

By: Senator(s) Chassaniol

To: Tourism

SENATE BILL NO. 2016

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



INFORMATION AND CREATES THE MISSISSIPPI DEVELOPMENT AUTHORITY
TOURISM ADVERTISING FUND; TO REPEAL SECTION 57-1-64.1, MISSISSIPPI
CODE OF 1972, WHICH CREATES THE MISSISSIPPI TOURISM ASSOCIATION
MARKETING ADVISORY BOARD TO ASSIST THE MISSISSIPPI DEVELOPMENT
AUTHORITY; AND FOR RELATED PURPOSES.

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

SECTION 1. Sections 1 through 9 of this act shall be known
and may be cited as the "Mississippi Tourism Reorganization Act."

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

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

(3) All of the powers, duties, property, contractual rights
and obligations of the Tourism Division of the Mississippi
Development Authority shall be transferred to the Mississippi
Department of Tourism on July 1, 2026. The transfer of personnel
shall be commensurate with the number and classification of
positions allocated to that division. The transfer shall also
include direct support, clerical, data processing and
communications positions allocated to that division.

SECTION 3. The Governor shall appoint an Executive Director
of the Department of Tourism with the advice and consent of the
Senate and in accordance with standards established by the State
Personnel Board. The executive director shall serve at the will
and pleasure of the Governor. The salary of the executive
director shall be set by the Governor, subject to the approval of
the State Personnel Board, and shall be provided for out of any



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

SECTION 4. The Department of Tourism shall provide the tourism services authorized by law, and in carrying out the purposes of Sections 1 through 9 of this act, the department is authorized:

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

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

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



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

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

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

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

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

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

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



(k) To enter into contracts and other agreements with local tourism commissions or similar entities for the purpose of developing regional strategies for tourism promotion. The Department of Tourism, in conjunction with the formulation of regional strategies for tourism promotion, may require that local tourism commissions or similar entities enter into agreements with the authority as a condition for receiving any state grants to promote tourism; and

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

SECTION 5. In carrying out his or her duties under Sections 1 through 9 of this act, the Executive Director of the Department of Tourism:

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

(b) Shall prepare and submit to the Governor and the Legislature annual reports of activities and expenditures and, before each regular session of the Legislature, coordinate budget requests required for carrying out Sections 1 through 9 of this act and estimates of the amounts to be made available for this purpose from all sources;



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

(d) Shall take such other action as he or she deems necessary or appropriate to effectuate the purposes of Sections 1 through 9 of this act;

(e) May delegate to any officer or employee of the department such of his or her powers and duties as he or she finds necessary to effectuate the purposes of Sections 1 through 9 of this act.

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

SECTION 7. (1) The Department of Tourism is authorized to sell advertising and other tourism promotional information through the Department of Tourism's internet website and other marketing outlets, and to enter into agreements with tourism associations and similar entities for the purpose of making and facilitating sales through the use of such entities. Revenues received from



such sales shall be placed into the special fund created in subsection (2) of this section.

(2) There is created a special fund in the State Treasury to be known as the Department of Tourism Advertising Fund which shall consist of monies from any source designated for deposit into the fund. Any unexpended amounts remaining on June 30, 2026, in the Mississippi Development Authority Tourism Advertising Fund established in Section 57-1-64 shall be transferred and deposited into the fund. Monies in the fund may be used by the Department of Tourism for the purpose of paying costs incurred in connection with the purchase of advertising, marketing, promotional information and materials, and other services related to Mississippi tourism resources and activities. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund.

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

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



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

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

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

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

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

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

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

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

(5) For marketing activities paid for with federal funds related to the COVID-19 public health emergency and carried out by either the Department of Tourism or destination marketing organizations, the advisory board will give input on appropriate



branding and messaging that communicates pertinent public health information.

SECTION 9. The Department of Finance and Administration, the Department of Information Technology and the State Personnel Board shall have the powers necessary in carrying out the creation of the Mississippi Department of Tourism required by this act.

