

By: Representatives Reeves, Smith (39th)

To: Ways and Means

HOUSE BILL NO. 614

1 AN ACT TO AMEND SECTIONS 27-39-203 AND 27-39-205, MISSISSIPPI
2 CODE OF 1972, TO REVISE THE FORM OF THE NOTICE REQUIRED WHEN A
3 TAXING ENTITY PROPOSES TO INCREASE AD VALOREM TAXES REVENUE; TO
4 PROVIDE FOR THE CONTENTS OF SUCH NOTICE; TO AMEND SECTION
5 27-39-207, MISSISSIPPI CODE OF 1972, TO REVISE THE FORM OF THE
6 NOTICE REQUIRED WHEN A SCHOOL DISTRICT INTENDS TO INCREASE ITS
7 BUDGET BY REQUESTING AN INCREASE IN AD VALOREM TAX EFFORT IN
8 DOLLARS TO SUPPORT THE SCHOOL DISTRICT; TO PROVIDE FOR THE
9 CONTENTS OF SUCH NOTICE; AND FOR RELATED PURPOSES.

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

11 SECTION 1. Section 27-39-203, Mississippi Code of 1972, is
12 amended as follows:

13 27-39-203. (1) No taxing entity may budget an increased
14 amount of ad valorem tax revenue as set forth in Section 112,
15 Mississippi Constitution of 1890, exclusive of revenue from new
16 growth, unless it advertises its intention to do so at the same
17 time that it advertises its intention to fix its budget for the
18 forthcoming fiscal year.

19 (2) (a) For taxing entities operating under an October 1
20 through September 30 fiscal year this advertisement may be
21 combined with the advertisement required by Section 27-39-205 of
22 this article. For taxing entities operating under a January 1
23 through December 31 fiscal year or a July 1 through June 30 fiscal
24 year, the advertisement shall meet the size, type, placement and
25 frequency requirements established under Section 27-39-205 of this
26 article.

27 (b) The advertisement shall be in the following form:

28 **"NOTICE OF TAX INCREASE - (Name of the taxing entity)**

29 The (name of the taxing entity) will hold a public hearing on

30 the proposed budget for the next fiscal year on (date and time) at
31 (meeting place) for the purpose of consideration of a proposed ad
32 valorem tax revenue increase.

33 The (name of the taxing entity) is currently operating under
34 a budget with projected total revenues of \$ _____, with
35 \$ _____ (_____ percent) of such revenues financed through ad
36 valorem taxes. For the next fiscal year, the proposed budget has
37 total projected revenues of \$ _____. Of the total amount of
38 projected revenues for the next fiscal year, \$ _____ (_____
39 percent) is proposed to be financed through ad valorem taxes.

40 For the proposed budget for the next fiscal year, the (name
41 of the taxing entity) estimates that the ad valorem tax millage
42 rate will (increase/decrease) by _____ mills from _____ mills to
43 _____ mills.

44 All concerned citizens of (name of the taxing entity) are
45 invited to attend the public hearing on the proposed ad valorem
46 tax revenue increase.

47 A final decision on the proposed ad valorem tax revenue
48 increase will be made on (date and time) in a public hearing to be
49 held at (meeting place)."

50 (c) All taxing entities operating under the January 1
51 through December 31 fiscal year or a July 1 through June 30 fiscal
52 year shall hold a public hearing at which the budget for the
53 following fiscal year will be considered, regardless of whether
54 that budget is being increased or decreased, and shall notify the
55 county of the date, time and place of the public hearing. The
56 county shall include that information with the tax notice.

