

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

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

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

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

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

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

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

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



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

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

- 79 (a) To expend funds received either by appropriation or
80 directly from federal or private sources;
- 81 (b) To develop and implement a comprehensive strategy
82 for branding, advertising, promotion and development of the
83 state's diverse tourism product;
- 84 (c) To use best practices for developing and
85 coordinating marketing efforts, including data-driven and
86 trackable marketing and advertising strategies;



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

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

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

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

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

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

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



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

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

124 **SECTION 5.** In carrying out his or her duties under Sections
125 1 through 9 of this act, the Executive Director of the Department
126 of Tourism:

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



209 branding and messaging that communicates pertinent public health
210 information.

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

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

217 27-65-75. On or before the fifteenth day of each month, the
218 revenue collected under the provisions of this chapter during the
219 preceding month shall be paid and distributed as follows:

220 (1) (a) On or before August 15, 1992, and each succeeding
221 month thereafter through July 15, 1993, eighteen percent (18%) of
222 the total sales tax revenue collected during the preceding month
223 under the provisions of this chapter, except that collected under
224 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
225 business activities within a municipal corporation shall be
226 allocated for distribution to the municipality and paid to the
227 municipal corporation. Except as otherwise provided in this
228 paragraph (a), on or before August 15, 1993, and each succeeding
229 month thereafter through August 15, 2025, eighteen and one-half
230 percent (18-1/2%) of the total sales tax revenue collected during
231 the preceding month under the provisions of this chapter, except
232 that collected under the provisions of Sections 27-65-15,
233 27-65-19(3), 27-65-21 and 27-65-24, on business activities within



234 a municipal corporation shall be allocated for distribution to the
235 municipality and paid to the municipal corporation. Except as
236 otherwise provided in this paragraph (a), on or before September
237 15, 2025, and each succeeding month thereafter, eighteen and
238 one-half percent (18.5%) of the total sales tax revenue collected
239 during the preceding month under this chapter, except that
240 collected under Sections 27-65-15, 27-65-17(1) (n), 27-65-19(3),
241 27-65-21 and 27-65-24, on business activities within a municipal
242 corporation shall be allocated for distribution and paid to the
243 municipal corporation. On or before September 15, 2025, and each
244 succeeding month thereafter, twenty-five and nine-tenths percent
245 (25.9%) of the total sales tax revenue collected during the
246 preceding month under Section 27-65-17(1) (n) on business
247 activities within a municipal corporation shall be allocated for
248 distribution and paid to the municipal corporation. However, in
249 the event the State Auditor issues a certificate of noncompliance
250 pursuant to Section 21-35-31, the department shall withhold ten
251 percent (10%) of the allocations and payments to the municipality
252 that would otherwise be payable to the municipality under this
253 paragraph (a) until such time that the department receives written
254 notice of the cancellation of a certificate of noncompliance from
255 the State Auditor.

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



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

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

271 (b) On or before August 15, 2006, and each succeeding
272 month thereafter through August 15, 2025, eighteen and one-half
273 percent (18-1/2%) of the total sales tax revenue collected during
274 the preceding month under the provisions of this chapter, except
275 that collected under the provisions of Sections 27-65-15,
276 27-65-19(3) and 27-65-21, on business activities on the campus of
277 a state institution of higher learning or community or junior
278 college whose campus is not located within the corporate limits of
279 a municipality, shall be allocated for distribution to the state
280 institution of higher learning or community or junior college and
281 paid to the state institution of higher learning or community or
282 junior college. On or before September 15, 2025, and each
283 succeeding month thereafter, eighteen and one-half percent (18.5%)



284 of the total sales tax revenue collected during the preceding
285 month under this chapter, except that collected under Sections
286 27-65-15, 27-65-17(1) (n), 27-65-19(3) and 27-65-21, on business
287 activities on the campus of a state institution of higher learning
288 or community or junior college whose campus is not located within
289 the corporate limits of a municipality, shall be allocated for
290 distribution and paid to the state institution of higher learning
291 or community or junior college. On or before September 15, 2025,
292 and each succeeding month thereafter, twenty-five and nine-tenths
293 percent (25.9%) of the total sales tax revenue collected during
294 the preceding month under Section 27-65-17(1) (n) on business
295 activities on the campus of a state institution of higher learning
296 or community or junior college whose campus is not located within
297 the corporate limits of a municipality, shall be allocated for
298 distribution and paid to the state institution of higher learning
299 or community or junior college.