SECTION 10. Section 27-65-75, Mississippi Code of 1972, is amended as follows:

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

(1) (a) On or before August 15, 1992, and each succeeding month thereafter through July 15, 1993, eighteen percent (18%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a municipal corporation shall be allocated for distribution to the municipality and paid to the municipal corporation. Except as otherwise provided in this paragraph (a), on or before August 15, 1993, and each succeeding month thereafter through August 15, 2025, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within



a municipal corporation shall be allocated for distribution to the municipality and paid to the municipal corporation. Except as otherwise provided in this paragraph (a), on or before September 15, 2025, and each succeeding month thereafter, eighteen and one-half percent (18.5%) of the total sales tax revenue collected during the preceding month under this chapter, except that collected under Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3), 27-65-21 and 27-65-24, on business activities within a municipal corporation shall be allocated for distribution and paid to the municipal corporation. On or before September 15, 2025, and each succeeding month thereafter, twenty-five and nine-tenths percent (25.9%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) on business activities within a municipal corporation shall be allocated for distribution and paid to the municipal corporation. However, in the event the State Auditor issues a certificate of noncompliance pursuant to Section 21-35-31, the department shall withhold ten percent (10%) of the allocations and payments to the municipality that would otherwise be payable to the municipality under this paragraph (a) until such time that the department receives written notice of the cancellation of a certificate of noncompliance from the State Auditor.

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



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

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

(b) On or before August 15, 2006, and each succeeding month thereafter through August 15, 2025, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution to the state institution of higher learning or community or junior college and paid to the state institution of higher learning or community or junior college. On or before September 15, 2025, and each succeeding month thereafter, eighteen and one-half percent (18.5%)



of the total sales tax revenue collected during the preceding month under this chapter, except that collected under Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3) and 27-65-21, on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution and paid to the state institution of higher learning or community or junior college. On or before September 15, 2025, and each succeeding month thereafter, twenty-five and nine-tenths percent (25.9%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution and paid to the state institution of higher learning or community or junior college.

(c) On or before August 15, 2018, and each succeeding month thereafter until August 14, 2019, two percent (2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2019, and each



succeeding month thereafter until August 14, 2020, four percent (4%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2020, and each succeeding month thereafter through July 15, 2023, six percent (6%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2023, and each succeeding month thereafter through August 15, 2025, nine percent (9%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before September 15, 2025, and each succeeding month thereafter, nine percent (9%) of the total sales



tax revenue collected during the preceding month under this chapter, except that collected under Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 27-5-215. On or before September 15, 2025, and each succeeding month thereafter, twelve and six-tenths percent (12.6%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 27-5-215.

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



359 1. The county:

360 a. Borders on the Mississippi Sound and

361 the State of Alabama, or

362 b. Is Harrison County, Mississippi, and

363 the project area is within a radius of two (2) miles from the

364 intersection of Interstate 10 and Menge Avenue;

365 2. The county has issued bonds under Section

366 21-45-9 to finance all or a portion of a redevelopment project in

367 the redevelopment project area;

368 3. Any debt service for the indebtedness

369 incurred is outstanding; and

370 4. A development with a value of Ten Million

371 Dollars (\$10,000,000.00) or more is, or will be, located in the

372 redevelopment area.

373 (ii) For a county that is eligible to receive

374 funds under this paragraph (d), as determined by the department

375 under this paragraph (d), from and after September 15, 2025, and

376 each succeeding month thereafter, eighteen and one-half percent

377 (18.5%) of the total sales tax revenue collected during the

378 preceding month under this chapter, except that collected under

379 Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3) and 27-65-21, on

380 business activities within a redevelopment project area developed

381 under a redevelopment plan adopted under the Tax Increment

382 Financing Act (Section 21-45-1 et seq.) shall be allocated for

383 distribution to the county in which the project is located, and



384 twenty-five and nine-tenths percent (25.9%) of the total sales tax
385 revenue collected during the preceding month under Section
386 27-65-17(1)(n) shall be allocated for distribution to that county.

387 (iii) Before any sales tax revenue may be
388 allocated for distribution to a county under this paragraph (d),
389 the county shall certify to the Department of Revenue that the
390 requirements of this paragraph (d) have been met, the amount of
391 bonded indebtedness that has been incurred by the county for the
392 redevelopment project and the expected date the indebtedness
393 incurred by the county will be satisfied.

394 (iv) The diversion of sales tax revenue authorized
395 by this paragraph (d) shall begin the month following the month in
396 which the Department of Revenue determines that the requirements
397 of this paragraph (d) have been met. The diversion shall end the
398 month the indebtedness incurred by the county is satisfied. All
399 revenue received by the county under this paragraph (d) shall be
400 deposited in the fund required to be created in the tax increment
401 financing plan under Section 21-45-11 and be utilized solely to
402 satisfy the indebtedness incurred by the county.

