

By: Moffatt

To: Municipalities;  
FinanceSENATE BILL NO. 2410  
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 27-31-50, MISSISSIPPI CODE OF 1972,  
2 TO DECREASE FROM 150,000 TO 10,000 THE POPULATION THAT A  
3 MUNICIPALITY MUST HAVE IN ORDER TO ADOPT AN ORDINANCE PROVIDING  
4 FOR THE PARTIAL EXEMPTION FROM MUNICIPAL AD VALOREM TAXATION OF  
5 REAL PROPERTY ON WHICH ANY STRUCTURE OR OTHER IMPROVEMENT THAT IS  
6 NOT LESS THAN 25 YEARS OF AGE HAS UNDERGONE SUBSTANTIAL  
7 REHABILITATION, RENOVATION OR REPLACEMENT FOR RESIDENTIAL USE; AND  
8 FOR RELATED PURPOSES.

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

10 SECTION 1. Section 27-31-50, Mississippi Code of 1972, is  
11 amended as follows:[WAN1]

12 27-31-50. (1) The governing authority of any incorporated  
13 municipality having a population in excess of ten thousand  
14 (10,000) according to the latest federal decennial census, may  
15 adopt an ordinance providing for the partial exemption from  
16 municipal ad valorem taxation of real property on which any  
17 structure or other improvement that is not less than twenty-five  
18 (25) years of age has undergone substantial rehabilitation,  
19 renovation or replacement for residential use, subject to such  
20 conditions and other restrictions authorized in this section. The  
21 ordinance may restrict such exemption to real property located  
22 within certain areas as may be determined by the governing  
23 authority and prescribed by the ordinance. The governing  
24 authority of a municipality shall establish criteria for  
25 determining whether real property qualifies for the partial  
26 exemption provided for in this section, shall require the  
27 structures or improvements to be older than twenty-five (25) years  
28 of age and may place such other restrictions and conditions on  
29 such property as may be prescribed by ordinance. The ordinance

30 may also provide for the partial exemption from municipal ad  
31 valorem taxation of multifamily residential units which have been  
32 substantially rehabilitated by replacement for multifamily use.  
33 Any replacement structure shall not exceed the total square  
34 footage of the replaced structures by more than thirty percent  
35 (30%).

36 (2) The partial exemption provided by an ordinance adopted  
37 pursuant to this section may be (a) in an amount equal to the  
38 increase in the assessed value of the property resulting from the  
39 rehabilitation, renovation or replacement of the structure as  
40 determined by the tax assessor, or (b) an amount of not more than  
41 fifty percent (50%) of the cost of the rehabilitation, renovation  
42 or replacement. The exemption may commence upon completion of the  
43 rehabilitation, renovation or replacement or on January 1 of the  
44 year following completion of the rehabilitation, renovation or  
45 replacement and shall last for a period of time not to exceed ten  
46 (10) years. The ordinance may prescribe a shorter time period for  
47 the length of the exemption, or reduce the amount of the exemption  
48 in annual steps over the length of the exemption or a portion  
49 thereof.

50 (3) The governing authority of a municipality may assess a  
51 fee not to exceed Fifty Dollars (\$50.00) for processing an  
52 application requesting the exemption provided for in this section.

53 No property shall be eligible for the exemption unless the  
54 appropriate building permits have been acquired and the tax  
55 assessor has verified that the rehabilitation, renovation or  
56 replacement indicated on the application has been completed.

57 SECTION 2. This act shall take effect and be in force from  
58 and after July 1, 2000.