57 SECTION 2. Section 27-39-205, Mississippi Code of 1972, is
58 amended as follows:

59 27-39-205. (1) No tax rate in excess of the certified tax
60 rate may be levied under Sections 21-33-45, 27-39-307, 27-39-317
61 and 27-39-320 until a resolution has been approved by the
62 governing body of the taxing entity in accordance with the
63 following procedure:

64 (a) The taxing entity shall advertise its intent to
65 exceed the certified tax rate in a newspaper of general
66 circulation in the county, except that a taxing entity collecting

67 taxes in more than one (1) county may make the advertisement
68 required under this section by publication in the county where the
69 taxing entity's principal place of business is located. The
70 advertisement shall be no less than one-fourth (1/4) page in size
71 and the type used shall be no smaller than eighteen (18) point and
72 surrounded by a one-fourth-inch solid black border. The
73 advertisement may not be placed in that portion of the newspaper
74 where legal notices and classified advertisements appear. It is
75 the intent of the Legislature that the advertisement appear in a
76 newspaper that is published at least five (5) days a week, unless
77 the only newspaper in the county is published less than five (5)
78 days a week. It is further the intent of the Legislature that the
79 newspaper selected be one of general interest and readership in
80 the community, and not one of limited subject matter. The
81 advertisement shall be run once each week for the two (2) weeks
82 preceding the adoption of the final budget. The advertisement
83 shall state that the taxing entity will meet on a certain day,
84 time and place fixed in the advertisement, which shall be not less
85 than seven (7) days after the day the first advertisement is
86 published, for the purpose of hearing comments regarding any
87 proposed increase and to explain the reasons for the proposed
88 increase. The meeting on the proposed increase may coincide with
89 the hearing on the proposed budget of the taxing entity.

90 (b) The advertisement shall be in the following form:

91 **"NOTICE OF TAX INCREASE - (Name of the taxing entity)**

92 The (name of the taxing entity) will hold a public hearing on
93 the proposed budget for the next fiscal year on (date and time) at
94 (meeting place) for the purpose of consideration of a proposed ad
95 valorem tax revenue increase.

96 The (name of the taxing entity) is currently operating under
97 a budget with projected total revenues of \$ _____, with
98 \$ _____ (_____ percent) of such revenues financed through ad
99 valorem taxes. For the next fiscal year, the proposed budget has

100 total projected revenues of \$ _____ . Of the total amount of
101 projected revenues for the next fiscal year, \$ _____ (_____
102 percent) is proposed to be financed through ad valorem taxes.

103 For the proposed budget for the next fiscal year, the (name
104 of the taxing entity) estimates that the ad valorem tax millage
105 rate will (increase/decrease) by _____ mills from _____ mills to
106 _____ mills.

107 All concerned citizens of (name of the taxing entity) are
108 invited to attend the public hearing on the proposed ad valorem
109 tax revenue increase."

110 (c) The State Tax Commission shall adopt rules
111 governing the joint use of one (1) advertisement under this
112 section or Section 27-39-203 of this article by two (2) or more
113 taxing entities and may, upon petition by any taxing entity,
114 authorize either (i) the use of weekly newspapers in counties
115 having both daily and weekly newspapers where the weekly newspaper
116 would provide equal or greater notice to the taxpayer, or (ii) the
117 use of a State Tax Commission-approved direct notice to each
118 taxpayer if the cost of the advertisement would cause undue
119 hardship and the direct notice is different and separate from that
120 provided for in subsection (2).

121 (2) The governing body of the taxing entity, after the
122 hearing has been held in accordance with the above procedures, may
123 adopt a resolution levying a tax rate on classes of property
124 designated by Section 112, Mississippi Constitution of 1890, in
125 excess of the certified tax rate. If the resolution adopting the
126 tax rate is not adopted on the day of the public hearing, the
127 scheduled time and place for consideration and adoption of the
128 resolution shall be announced at the public hearing. If the
129 resolution is to be considered at a day and time that is more than
130 two (2) weeks after the public hearing, the governing body shall
131 advertise the date of the proposed adoption of the resolution in
132 the same manner as provided under subsection (1).

133 (3) All hearings shall be open to the public. The governing
134 body of the taxing entity shall permit all interested parties
135 desiring to be heard an opportunity to present oral testimony
136 within reasonable time limits.