403 (2) On or before September 15, 1987, and each succeeding
404 month thereafter, from the revenue collected under this chapter
405 during the preceding month, One Million One Hundred Twenty-five
406 Thousand Dollars (\$1,125,000.00) shall be allocated for
407 distribution to municipal corporations as defined under subsection
408 (1) of this section in the proportion that the number of gallons



409 of gasoline and diesel fuel sold by distributors to consumers and
410 retailers in each such municipality during the preceding fiscal
411 year bears to the total gallons of gasoline and diesel fuel sold
412 by distributors to consumers and retailers in municipalities
413 statewide during the preceding fiscal year. The Department of
414 Revenue shall require all distributors of gasoline and diesel fuel
415 to report to the department monthly the total number of gallons of
416 gasoline and diesel fuel sold by them to consumers and retailers
417 in each municipality during the preceding month. The Department
418 of Revenue shall have the authority to promulgate such rules and
419 regulations as is necessary to determine the number of gallons of
420 gasoline and diesel fuel sold by distributors to consumers and
421 retailers in each municipality. In determining the percentage
422 allocation of funds under this subsection for the fiscal year
423 beginning July 1, 1987, and ending June 30, 1988, the Department
424 of Revenue may consider gallons of gasoline and diesel fuel sold
425 for a period of less than one (1) fiscal year. For the purposes
426 of this subsection, the term "fiscal year" means the fiscal year
427 beginning July 1 of a year.

428 (3) On or before September 15, 1987, and on or before the
429 fifteenth day of each succeeding month, until the date specified
430 in Section 65-39-35, the proceeds derived from contractors' taxes
431 levied under Section 27-65-21 on contracts for the construction or
432 reconstruction of highways designated under the highway program
433 created under Section 65-3-97 shall, except as otherwise provided



in Section 31-17-127, be deposited into the State Treasury to the credit of the State Highway Fund to be used to fund that highway program. The Mississippi Department of Transportation shall provide to the Department of Revenue such information as is necessary to determine the amount of proceeds to be distributed under this subsection.

(4) On or before August 15, 1994, and on or before the fifteenth day of each succeeding month through July 15, 1999, from the proceeds of gasoline, diesel fuel or kerosene taxes as provided in Section 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be deposited in the State Treasury to the credit of a special fund designated as the "State Aid Road Fund," created by Section 65-9-17. On or before August 15, 1999, and on or before the fifteenth day of each succeeding month through August 15, 2026, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes apportioned by Section 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is the greater amount, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund," created by Section 65-9-17. After August 15, 2025, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes apportioned by Section 27-5-101(a)(ii)1 and (iii), Five Million Dollars (\$5,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is greater,



shall be deposited in the State Treasury to the credit of the "State Aid Road Fund" on or before September 15, 2025, and on or before the fifteenth day of each succeeding month through August 15, 2026, and Six Million Five Hundred Thousand Dollars (\$6,500,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is greater, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund" on or before September 15, 2026, and on or before the fifteenth day of each succeeding month through August 15, 2027, and Eight Million Dollars (\$8,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is greater, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund" on or before September 15, 2027, and on or before the fifteenth day of each succeeding month. From the amount of taxes paid into the special fund under this subsection and subsection (9) of this section, there shall be first deducted and paid the amount necessary to pay the expenses of the Office of State Aid Road Construction, as authorized by the Legislature for all other general and special fund agencies. The remainder of the funds shall be allocated monthly to the several counties in accordance with the following formula:

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

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



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

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

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

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

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

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

(6) An amount each month beginning August 15, 1983, through November 15, 1986, as specified in Section 6, Chapter 542, Laws of 1983, shall be paid into the special fund known as the



Correctional Facilities Construction Fund created in Section 6,
Chapter 542, Laws of 1983.

(7) On or before August 15, 1992, and each succeeding month thereafter through July 15, 2000, two and two hundred sixty-six one-thousandths percent (2.266%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited by the department into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35. On or before August 15, 2000, and each succeeding month thereafter through August 15, 2025, two and two hundred sixty-six one-thousandths percent (2.266%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35 until such time that the total amount deposited into the fund during a fiscal year equals Forty-two Million Dollars (\$42,000,000.00). Thereafter, the amounts diverted under this subsection (7) during the fiscal year in excess of Forty-two Million Dollars (\$42,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33. On or before September 15, 2025, and each succeeding month thereafter,



two and two hundred sixty-six one-thousandths percent (2.266%) of the total sales tax revenue collected during the preceding month under this chapter, except that collected under Section 27-65-17(1)(n) and (2), and three and seventeen one-hundredths percent (3.17%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n), shall be deposited into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35 until such time that the total amount deposited into the fund during a fiscal year equals Forty-two Million Dollars (\$42,000,000.00). Thereafter, the amounts diverted under this subsection (7) during the fiscal year in excess of Forty-two Million Dollars (\$42,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

(8) On or before August 15, 1992, and each succeeding month thereafter through August 15, 2025, nine and seventy-three one-thousandths percent (9.073%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited into the Education Enhancement Fund created under Section 37-61-33. On or before September 15, 2025, and each succeeding month thereafter, nine and seventy-three one-thousandths percent (9.073%) of the total sales tax revenue



collected during the preceding month under this chapter, except that collected under Section 27-65-17(1)(n) and (2), and twelve and seven-tenths percent (12.7%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n), shall be deposited into the Education Enhancement Fund created under Section 37-61-33.

