HOUSE BILL NO. 1557
(As Passed the House)

1   AN ACT TO AMEND SECTION 27-31-101, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE COUNTY BOARDS OF SUPERVISORS AND MUNICIPAL GOVERNING
3 AUTHORITIES TO GRANT AD VALOREM TAX EXEMPTIONS TO DATA AND
4 INFORMATION PROCESSORS AND COMPUTER SOFTWARE DEVELOPMENT
5 ENTERPRISES MEETING MINIMUM CRITERIA ESTABLISHED BY THE DEPARTMENT
6 OF ECONOMIC AND COMMUNITY DEVELOPMENT; AND FOR RELATED PURPOSES.

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

8   SECTION 1. Section 27-31-101, Mississippi Code of 1972, is

9 amended as follows:

10   27-31-101. County boards of supervisors and municipal

11 authorities are hereby authorized and empowered, in their

12 discretion, to grant exemptions from ad valorem taxation, except

13 state ad valorem taxation. Provided, however, said governing

14 authorities shall not exempt ad valorem taxes for school district

15 purposes on tangible property used in, or necessary to, the

16 operation of the manufacturers and other new enterprises

17 hereinafter enumerated by classes, except to the extent authorized

18 in Sections 27-31-104 and 27-31-105(2), nor shall they exempt from

19 ad valorem taxes the products thereof or automobiles and trucks

20 belonging to the said manufacturers or other new enterprises

21 operating on and over the highways of the State of Mississippi.

22 The time of such exemption shall be for a period not to exceed a

23 total of ten (10) years which shall begin on the date of

24 completion of the new enterprise for which the exemption is

25 granted; however, boards of supervisors and municipal authorities,

26 in lieu of granting the exemption for one (1) period of ten (10)

27 years, may grant the exemption in a period of less than ten (10)

28 years. When the initial exemption period granted is less than ten

29 (10) years, the boards of supervisors and municipal authorities

30 may grant a subsequent consecutive period or periods to follow the

31 initial period of exemption, provided that the total of all

32 periods of exemption shall not exceed ten (10) years. The date of

33 completion of the new enterprise, from which the initial period of

34 exemption shall begin, shall be the date on which operations of

35 the new enterprise begin. Any request for an exemption must be

36 made in writing within two hundred seventy (270) days from the

37 date of completion of a new enterprise.

38   Any board of supervisors and/or municipal governing

39 authorities which has entered into an agreement with an enterprise

40 to grant an exemption for a period of not more than ten (10)

41 years, as this section authorized prior to amendment by Chapter

42 524, Laws of 1989 (Senate Bill 2925, 1989 Regular Session), may

43 grant the exemption agreed upon provided that proof is presented

44 to the State Tax Commission that the agreement was negotiated and,

45 with respect to which, official action has been taken by the board

46 of supervisors and/or municipal governing authorities, prior to

47 July 1, 1989.

48   Any exemption from ad valorem taxes heretofore granted to

49 existing enterprises shall continue in full force and effect but

50 only as to tangible property heretofore included in the exemption

51 but not as to tangible property that may be later added as an

52 addition or improvement to the exempt tangible property.

53   Any board of supervisors or municipal authority which has

54 entered into an agreement prior to July 1, 1989, with a specific

55 and new enterprise authorized to be exempt under the provisions of

56 Section 27-31-101, may grant an exemption under this section

57 provided said agreement is in writing and the date of the

58 agreement is certified by the chancery clerk or municipal clerk of

59 the granting authority. It is the intent of the Legislature to

60 permit an exemption allowed under this section in those instances

61 where the granting authority has in good faith negotiated with the

62 new enterprise as to said exemption, and the agreement is reduced

63 to writing and the date certified as provided in this paragraph,

64 but to prohibit the granting of an exemption after June 30, 1989,

65 under Section 27-31-101 as to ad valorem taxes for school district

66 purposes, except to the extent authorized in Sections 27-31-104
67 and 27-31-105(2).

68   Any board of supervisors or municipal authority which has
69 granted an exemption for a period of less than ten (10) years may
70 grant subsequent periods of exemption to run consecutively with
71 the initial exemption period, or a subsequently granted exemption
72 period, but in no case shall the total of the exemption periods
73 granted for a new enterprise exceed ten (10) years. Any
74 consecutive period of exemption shall be granted by entry of an
75 order by the board or the authority granting the consecutive
76 exemption on its minutes, reflecting the granting of the
77 consecutive exemption period and the dates upon which such
78 consecutive exemption period begins and expires. The entry of
79 this order granting the consecutive period of exemption shall be
80 made before the expiration of the exemption period immediately
81 preceding the consecutive exemption period being granted.

82   The new enterprises which may be exempt are enumerated as and
83 limited to the following, as determined by the State Tax
84 Commission:

85   Warehouse and/or distribution centers;

86   Manufacturing, processors and refineries;

87   Research facilities;

88   Corporate regional and national headquarters meeting minimum
89 criteria established by the Department of Economic and Community
90 Development;

91   Movie industry studios meeting minimum criteria established
92 by the Department of Economic and Community Development;

93   Air transportation and maintenance facilities meeting minimum
94 criteria established by the Department of Economic and Community
95 Development;

96   Recreational facilities that impact tourism meeting minimum
97 criteria established by the Department of Economic and Community
98 Development; *** * ***

99   Telecommunications enterprises meeting minimum criteria

100   established by the Department of Economic and Community

101   Development. The term "telecommunications enterprises" means

102   entities engaged in the creation, display, management, storage,

103   processing, transmission or distribution for compensation of

104   images, text, voice, video or data by wire or by wireless means,

105   or entities engaged in the construction, design, development,

106   manufacture, maintenance or distribution for compensation of

107   devices, products, software or structures used in the above

108   activities. Companies organized to do business as commercial

109   broadcast radio stations, television stations or news

110   organizations primarily serving in-state markets shall not be

111   included within the definition of the term "telecommunications

112   enterprises;"

113   Data or information processing enterprises meeting minimum

114   criteria established by the Department of Economic and Community

115   Development; and

116   Computer software development enterprises meeting minimum

117   criteria established by the Department of Economic and Community

118   Development.

119   SECTION 2. Nothing in this act shall affect or defeat any

120   claim, assessment, appeal, suit, right or cause of action for

121   taxes due or accrued under the ad valorem tax laws before the date

122   on which this act becomes effective, whether such claims,

123   assessments, appeals, suits or actions have been begun before the

124   date on which this act becomes effective or are begun thereafter;

125   and the provisions of the ad valorem tax laws are expressly

126   continued in full force, effect and operation for the purpose of

127   the assessment, collection and enrollment of liens for any taxes

128   due or accrued and the execution of any warrant under such laws

129   before the date on which this act becomes effective, and for the

130   imposition of any penalties, forfeitures or claims for failure to

131   comply with such laws.

132   SECTION 3. This act shall take effect and be in force from

133 and after its passage.