

Mississippi Secretary of State
700 North Street P. O. Box 136, Jackson, MS 39205-0136

ADMINISTRATIVE PROCEDURES NOTICE FILING

AGENCY NAME Mississippi Department of Revenue		CONTACT PERSON John P Treadway	TELEPHONE NUMBER 601-923-7440	
ADDRESS PO Box 1033		CITY Jackson	STATE MS	ZIP 39215
EMAIL mstaxpolicy@dor.ms.gov	SUBMIT DATE 11/25/24	Name or number of rule(s): Title 35. Part IV. Subpart 10. Chapters 01-03- Construction and Oil Field Services		

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal: This regulation amends the code to provide those sales of equipment and materials used and that income from services performed in connection with geophysical surveying, exploring, developing, drilling, redrilling, completing, working over, producing, distributing, or testing of oil, gas and other mineral resources, including overhead services will be taxed at the rate of 4.5%. Lastly, this bill amends the code to remove from the contractor's tax contracts exceeding \$10,000.00 for the redrilling or working over or drilling or completing an oil well or a gas well. The Department of Revenue has created a new permit for these businesses. The permit is not required to make purchases at the reduced rate, but it will simplify the process for vendors and purchasers.

Specific legal authority authorizing the promulgation of rule: Miss. Code Ann. Section 27-65-93, "(1) The commissioner shall, from time to time, promulgate rules and regulations, not inconsistent with the provisions of the sales tax law, for making returns and for the ascertainment, assessment, and collection of the tax imposed by the sales tax law as he may deem necessary to enforce its provisions.

List all rules repealed, amended, or suspended by the proposed rule: Miss. Admin Code Title 35. Part IV. Subpart 10. Chapters 01-03- Construction and Oil Field Services

ORAL PROCEEDING:

☐ An oral proceeding is scheduled for this rule on Date: Time: Place:

☒ Presently, an oral proceeding is not scheduled on this rule.

If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

ECONOMIC IMPACT STATEMENT:

☒ Economic impact statement not required for this rule. ☐ Concise summary of economic impact statement attached.

TEMPORARY RULES _____ Original filing _____ Renewal of effectiveness To be in effect in _____ days Effective date: _____ Immediately upon filing _____ Other (specify): _____	PROPOSED ACTION ON RULES Action proposed : _____ New rule(s) _____ Amendment to existing rule(s) _____ Repeal of existing rule(s) _____ Adoption by reference Proposed final effective date: _____ 30 days after filing _____ Other (specify): _____	FINAL ACTION ON RULES Date Proposed Rule Filed: 10/22/24 Action taken: _____ ☒ Adopted with no changes in text _____ Adopted with changes _____ Adopted by reference _____ Withdrawn _____ Repeal adopted as proposed Effective date: _____ 30 days after filing _____ ☒ Other (specify): 12/26/24
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Printed name and Title of person authorized to file rules: John Treadway, Attorney, Review Board & Tax Policy

Signature of person authorized to file rules: *John P Treadway* John P Treadway

OFFICIAL FILING STAMP Accepted for filing by	DO NOT WRITE BELOW THIS LINE OFFICIAL FILING STAMP Accepted for filing by	OFFICIAL FILING STAMP  Accepted for filing by <u>27774 1384</u>
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The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.