137 (4) Each taxing entity shall notify the county or municipal
138 governing body of the date, time and place of its public hearing.
139 No taxing entity may schedule its hearing at the same time as
140 another overlapping taxing entity in the same county, but all
141 taxing entities in which the power to set tax levies is vested in
142 the same governing authority may consolidate the required hearings
143 into one (1) hearing. The county or municipal governing body
144 shall resolve any conflicts in hearing dates and times after
145 consultation with each affected taxing entity.

146 SECTION 3. Section 27-39-207, Mississippi Code of 1972, is
147 amended as follows:

148 27-39-207. (1) No school district may budget an increase in
149 an ad valorem tax effort in dollars for support of the school
150 district unless it advertises its intention to do so at the same
151 time that it advertises its intention to fix its budget for the
152 forthcoming fiscal year.

153 (2) No request for an ad valorem tax effort in dollars for
154 the support of the school district in excess of the certified tax
155 rate pursuant to Sections 37-57-105 and 37-57-107 may be levied
156 until an order has been approved by the school board of the school
157 district in accordance with the following procedure:

158 (a) The school board of the school district shall
159 advertise its intent to exceed the certified tax rate in a
160 newspaper of general circulation in the county. The advertisement
161 shall be no less than one-fourth (1/4) page in size and the type
162 used shall be no smaller than eighteen (18) point and surrounded
163 by a one-fourth-inch (1/4") solid black border. The advertisement
164 may not be placed in that portion of the newspaper where legal
165 notices and classified advertisements appear. It is the intent of

166 the Legislature that the advertisement appear in a newspaper that
167 is published at least five (5) days a week, unless the only
168 newspaper in the county is published less than five (5) days a
169 week. It is further the intent of the Legislature that the
170 newspaper selected be one of general interest and readership in
171 the community, and not one of limited subject matter. The
172 advertisement shall be run once each week for the two (2) weeks
173 preceding the adoption of the final budget. The advertisement
174 shall state that the school board of the school district will meet
175 on a certain day, time and place fixed in the advertisement, which
176 shall be not less than seven (7) days after the day the first
177 advertisement is published, for the purpose of hearing comments
178 regarding any proposed increase and to explain the reasons for the
179 proposed increase. The meeting on the proposed increase may
180 coincide with the hearing on the proposed budget of the school
181 board of the school district.

182 (b) The advertisement shall be in the following form:

183 **"NOTICE OF TAX INCREASE - (Name of the school district)**

184 The (name of the school district) will hold a public hearing
185 on the proposed school district budget for the next fiscal year on
186 (date and time) at (meeting place) for the purpose of
187 consideration of a proposed ad valorem tax effort increase.

188 The (name of the school district) is currently operating
189 under a budget with projected total revenues of \$ _____, with
190 \$ _____ (_____ percent) of such revenues financed through ad
191 valorem taxes. For the next fiscal year, the proposed budget has
192 total projected revenues of \$ _____. Of the total amount of
193 projected revenues for the next fiscal year, \$ _____ (_____
194 percent) is proposed to be financed through ad valorem taxes.

195 For the proposed budget for the next fiscal year, the (name
196 of the school district) estimates that the ad valorem tax millage
197 rate will (increase/decrease) by _____ mills from _____ mills to
198 _____ mills.

199 All concerned citizens of (name of the school district) are
200 invited to attend the public hearing on the proposed ad valorem
201 tax effort increase.

202 A final decision on the proposed ad valorem tax effort
203 increase will be made on (date and time) in a public hearing to be
204 held at (meeting place)."

205 (3) The school board of the school district, after the
206 hearing has been held in accordance with the above procedures, may
207 adopt an order requesting the levying of an ad valorem tax effort
208 in dollars in excess of the certified tax rate.

209 (4) All hearings shall be open to the public. The school
210 board of the school district shall permit all interested parties
211 desiring to be heard an opportunity to present oral testimony
212 within reasonable time limits.

213 (5) Each school board of a school district shall notify the
214 taxing entity of the date, time and place of its public hearing.
215 No school board of a school district may schedule its hearing at
216 the same time as another overlapping school district in the same
217 county.

218 SECTION 4. This act shall take effect and be in force from
219 and after July 1, 1999.