

By: Senator(s) Smith

To: Finance

SENATE BILL NO. 3101

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.