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

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

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



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

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

599 (14) On or before August 15, 1998, and each succeeding month
600 thereafter through July 15, 2005, that portion of the avails of
601 the tax imposed in Section 27-65-23 that is derived from sales by
602 cotton compresses or cotton warehouses and that would otherwise be
603 paid into the General Fund shall be deposited in an amount not to
604 exceed Two Million Dollars (\$2,000,000.00) into the special fund
605 created under Section 69-37-39. On or before August 15, 2007, and
606 each succeeding month thereafter through July 15, 2010, that



607 portion of the avails of the tax imposed in Section 27-65-23 that
608 is derived from sales by cotton compresses or cotton warehouses
609 and that would otherwise be paid into the General Fund shall be
610 deposited in an amount not to exceed Two Million Dollars
611 (\$2,000,000.00) into the special fund created under Section
612 69-37-39 until all debts or other obligations incurred by the
613 Certified Cotton Growers Organization under the Mississippi Boll
614 Weevil Management Act before January 1, 2007, are satisfied in
615 full. On or before August 15, 2010, and each succeeding month
616 thereafter through July 15, 2011, fifty percent (50%) of that
617 portion of the avails of the tax imposed in Section 27-65-23 that
618 is derived from sales by cotton compresses or cotton warehouses
619 and that would otherwise be paid into the General Fund shall be
620 deposited into the special fund created under Section 69-37-39
621 until such time that the total amount deposited into the fund
622 during a fiscal year equals One Million Dollars (\$1,000,000.00).
623 On or before August 15, 2011, and each succeeding month
624 thereafter, that portion of the avails of the tax imposed in
625 Section 27-65-23 that is derived from sales by cotton compresses
626 or cotton warehouses and that would otherwise be paid into the
627 General Fund shall be deposited into the special fund created
628 under Section 69-37-39 until such time that the total amount
629 deposited into the fund during a fiscal year equals One Million
630 Dollars (\$1,000,000.00).



631 (15) Notwithstanding any other provision of this section to
632 the contrary, on or before September 15, 2000, and each succeeding
633 month thereafter, the sales tax revenue collected during the
634 preceding month under the provisions of Section
635 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
636 without diversion, into the Telecommunications Ad Valorem Tax
637 Reduction Fund established in Section 27-38-7.

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

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

653 (17) Notwithstanding any other provision of this section to
654 the contrary, on or before April 15, 2002, and each succeeding
655 month thereafter, the sales tax revenue collected during the



656 preceding month under Section 27-65-23 on sales of parking
657 services of parking garages and lots at airports shall be
658 deposited, without diversion, into the special fund created under
659 Section 27-5-101(d) .

660 (18) [Repealed]

661 (19) (a) On or before August 15, 2005, and each succeeding
662 month thereafter, the sales tax revenue collected during the
663 preceding month under the provisions of this chapter on the gross
664 proceeds of sales of a business enterprise located within a
665 redevelopment project area under the provisions of Sections
666 57-91-1 through 57-91-11, and the revenue collected on the gross
667 proceeds of sales from sales made to a business enterprise located
668 in a redevelopment project area under the provisions of Sections
669 57-91-1 through 57-91-11 (provided that such sales made to a
670 business enterprise are made on the premises of the business
671 enterprise), shall, except as otherwise provided in this
672 subsection (19), be deposited, after all diversions, into the
673 Redevelopment Project Incentive Fund as created in Section
674 57-91-9.

