or before September 15, 2000, and each succeeding  
1918 month thereafter, the sales tax revenue collected during the  
1919 preceding month under the provisions of Section  
1920 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,  
1921 without diversion, into the Telecommunications Ad Valorem Tax  
1922 Reduction Fund established in Section 27-38-7.

1923 (16) (a) On or before August 15, 2000, and each succeeding  
1924 month thereafter, the sales tax revenue collected during the  
1925 preceding month under the provisions of this chapter on the gross  
1926 proceeds of sales of a project as defined in Section 57-30-1 shall  
1927 be deposited, after all diversions except the diversion provided  
1928 for in subsection (1) of this section, into the Sales Tax  
1929 Incentive Fund created in Section 57-30-3.

1930 (b) On or before August 15, 2007, and each succeeding  
1931 month thereafter, eighty percent (80%) of the sales tax revenue



1932 collected during the preceding month under the provisions of this  
1933 chapter from the operation of a tourism project under the  
1934 provisions of Sections 57-26-1 through 57-26-5, shall be  
1935 deposited, after the diversions required in subsections (7) and  
1936 (8) of this section, into the Tourism Project Sales Tax Incentive  
1937 Fund created in Section 57-26-3.

1938 (17) Notwithstanding any other provision of this section to  
1939 the contrary, on or before April 15, 2002, and each succeeding  
1940 month thereafter, the sales tax revenue collected during the  
1941 preceding month under Section 27-65-23 on sales of parking  
1942 services of parking garages and lots at airports shall be  
1943 deposited, without diversion, into the special fund created under  
1944 Section 27-5-101(d).

1945 (18) [Repealed]

1946 (19) (a) On or before August 15, 2005, and each succeeding  
1947 month thereafter, the sales tax revenue collected during the  
1948 preceding month under the provisions of this chapter on the gross  
1949 proceeds of sales of a business enterprise located within a  
1950 redevelopment project area under the provisions of Sections  
1951 57-91-1 through 57-91-11, and the revenue collected on the gross  
1952 proceeds of sales from sales made to a business enterprise located  
1953 in a redevelopment project area under the provisions of Sections  
1954 57-91-1 through 57-91-11 (provided that such sales made to a  
1955 business enterprise are made on the premises of the business  
1956 enterprise), shall, except as otherwise provided in this



1957 subsection (19), be deposited, after all diversions, into the  
1958 Redevelopment Project Incentive Fund as created in Section  
1959 57-91-9.

1960 (b) For a municipality participating in the Economic  
1961 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
1962 the diversion provided for in subsection (1) of this section  
1963 attributable to the gross proceeds of sales of a business  
1964 enterprise located within a redevelopment project area under the  
1965 provisions of Sections 57-91-1 through 57-91-11, and attributable  
1966 to the gross proceeds of sales from sales made to a business  
1967 enterprise located in a redevelopment project area under the  
1968 provisions of Sections 57-91-1 through 57-91-11 (provided that  
1969 such sales made to a business enterprise are made on the premises  
1970 of the business enterprise), shall be deposited into the  
1971 Redevelopment Project Incentive Fund as created in Section  
1972 57-91-9, as follows:

1973 (i) For the first six (6) years in which payments  
1974 are made to a developer from the Redevelopment Project Incentive  
1975 Fund, one hundred percent (100%) of the diversion shall be  
1976 deposited into the fund;

1977 (ii) For the seventh year in which such payments  
1978 are made to a developer from the Redevelopment Project Incentive  
1979 Fund, eighty percent (80%) of the diversion shall be deposited  
1980 into the fund;





1981 (iii) For the eighth year in which such payments  
1982 are made to a developer from the Redevelopment Project Incentive  
1983 Fund, seventy percent (70%) of the diversion shall be deposited  
1984 into the fund;

1985 (iv) For the ninth year in which such payments are  
1986 made to a developer from the Redevelopment Project Incentive Fund,  
1987 sixty percent (60%) of the diversion shall be deposited into the  
1988 fund; and

1989 (v) For the tenth year in which such payments are  
1990 made to a developer from the Redevelopment Project Incentive Fund,  
1991 fifty percent (50%) of the funds shall be deposited into the fund.