300 (c) On or before August 15, 2018, and each succeeding
301 month thereafter until August 14, 2019, two percent (2%) of the
302 total sales tax revenue collected during the preceding month under
303 the provisions of this chapter, except that collected under the
304 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
305 27-65-24, on business activities within the corporate limits of
306 the City of Jackson, Mississippi, shall be deposited into the
307 Capitol Complex Improvement District Project Fund created in
308 Section 29-5-215. On or before August 15, 2019, and each



309 succeeding month thereafter until August 14, 2020, four percent
310 (4%) of the total sales tax revenue collected during the preceding
311 month under the provisions of this chapter, except that collected
312 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
313 and 27-65-24, on business activities within the corporate limits
314 of the City of Jackson, Mississippi, shall be deposited into the
315 Capitol Complex Improvement District Project Fund created in
316 Section 29-5-215. On or before August 15, 2020, and each
317 succeeding month thereafter through July 15, 2023, six percent
318 (6%) of the total sales tax revenue collected during the preceding
319 month under the provisions of this chapter, except that collected
320 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
321 and 27-65-24, on business activities within the corporate limits
322 of the City of Jackson, Mississippi, shall be deposited into the
323 Capitol Complex Improvement District Project Fund created in
324 Section 29-5-215. On or before August 15, 2023, and each
325 succeeding month thereafter through August 15, 2025, nine percent
326 (9%) of the total sales tax revenue collected during the preceding
327 month under the provisions of this chapter, except that collected
328 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
329 and 27-65-24, on business activities within the corporate limits
330 of the City of Jackson, Mississippi, shall be deposited into the
331 Capitol Complex Improvement District Project Fund created in
332 Section 29-5-215. On or before September 15, 2025, and each
333 succeeding month thereafter, nine percent (9%) of the total sales



334 tax revenue collected during the preceding month under this
335 chapter, except that collected under Sections 27-65-15,
336 27-65-17(1) (n), 27-65-19(3), 27-65-21 and 27-65-24, on business
337 activities within the corporate limits of the City of Jackson,
338 Mississippi, shall be deposited into the Capitol Complex
339 Improvement District Project Fund created in Section 27-5-215. On
340 or before September 15, 2025, and each succeeding month
341 thereafter, twelve and six-tenths percent (12.6%) of the total
342 sales tax revenue collected during the preceding month under
343 Section 27-65-17(1) (n) on business activities within the corporate
344 limits of the City of Jackson, Mississippi, shall be deposited
345 into the Capitol Complex Improvement District Project Fund created
346 in Section 27-5-215.

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





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



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

440 (4) On or before August 15, 1994, and on or before the
441 fifteenth day of each succeeding month through July 15, 1999, from
442 the proceeds of gasoline, diesel fuel or kerosene taxes as
443 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
444 (\$4,000,000.00) shall be deposited in the State Treasury to the
445 credit of a special fund designated as the "State Aid Road Fund,"
446 created by Section 65-9-17. On or before August 15, 1999, and on
447 or before the fifteenth day of each succeeding month through
448 August 15, 2026, from the total amount of the proceeds of
449 gasoline, diesel fuel or kerosene taxes apportioned by Section
450 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) or an
451 amount equal to twenty-three and one-fourth percent (23-1/4%) of
452 those funds, whichever is the greater amount, shall be deposited
453 in the State Treasury to the credit of the "State Aid Road Fund,"
454 created by Section 65-9-17. After August 15, 2025, from the total
455 amount of the proceeds of gasoline, diesel fuel or kerosene taxes
456 apportioned by Section 27-5-101(a)(ii)1 and (iii), Five Million
457 Dollars (\$5,000,000.00) or an amount equal to twenty-three and
458 one-fourth percent (23-1/4%) of those funds, whichever is greater,



459 shall be deposited in the State Treasury to the credit of the
460 "State Aid Road Fund" on or before September 15, 2025, and on or
461 before the fifteenth day of each succeeding month through August
462 15, 2026, and Six Million Five Hundred Thousand Dollars
463 (\$6,500,000.00) or an amount equal to twenty-three and one-fourth
464 percent (23-1/4%) of those funds, whichever is greater, shall be
465 deposited in the State Treasury to the credit of the "State Aid
466 Road Fund" on or before September 15, 2026, and on or before the
467 fifteenth day of each succeeding month through August 15, 2027,
468 and Eight Million Dollars (\$8,000,000.00) or an amount equal to
469 twenty-three and one-fourth percent (23-1/4%) of those funds,
470 whichever is greater, shall be deposited in the State Treasury to
471 the credit of the "State Aid Road Fund" on or before September 15,
472 2027, and on or before the fifteenth day of each succeeding month.
473 From the amount of taxes paid into the special fund under this
474 subsection and subsection (9) of this section, there shall be
475 first deducted and paid the amount necessary to pay the expenses
476 of the Office of State Aid Road Construction, as authorized by the
477 Legislature for all other general and special fund agencies. The
478 remainder of the funds shall be allocated monthly to the several
479 counties in accordance with the following formula:

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

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

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

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

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

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

496 Any reference in the general laws of this state or the
497 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
498 construed to refer and apply to subsection (4) of Section
499 27-65-75.

