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To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3095

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

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

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



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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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

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

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



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

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

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

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



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

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

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

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

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

317 * * *

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

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

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



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



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

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

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

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



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

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



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

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

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



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

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

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

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

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



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

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

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

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

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

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



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

481 (e) The commissioners shall serve without compensation.

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

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

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

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

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

495 (h) The commission shall, with input from the
496 municipality, establish a master plan for road and street repair,
497 reconstruction and resurfacing projects based on traffic patterns,
498 need and usage, and for water, sewer and drainage projects.
499 Expenditures of the revenue from the tax authorized to be imposed
500 pursuant to this section shall be made at the discretion of the
501 governing authorities of the municipality if the expenditures



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

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

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

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

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



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

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

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

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



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

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

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

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



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

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

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

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

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

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



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

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

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



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

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

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



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

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

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

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

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



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

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

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

692 The excise tax shall become due and payable when:

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

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



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

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

706 (e) Special fuel is acquired tax free.

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

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

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

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

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



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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

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

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



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

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

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

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

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

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



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

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



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

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

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

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

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



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

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

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

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

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



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

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

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



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

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

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

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

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



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

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

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

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

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



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

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

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

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

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



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

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

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



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

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

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



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

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

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

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

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

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



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

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



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

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

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

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



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

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

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

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



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

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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

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

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



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

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

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

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



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

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



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

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

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

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

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



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



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

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

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

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

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



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

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



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



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

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



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

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

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



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

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

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



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

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



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

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

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



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



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

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

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

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

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

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

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



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

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

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



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



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

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

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



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

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

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



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

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



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

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

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

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



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

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

1945 (18) [Repealed]

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



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

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

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

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



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

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

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

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

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



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

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

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

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



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

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



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

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

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

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



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

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

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

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

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



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

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

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



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

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

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

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



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

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



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



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



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

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



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

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

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