1992 (20) On or before January 15, 2007, and each succeeding  
1993 month thereafter, eighty percent (80%) of the sales tax revenue  
1994 collected during the preceding month under the provisions of this  
1995 chapter from the operation of a tourism project under the  
1996 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,  
1997 after the diversions required in subsections (7) and (8) of this  
1998 section, into the Tourism Sales Tax Incentive Fund created in  
1999 Section 57-28-3.

2000 (21) (a) On or before April 15, 2007, and each succeeding  
2001 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
2002 Dollars (\$150,000.00) of the sales tax revenue collected during  
2003 the preceding month under the provisions of this chapter shall be  
2004 deposited into the MMEIA Tax Incentive Fund created in Section  
2005 57-101-3.



2006 (b) On or before July 15, 2013, and each succeeding  
2007 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)  
2008 of the sales tax revenue collected during the preceding month  
2009 under the provisions of this chapter shall be deposited into the  
2010 Mississippi Development Authority Job Training Grant Fund created  
2011 in Section 57-1-451.

2012 (22) On or before June 1, 2024, and each succeeding month  
2013 thereafter until December 31, 2057, an amount determined annually  
2014 by the Mississippi Development Authority of the sales tax revenue  
2015 collected during the preceding month under the provisions of this  
2016 chapter shall be deposited into the MMEIA Tax Incentive Fund  
2017 created in Section 57-125-3. This amount shall be based on  
2018 estimated payments due within the upcoming year to construction  
2019 contractors pursuant to construction contracts subject to the tax  
2020 imposed by Section 27-65-21 for construction to be performed on  
2021 the project site of a project defined under Section  
2022 57-75-5(f) (xxxiii) for the coming year.

2023 (23) Notwithstanding any other provision of this section to  
2024 the contrary, on or before August 15, 2009, and each succeeding  
2025 month thereafter, the sales tax revenue collected during the  
2026 preceding month under the provisions of Section 27-65-201 shall be  
2027 deposited, without diversion, into the Motor Vehicle Ad Valorem  
2028 Tax Reduction Fund established in Section 27-51-105.

2029 (24) (a) On or before August 15, 2019, and each month  
2030 thereafter through July 15, 2020, one percent (1%) of the total



2031 sales tax revenue collected during the preceding month from  
2032 restaurants and hotels shall be allocated for distribution to the  
2033 Mississippi Development Authority Tourism Advertising Fund  
2034 established under Section 57-1-64, to be used exclusively for the  
2035 purpose stated therein. On or before August 15, 2020, and each  
2036 month thereafter through July 15, 2021, two percent (2%) of the  
2037 total sales tax revenue collected during the preceding month from  
2038 restaurants and hotels shall be allocated for distribution to the  
2039 Mississippi Development Authority Tourism Advertising Fund  
2040 established under Section 57-1-64, to be used exclusively for the  
2041 purpose stated therein. On or before August 15, 2021, and each  
2042 month thereafter, three percent (3%) of the total sales tax  
2043 revenue collected during the preceding month from restaurants and  
2044 hotels shall be allocated for distribution to the Mississippi  
2045 Development Authority Tourism Advertising Fund established under  
2046 Section 57-1-64, to be used exclusively for the purpose stated  
2047 therein. The revenue diverted pursuant to this subsection shall  
2048 not be available for expenditure until February 1, 2020.

2049 (b) The Joint Legislative Committee on Performance  
2050 Evaluation and Expenditure Review (PEER) must provide an annual  
2051 report to the Legislature indicating the amount of funds deposited  
2052 into the Mississippi Development Authority Tourism Advertising  
2053 Fund established under Section 57-1-64, and a detailed record of  
2054 how the funds are spent.



2055           (25) The remainder of the amounts collected under the  
2056 provisions of this chapter shall be paid into the State Treasury  
2057 to the credit of the General Fund.