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

505 (6) An amount each month beginning August 15, 1983, through
506 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
507 1983, shall be paid into the special fund known as the

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

510 (7) On or before August 15, 1992, and each succeeding month
511 thereafter through July 15, 2000, two and two hundred sixty-six
512 one-thousandths percent (2.266%) of the total sales tax revenue
513 collected during the preceding month under the provisions of this
514 chapter, except that collected under the provisions of Section
515 27-65-17(2), shall be deposited by the department into the School
516 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
517 or before August 15, 2000, and each succeeding month thereafter
518 through August 15, 2025, two and two hundred sixty-six
519 one-thousandths percent (2.266%) of the total sales tax revenue
520 collected during the preceding month under the provisions of this
521 chapter, except that collected under the provisions of Section
522 27-65-17(2), shall be deposited into the School Ad Valorem Tax
523 Reduction Fund created under Section 37-61-35 until such time that
524 the total amount deposited into the fund during a fiscal year
525 equals Forty-two Million Dollars (\$42,000,000.00). Thereafter,
526 the amounts diverted under this subsection (7) during the fiscal
527 year in excess of Forty-two Million Dollars (\$42,000,000.00) shall
528 be deposited into the Education Enhancement Fund created under
529 Section 37-61-33 for appropriation by the Legislature as other
530 education needs and shall not be subject to the percentage
531 appropriation requirements set forth in Section 37-61-33. On or
532 before September 15, 2025, and each succeeding month thereafter,



533 two and two hundred sixty-six one-thousandths percent (2.266%) of
534 the total sales tax revenue collected during the preceding month
535 under this chapter, except that collected under Section
536 27-65-17(1)(n) and (2), and three and seventeen one-hundredths
537 percent (3.17%) of the total sales tax revenue collected during
538 the preceding month under Section 27-65-17(1)(n), shall be
539 deposited into the School Ad Valorem Tax Reduction Fund created
540 under Section 37-61-35 until such time that the total amount
541 deposited into the fund during a fiscal year equals Forty-two
542 Million Dollars (\$42,000,000.00). Thereafter, the amounts
543 diverted under this subsection (7) during the fiscal year in
544 excess of Forty-two Million Dollars (\$42,000,000.00) shall be
545 deposited into the Education Enhancement Fund created under
546 Section 37-61-33 for appropriation by the Legislature as other
547 education needs and shall not be subject to the percentage
548 appropriation requirements set forth in Section 37-61-33.

549 (8) On or before August 15, 1992, and each succeeding month
550 thereafter through August 15, 2025, nine and seventy-three
551 one-thousandths percent (9.073%) of the total sales tax revenue
552 collected during the preceding month under the provisions of this
553 chapter, except that collected under the provisions of Section
554 27-65-17(2), shall be deposited into the Education Enhancement
555 Fund created under Section 37-61-33. On or before September 15,
556 2025, and each succeeding month thereafter, nine and seventy-three
557 one-thousandths percent (9.073%) of the total sales tax revenue



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

564 (9) On or before August 15, 1994, and each succeeding month
565 thereafter, from the revenue collected under this chapter during
566 the preceding month, Two Hundred Fifty Thousand Dollars
567 (\$250,000.00) shall be paid into the State Aid Road Fund.

568 (10) On or before August 15, 1994, and each succeeding month
569 thereafter through August 15, 1995, from the revenue collected
570 under this chapter during the preceding month, Two Million Dollars
571 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
572 Valorem Tax Reduction Fund established in Section 27-51-105.

573 (11) Notwithstanding any other provision of this section to
574 the contrary, on or before February 15, 1995, and each succeeding
575 month thereafter, the sales tax revenue collected during the
576 preceding month under the provisions of Section 27-65-17(2) and
577 the corresponding levy in Section 27-65-23 on the rental or lease
578 of private carriers of passengers and light carriers of property
579 as defined in Section 27-51-101 shall be deposited, without
580 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
581 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.



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

(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



729 by the Mississippi Development Authority of the sales tax revenue
730 collected during the preceding month under the provisions of this
731 chapter shall be deposited into the MMEIA Tax Incentive Fund
732 created in Section 57-125-3. This amount shall be based on
733 estimated payments due within the upcoming year to construction
734 contractors pursuant to construction contracts subject to the tax
735 imposed by Section 27-65-21 for construction to be performed on
736 the project site of a project defined under Section
737 57-75-5(f) (xxxiii) for the coming year.

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

744 (24) (a) On or before August 15, 2019, and each month
745 thereafter through July 15, 2020, one percent (1%) of the total
746 sales tax revenue collected during the preceding month from
747 restaurants and hotels shall be allocated for distribution to the
748 Mississippi * * * Department of Tourism Advertising Fund
749 established under Section * * * 7 of this act, to be used
750 exclusively for the purpose stated therein. On or before August
751 15, 2020, and each month thereafter through July 15, 2021, two
752 percent (2%) of the total sales tax revenue collected during the
753 preceding month from restaurants and hotels shall be allocated for



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

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

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

774 (26) (a) It shall be the duty of the municipal officials of
775 any municipality that expands its limits, or of any community that
776 incorporates as a municipality, to notify the commissioner of that
777 action thirty (30) days before the effective date. Failure to so
778 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.

