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To: Ways and Means

HOUSE BILL NO. 850

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITY OF A MUNICIPALITY
2 OR THE BOARD OF SUPERVISORS OF A COUNTY TO EXEMPT FROM AD VALOREM
3 TAXATION ANY STRUCTURE OR IMPROVEMENT THAT IS TO BE USED
4 EXCLUSIVELY AS A RESIDENCE AND THAT HAS BEEN CONSTRUCTED BY ANY
5 CHAPTER OF A NOT-FOR-PROFIT CORPORATION WITH THE MISSION OF
6 CONSTRUCTING SINGLE-FAMILY DWELLINGS FOR THE BENEFIT OF
7 INDIVIDUALS POSSESSING LOW INCOME LEVELS; TO PROVIDE THAT THE
8 BOARD OR GOVERNING AUTHORITY SHALL ESTABLISH CRITERIA FOR
9 DETERMINING THE QUALIFICATIONS TO BE ELIGIBLE FOR THE EXEMPTION OF
10 THE NOT-FOR-PROFIT CORPORATION AND OF THE INDIVIDUALS FOR WHOM THE
11 HOMES ARE CONSTRUCTED; TO PROVIDE THAT THE LENGTH OF THE EXEMPTION
12 SHALL NOT EXCEED 5 YEARS; TO PROVIDE THAT THE GRANTING OF ANY
13 INDIVIDUAL EXEMPTION SHALL BE BY OFFICIAL ACTION OF THE BOARD OR
14 GOVERNING AUTHORITY AND MADE A PART OF ITS MINUTES; AND FOR
15 RELATED PURPOSES.

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

17 SECTION 1. (1) (a) The governing authority of any
18 incorporated municipality may adopt an ordinance providing for the
19 partial or total exemption from ad valorem taxation, except ad
20 valorem taxes for school district purposes, of any structure or
21 improvement that is to be used exclusively as a residence and that
22 has been constructed by, or with the assistance of, any chapter of
23 a not-for-profit corporation, qualified under Section 501(c)(3) of
24 the Internal Revenue Code, the mission of which is to construct
25 single-family dwellings or homes for the benefit of individuals
26 possessing low income levels. The ordinance shall set forth
27 criteria established by the governing authority for determining

28 the qualifications to be eligible for the exemption of the
29 not-for-profit corporation and of the individuals for whom the
30 homes are constructed.

31 (b) Any request for an exemption under this subsection
32 must be made in writing on an application form prescribed by the
33 governing authority, providing full information about the property
34 for which the exemption is requested, including the true value of
35 the land involved; however, the true value of the land upon which
36 the structure will be placed or the improvement will be made shall
37 not be exempt under this subsection. The exemption shall commence
38 upon completion of the structure or improvement or on January 1 of
39 the year following such completion, and it shall last for a period
40 of time not to exceed five (5) years. The ordinance may prescribe
41 a shorter time period for the length of the exemption, or reduce
42 the amount of the exemption in annual steps over the length of the
43 exemption or a portion thereof. The granting of each individual
44 exemption under this subsection shall be recorded by the municipal
45 clerk in the official minutes of the municipality. The governing
46 authority of the municipality may assess a fee not to exceed Forty
47 Dollars (\$40.00) for processing an application requesting the
48 exemption provided for in this section. No property shall be
49 eligible for the exemption unless the appropriate building permits
50 have been acquired, and the tax assessor has verified that the
51 construction or improvement indicated on the application has been
52 completed.

53 (2) (a) The board of supervisors of any county may
54 authorize the partial or total exemption from ad valorem taxation,
55 except ad valorem taxes for school district purposes, of any
56 structure or improvement that is to be used exclusively as a
57 residence and that has been constructed by, or with the assistance
58 of, any chapter of a not-for-profit corporation, qualified under

59 Section 501(c)(3) of the Internal Revenue Code, the mission of
60 which is to construct single-family dwellings or homes for the
61 benefit of individuals possessing low income levels. The board
62 shall establish criteria for determining the qualifications to be
63 eligible for the exemption of the not-for-profit corporation and
64 of the individuals for whom the homes are constructed.

65 (b) Any request for an exemption under this subsection
66 must be made in writing on an application form prescribed by the
67 board, providing full information about the property for which the
68 exemption is requested, including the true value of the land
69 involved; however, the true value of the land upon which the
70 structure will be placed or the improvement will be made shall not
71 be exempt under this subsection. The exemption shall commence
72 upon the completion of the structure or improvement or on January
73 1 of the year following such completion, and it shall last for a
74 period of time not to exceed five (5) years. The board may
75 prescribe a shorter time period for the length of the exemption,
76 or reduce the amount of the exemption in annual steps over the
77 length of the exemption or a portion thereof. The granting of
78 each individual exemption under this subsection shall be by order
79 of the board, duly adopted and entered into the official minutes.

80 The board may assess a fee not to exceed Forty Dollars (\$40.00)
81 for processing an application requesting the exemption provided
82 for in this section. No property shall be eligible for the
83 exemption unless the appropriate building permits have been
84 acquired, and the tax assessor has verified that the construction
85 or improvement indicated on the application has been completed.

86 (3) Any exemption granted under this section shall be in

87 addition to all other exemptions heretofore granted by the laws of
88 the State of Mississippi, and it shall not be applicable to the
89 land upon which the structure is built or the improvement is made.

90 SECTION 2. Section 1 of this act shall be codified in a
91 separate code section in Chapter 31, Title 27, Mississippi Code of
92 1972.

93 SECTION 3. Nothing in this act shall affect or defeat any
94 claim, assessment, appeal, suit, right or cause of action for
95 taxes due or accrued under the ad valorem tax laws before January
96 1, 2001, whether such claims, assessments, appeals, suits or
97 actions have been begun before January 1, 2001, or are begun
98 thereafter; and the provisions of the ad valorem tax laws are
99 expressly continued in full force, effect and operation for the
100 purpose of the assessment, collection and enrollment of liens for
101 any taxes due or accrued and the execution of any warrant under
102 such laws before January 1, 2001, and for the imposition of any
103 penalties, forfeitures or claims for failure to comply with such
104 laws.

105 SECTION 4. This act shall take effect and be in force from
106 and after January 1, 2001.