2058           (26) (a) It shall be the duty of the municipal officials of  
2059 any municipality that expands its limits, or of any community that  
2060 incorporates as a municipality, to notify the commissioner of that  
2061 action thirty (30) days before the effective date. Failure to so  
2062 notify the commissioner shall cause the municipality to forfeit  
2063 the revenue that it would have been entitled to receive during  
2064 this period of time when the commissioner had no knowledge of the  
2065 action.

2066                   (b) (i) Except as otherwise provided in subparagraph  
2067 (ii) of this paragraph, if any funds have been erroneously  
2068 disbursed to any municipality or any overpayment of tax is  
2069 recovered by the taxpayer, the commissioner may make correction  
2070 and adjust the error or overpayment with the municipality by  
2071 withholding the necessary funds from any later payment to be made  
2072 to the municipality.

2073                           (ii) Subject to the provisions of Sections  
2074 27-65-51 and 27-65-53, if any funds have been erroneously  
2075 disbursed to a municipality under subsection (1) of this section  
2076 for a period of three (3) years or more, the maximum amount that  
2077 may be recovered or withheld from the municipality is the total  
2078 amount of funds erroneously disbursed for a period of three (3)  
2079 years beginning with the date of the first erroneous disbursement.



2080 However, if during such period, a municipality provides written  
2081 notice to the Department of Revenue indicating the erroneous  
2082 disbursement of funds, then the maximum amount that may be  
2083 recovered or withheld from the municipality is the total amount of  
2084 funds erroneously disbursed for a period of one (1) year beginning  
2085 with the date of the first erroneous disbursement.

2086         **SECTION 12.** Section 27-67-31, Mississippi Code of 1972, is  
2087 amended as follows:

2088         27-67-31. All administrative provisions of the sales tax  
2089 law, and amendments thereto, including those which fix damages,  
2090 penalties and interest for failure to comply with the provisions  
2091 of said sales tax law, and all other requirements and duties  
2092 imposed upon taxpayer, shall apply to all persons liable for use  
2093 taxes under the provisions of this article. The commissioner  
2094 shall exercise all power and authority and perform all duties with  
2095 respect to taxpayers under this article as are provided in said  
2096 sales tax law, except where there is conflict, then the provisions  
2097 of this article shall control.

2098         The commissioner may require transportation companies to  
2099 permit the examination of waybills, freight bills, or other  
2100 documents covering shipments of tangible personal property into  
2101 this state.

2102         On or before the fifteenth day of each month, the amount  
2103 received from taxes, damages and interest under the provisions of



2104 this article during the preceding month shall be paid and  
2105 distributed as follows:

2106           (a) On or before July 15, 1994, through July 15, 2000,  
2107 and each succeeding month thereafter, two and two hundred  
2108 sixty-six one-thousandths percent (2.266%) of the total use tax  
2109 revenue collected during the preceding month under the provisions  
2110 of this article shall be deposited in the School Ad Valorem Tax  
2111 Reduction Fund created pursuant to Section 37-61-35. On or before  
2112 August 15, 2000, and each succeeding month thereafter, two and two  
2113 hundred sixty-six one-thousandths percent (2.266%) of the total  
2114 use tax revenue collected during the preceding month under the  
2115 provisions of this chapter shall be deposited into the School Ad  
2116 Valorem Tax Reduction Fund created under Section 37-61-35 until  
2117 such time that the total amount deposited into the fund during a  
2118 fiscal year equals Four Million Dollars (\$4,000,000.00).  
2119 Thereafter, the amounts diverted under this paragraph (a) during  
2120 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)  
2121 shall be deposited into the Education Enhancement Fund created  
2122 under Section 37-61-33 for appropriation by the Legislature as  
2123 other education needs and shall not be subject to the percentage  
2124 appropriation requirements set forth in Section 37-61-33.

2125           (b) On or before July 15, 1994, and each succeeding  
2126 month thereafter, nine and seventy-three one-thousandths percent  
2127 (9.073%) of the total use tax revenue collected during the  
2128 preceding month under the provisions of this article shall be



2129 deposited into the Education Enhancement Fund created pursuant to  
2130 Section 37-61-33.

