

Modernization Act of 2018 Distribution of Funds to Counties:

House Bill 1 of the First Extraordinary Session of 2018 provides for a portion of total use tax collections received by the Department of Revenue (DOR) to be distributed to counties for assistance in paying costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges in counties. Funds will be distributed biannually in the months of July and January beginning in the month of July, 2020.

The maximum amount of these funds that may be distributed to the county during a year shall not exceed the amount of county funds expended by the county during the previous county fiscal year for the repair, maintenance and/or reconstruction of roads, streets and bridges in the county. This does not include the expenditure of proceeds of bonds issued by the county to pay costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges. Bond proceeds used in this manner shall not be considered when determining the amount of county funds expended by the county during the previous county fiscal year.

Funds available to counties under the Modernization Act of 2018 are as follows:

12 month period ending July 2020 – 3.75% of the total statewide use tax collections

12 month period ending July 2021 – 7.5% of the total statewide use tax collections

12 month period ending July 2022 – 11.25% of the total statewide use tax collections

12 month period ending July 2023 – 15% of the total statewide use tax collections

The maximum amount available to the county will be based on the following:

1/3 of the funds available will be distributed to all counties equally

1/3 of the funds available will be distributed to the counties based on the proportion of the county's rural road miles compared to the sum of all counties' rural road miles

1/3 of the funds available will be distributed to the counties based on the proportion of the county's rural population compared to the sum of all counties' rural population

NOTE: Counties must complete and return the attached worksheet by May 15, 2020, showing the actual qualified expenditures of the county in order to receive the funds provided for under the Modernization Act of 2018.

Use the worksheet to document expenditures made by the County during FY 2019 in paying costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges in counties. DO NOT INCLUDE expenditures of bond proceeds issued by the county to pay costs associated with the repair, maintenance and/or reconstruction of roads, streets and bridges.

Please contact Tom Chain with the State Auditor's office should you have any questions regarding the expenditure worksheet. Please contact Veronica Smith with the Sales Tax Bureau of the DOR should you have any questions regarding submitting responses.

Tom Chain

tom.chain@osa.ms.gov

601-576-2658

Instructions: E-mail completed expenditure worksheets to Veronica Smith

veronica.smith@dor.ms.gov ; 601-923-7015

UPDATED Modernization Expenditure Report for Counties

COUNTY _____ FISCAL YEAR END _____

CONTACT PERSON _____ CONTACT NUMBER _____

Counties are eligible to receive funds twice during each year with payments made in July and January pursuant to House Bill 1 of the 2018 Extraordinary Session. The funds are to assist counties in this state in paying cost associated with the repair, maintenance and/or construction of roads, streets and bridges in counties.

The maximum amount of funds that may be distributed to the county each year shall not exceed the amount of funds expended by the county during the previous county fiscal year for the repair, maintenance and/or construction of roads, streets and bridges in the county. Proceeds of bonds used to pay costs associated with the repair, maintenance and/or construction of roads, streets and bridges shall not be considered when determining the amount of county funds expended by the county during the previous county fiscal year.

ENTER BELOW THE TOTAL AMOUNT OF FUNDS (EXCLUDING BOND PROCEEDS) USED TO PAY FOR THE REPAIR, MAINTENANCE AND/OR CONSTRUCTION OF ROADS, STREETS AND BRIDGES IN THE COUNTY DURING THE COUNTY'S PRIOR FISCAL YEAR ENDING IN 2019.

NOTE: Any county failing to submit this completed form by May 15, 2020, will forfeit the July 2020 distribution of funds.

Total Expenditure for the prior fiscal year ending in 2019 \$ _____

Instructions:
E-mail form by May 15 to:
veronica.smith@dor.ms.gov
Contact Person: Veronica Smith
601-923-7015