

By: Senator(s) Bryan

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3206

1 AN ACT TO EXEMPT FROM AD VALOREM TAXATION 50% OF THE TRUE
2 VALUE OF CLASS IV PROPERTY OWNED OR USED BY A TELECOMMUNICATION
3 PROVIDER IF ALL SUCH PROPERTY OWNED OR USED BY SUCH PROVIDER IS
4 LOCATED IN MORE THAN SIX COUNTIES; TO CREATE THE TELECOMMUNICATION
5 LOCAL DISTRIBUTION FUND INTO AN AMOUNT APPROPRIATED ANNUALLY BY
6 THE LEGISLATURE EQUAL TO THE TAX LOSS SUSTAINED BY LOCAL TAXING
7 DISTRICTS AS A RESULT OF THE EXEMPTION AUTHORIZED PURSUANT TO THIS
8 ACT; TO PROVIDE THAT MONEY IN SUCH FUND SHALL BE PAID BY THE STATE
9 TAX COMMISSION TO LOCAL TAXING DISTRICTS; TO PROVIDE FOR THE
10 AMOUNT THAT SHALL BE PAID TO LOCAL TAXING DISTRICTS; AND FOR
11 RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE STATE
12 OF MISSISSIPPI:

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14 SECTION 1. From and after January 1, 2001, fifty percent
15 (50%) of the true value of Class IV property, as defined in
16 Section 112, Mississippi Constitution of 1890, owned or used by a
17 telecommunication provider shall be exempt from ad valorem
18 taxation if all the property owned or used by such provider is
19 located in more than six (6) counties.

20 SECTION 2. (1) There is hereby created in the State
21 Treasury a special fund to be known as the Telecommunications
22 Local Distribution Fund, into which shall be deposited an amount
23 appropriated annually by the Legislature equal to the tax loss
24 sustained by the local taxing districts during the appropriate
25 calendar year as a result of the exemption authorized in Section 1
26 of this act. The monies in the fund shall be used for the purpose
27 of making payments to local taxing districts provided for in
28 subsection (3) of this section.

29 (2) The Telecommunications Local Distribution Fund shall be
30 administered by the State Tax Commission, and money in the fund
31 shall be expended upon appropriation by the Legislature.

32 Unexpended amounts remaining in the fund at the end of the state
33 fiscal year shall not lapse into the State General Fund, and any
34 interest earned on amounts in the fund shall be deposited to the
35 credit of the fund.

36 (3) On or before October 1, 2000, and on or before October 1
37 of each year thereafter, money from the fund shall be paid by the
38 State Tax Commission to each local taxing district in an amount
39 not less than an amount equal to the estimated tax loss that such
40 taxing district will sustain in the following calendar year as a
41 result of the exemption authorized pursuant to Section 1 of this
42 act.

43 (4) Funds received by local taxing districts from the
44 payments made pursuant to this section shall be considered to be,
45 and shall be used in the same manner as, the proceeds of ad
46 valorem taxes on property.

47 (5) The State Tax Commission shall calculate all
48 distributions that are required to be made pursuant to this
49 section.

50 (6) As used in this section, the term "local taxing
51 district" means any county, municipality, school district or other
52 local entity that levies an ad valorem tax or for which an ad
53 valorem tax is levied, to fund all or a portion of its budget.

54 SECTION 3. This act shall take effect and be in force from
55 and after July 1, 1999.