2131 (c) On or before July 15, 1997, and on or before the  
2132 fifteenth day of each succeeding month thereafter, the revenue  
2133 collected under the provisions of this article imposed and levied  
2134 as a result of Section 27-65-17(2) and the corresponding levy in  
2135 Section 27-65-23 on the rental or lease of private carriers of  
2136 passengers and light carriers of property as defined in Section  
2137 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax  
2138 Reduction Fund created pursuant to Section 27-51-105.

2139 (d) On or before July 15, 1997, and on or before the  
2140 fifteenth day of each succeeding month thereafter and after the  
2141 deposits required by paragraphs (a) and (b) of this section are  
2142 made, the remaining revenue collected under the provisions of this  
2143 article imposed and levied as a result of Section 27-65-17(1) and  
2144 the corresponding levy in Section 27-65-23 on the rental or lease  
2145 of private carriers of passengers and light carriers of property  
2146 as defined in Section 27-51-101 shall be deposited into the Motor  
2147 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section  
2148 27-51-105.

2149 (e) On or before August 15, 2019, and each succeeding  
2150 month thereafter through July 15, 2020, three and three-fourths  
2151 percent (3-3/4%) of the total use tax revenue collected during the  
2152 preceding month under the provisions of this article shall be  
2153 deposited into the special fund created in Section 27-67-35(1).



2154 On or before August 15, 2020, and each succeeding month thereafter  
2155 through July 15, 2021, seven and one-half percent (7-1/2%) of the  
2156 total use tax revenue collected during the preceding month under  
2157 the provisions of this article shall be deposited into the special  
2158 fund created in Section 27-67-35(1). On or before August 15,  
2159 2021, and each succeeding month thereafter through July 15, 2022,  
2160 eleven and one-fourth percent (11-1/4%) of the total use tax  
2161 revenue collected during the preceding month under the provisions  
2162 of this article shall be deposited into the special fund created  
2163 in Section 27-67-35(1). On or before August 15, 2022, and each  
2164 succeeding month thereafter through August 15, 2025, fifteen  
2165 percent (15%) of the total use tax revenue collected during the  
2166 preceding month under the provisions of this article shall be  
2167 deposited into the special fund created in Section 27-67-35(1).  
2168 On or before September 15, 2025, and each succeeding month  
2169 thereafter, fifteen percent (15%) of the total use tax revenue  
2170 collected during the preceding month under this article, except  
2171 that imposed and levied as a result of Section 27-65-17(1)(n), and  
2172 twenty-one percent (21%) of the total use tax revenue collected  
2173 during the preceding month under this article imposed and levied  
2174 as a result of Section 27-65-17(1)(n), shall be deposited into the  
2175 special fund created in Section 27-67-35(1).

2176 (f) On or before August 15, 2019, and each succeeding  
2177 month thereafter through July 15, 2020, three and three-fourths  
2178 percent (3-3/4%) of the total use tax revenue collected during the





2179 preceding month under the provisions of this article shall be  
2180 deposited into the special fund created in Section 27-67-35(2).  
2181 On or before August 15, 2020, and each succeeding month thereafter  
2182 through July 15, 2021, seven and one-half percent (7-1/2%) of the  
2183 total use tax revenue collected during the preceding month under  
2184 the provisions of this article shall be deposited into the special  
2185 fund created in Section 27-67-35(2). On or before August 15,  
2186 2021, and each succeeding month thereafter through July 15, 2022,  
2187 eleven and one-fourth percent (11-1/4%) of the total use tax  
2188 revenue collected during the preceding month under the provisions  
2189 of this article shall be deposited into the special fund created  
2190 in Section 27-67-35(2). On or before August 15, 2022, and each  
2191 succeeding month thereafter through August 15, 2025, fifteen  
2192 percent (15%) of the total use tax revenue collected during the  
2193 preceding month under the provisions of this article shall be  
2194 deposited into the special fund created in Section 27-67-35(2).  
2195 On or before September 15, 2025, and each succeeding month  
2196 thereafter, fifteen percent (15%) of the total use tax revenue  
2197 collected during the preceding month under this article, except  
2198 that imposed and levied as a result of Section 27-65-17(1)(n), and  
2199 twenty-one percent (21%) of the total use tax revenue collected  
2200 during the preceding month under this article imposed and levied  
2201 as a result of Section 27-65-17(1)(n), shall be deposited into the  
2202 special fund created in Section 27-67-35(2).