675 (b) For a municipality participating in the Economic
676 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
677 the diversion provided for in subsection (1) of this section
678 attributable to the gross proceeds of sales of a business
679 enterprise located within a redevelopment project area under the
680 provisions of Sections 57-91-1 through 57-91-11, and attributable



681 to the gross proceeds of sales from sales made to a business
682 enterprise located in a redevelopment project area under the
683 provisions of Sections 57-91-1 through 57-91-11 (provided that
684 such sales made to a business enterprise are made on the premises
685 of the business enterprise), shall be deposited into the
686 Redevelopment Project Incentive Fund as created in Section
687 57-91-9, as follows:

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

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

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

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



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

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

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

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

(22) On or before June 1, 2024, and each succeeding month thereafter until December 31, 2057, an amount determined annually



by the Mississippi Development Authority of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the MMEIA Tax Incentive Fund created in Section 57-125-3. This amount shall be based on estimated payments due within the upcoming year to construction contractors pursuant to construction contracts subject to the tax imposed by Section 27-65-21 for construction to be performed on the project site of a project defined under Section 57-75-5(f)(xxxiii) for the coming year.

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

(24) (a) On or before August 15, 2019, and each month thereafter through July 15, 2020, one percent (1%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi * * * Department of Tourism Advertising Fund established under Section * * * 7 of this act, to be used exclusively for the purpose stated therein. On or before August 15, 2020, and each month thereafter through July 15, 2021, two percent (2%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for



distribution to the Mississippi * * * Department of Tourism
Advertising Fund established under Section * * * 7 of this act, to
be used exclusively for the purpose stated therein. On or before
August 15, 2021, and each month thereafter, three percent (3%) of
the total sales tax revenue collected during the preceding month
from restaurants and hotels shall be allocated for distribution to
the Mississippi * * * Department of Tourism Advertising Fund
established under Section * * * 7 of this act, to be used
exclusively for the purpose stated therein. The revenue diverted
pursuant to this subsection shall not be available for expenditure
until February 1, 2020.

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

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

(26) (a) It shall be the duty of the municipal officials of
any municipality that expands its limits, or of any community that
incorporates as a municipality, to notify the commissioner of that
action thirty (30) days before the effective date. Failure to so
notify the commissioner shall cause the municipality to forfeit



779 the revenue that it would have been entitled to receive during
780 this period of time when the commissioner had no knowledge of the
781 action.

782 (b) (i) Except as otherwise provided in subparagraph
783 (ii) of this paragraph, if any funds have been erroneously
784 disbursed to any municipality or any overpayment of tax is
785 recovered by the taxpayer, the commissioner may make correction
786 and adjust the error or overpayment with the municipality by
787 withholding the necessary funds from any later payment to be made
788 to the municipality.

789 (ii) Subject to the provisions of Sections
790 27-65-51 and 27-65-53, if any funds have been erroneously
791 disbursed to a municipality under subsection (1) of this section
792 for a period of three (3) years or more, the maximum amount that
793 may be recovered or withheld from the municipality is the total
794 amount of funds erroneously disbursed for a period of three (3)
795 years beginning with the date of the first erroneous disbursement.
796 However, if during such period, a municipality provides written
797 notice to the Department of Revenue indicating the erroneous
798 disbursement of funds, then the maximum amount that may be
799 recovered or withheld from the municipality is the total amount of
800 funds erroneously disbursed for a period of one (1) year beginning
801 with the date of the first erroneous disbursement.



802 **SECTION 11.** Section 57-1-59, Mississippi Code of 1972, which
803 provides for the general powers and duties of the Mississippi
804 Development Authority with respect to tourism, is repealed.

805 **SECTION 12.** Section 57-1-60, Mississippi Code of 1972, which
806 authorizes the Department of Economic and Community Development to
807 establish a program of grants to be matched by tourism entities in
808 the state, is repealed.

809 **SECTION 13.** Section 57-1-61, Mississippi Code of 1972, which
810 provide for the transfer of functions of travel and tourism from
811 the Department of the Agricultural and Industrial Board, is
812 repealed.

813 **SECTION 14.** Section 57-1-63, Mississippi Code of 1972, which
814 provide for the transfer of powers and duties of state agencies
815 relating to tourism to the Mississippi Development Authority, is
816 repealed.

817 **SECTION 15.** Section 57-1-64, Mississippi Code of 1972, which
818 authorizes the Mississippi Development Authority to sell
819 advertising and other tourism promotional information and creates
820 the Mississippi Development Authority Tourism Advertising Fund, is
821 repealed.

822 **SECTION 16.** Section 57-1-64.1, Mississippi Code of 1972,
823 which creates the Mississippi Tourism Association Marketing
824 Advisory Board to assist the Mississippi Development Authority, is
825 repealed.



826 **SECTION 17.** Section 9 of this act shall take effect and be
827 in force from and after its passage. Sections 1 through 8 and
828 Sections 10 through 16 of this act shall take effect and be in
829 force from and after July 1, 2026.