2203 (g) On or before August 15, 2019, and each succeeding  
2204 month thereafter through July 15, 2020, Four Hundred Sixteen  
2205 Thousand Six Hundred Sixty-six Dollars and Sixty-seven Cents  
2206 (\$416,666.67) or one and one-fourth percent (1-1/4%) of the total  
2207 use tax revenue collected during the preceding month under the  
2208 provisions of this article, whichever is the greater amount, shall  
2209 be deposited into the Local System Bridge Replacement and  
2210 Rehabilitation Fund created in Section 65-37-13. On or before  
2211 August 15, 2020, and each succeeding month thereafter through July  
2212 15, 2021, Eight Hundred Thirty-three Thousand Three Hundred  
2213 Thirty-three Dollars and Thirty-four Cents (\$833,333.34) or two  
2214 and one-half percent (2-1/2%) of the total use tax revenue  
2215 collected during the preceding month under the provisions of this  
2216 article, whichever is the greater amount, shall be deposited into  
2217 the Local System Bridge Replacement and Rehabilitation Fund  
2218 created in Section 65-37-13. On or before August 15, 2021, and  
2219 each succeeding month thereafter through July 15, 2022, One  
2220 Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) or  
2221 three and three-fourths percent (3-3/4%) of the total use tax  
2222 revenue collected during the preceding month under the provisions  
2223 of this article, whichever is the greater amount, shall be  
2224 deposited into the Local System Bridge Replacement and  
2225 Rehabilitation Fund created in Section 65-37-13. On or before  
2226 August 15, 2022, and each succeeding month thereafter through July  
2227 15, 2023, One Million Six Hundred Sixty-six Thousand Six Hundred



2228 Sixty-six Dollars and Sixty-seven Cents (\$1,666,666.67) or five  
2229 percent (5%) of the total use tax revenue collected during the  
2230 preceding month under the provisions of this article, whichever is  
2231 the greater amount, shall be deposited into the Local System  
2232 Bridge Replacement and Rehabilitation Fund created in Section  
2233 65-37-13. On or before August 15, 2023, and each succeeding month  
2234 thereafter, (i) One Million Six Hundred Sixty-six Thousand Six  
2235 Hundred Sixty-six Dollars and Sixty-seven Cents (\$1,666,666.67) or  
2236 two and one-half percent (2-1/2%) of the total use tax revenue  
2237 collected during the preceding month under the provisions of this  
2238 article, whichever is the greater amount, shall be deposited into  
2239 the Local System Bridge Replacement and Rehabilitation Fund  
2240 created in Section 65-37-13, and (ii) One Million Six Hundred  
2241 Sixty-six Thousand Six Hundred Sixty-six Dollars and Sixty-seven  
2242 Cents (\$1,666,666.67) or two and one-half percent (2-1/2%) of the  
2243 total use tax revenue collected during the preceding month under  
2244 the provisions of this article, whichever is the greater amount,  
2245 shall be deposited into the State Aid Road Fund created in Section  
2246 65-9-17.

2247 (h) On or before August 15, 2020, and each succeeding  
2248 month thereafter through July 15, 2022, One Million Dollars  
2249 (\$1,000,000.00) of the total use tax revenue collected during the  
2250 preceding month under the provisions of this article shall be  
2251 deposited into the Local System Bridge Replacement and  
2252 Rehabilitation Fund created in Section 65-37-13. Amounts



2253 deposited into the Local System Bridge Replacement and  
2254 Rehabilitation Fund under this paragraph (h) shall be in addition  
2255 to amounts deposited into the fund under paragraph (g) of this  
2256 section.

2257 (i) The remainder of the amount received from taxes,  
2258 damages and interest under the provisions of this article shall be  
2259 paid into the General Fund of the State Treasury by the  
2260 commissioner.

2261 **SECTION 13.** This act shall take effect and be in force from  
2262 and after July 1, 2025.

