

By: Moffatt

To: Municipalities;
Finance

SENATE BILL NO. 2410
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-31-50, MISSISSIPPI CODE OF 1972,
2 TO DELETE THE REQUIREMENT THAT A MUNICIPALITY HAVE A CERTAIN
3 MINIMUM POPULATION IN ORDER TO ADOPT AN ORDINANCE PROVIDING FOR
4 THE PARTIAL EXEMPTION FROM MUNICIPAL AD VALOREM TAXATION OF REAL
5 PROPERTY ON WHICH ANY STRUCTURE OR OTHER IMPROVEMENT THAT IS NOT
6 LESS THAN 25 YEARS OF AGE HAS UNDERGONE SUBSTANTIAL
7 REHABILITATION, RENOVATION OR REPLACEMENT FOR RESIDENTIAL USE; TO
8 REQUIRE THAT A MUNICIPALITY DESIRING TO GRANT A PARTIAL EXEMPTION
9 MUST ADOPT A RESOLUTION DECLARING ITS INTENT TO GRANT THE
10 EXEMPTION AND FINDING THAT THE EXEMPTION WILL PROMOTE THE
11 ECONOMIC, CULTURAL OR EDUCATIONAL ADVANCEMENT OF THE MUNICIPALITY
12 AND THAT THE MUNICIPALITY MUST PUBLISH NOTICE OF ITS INTENT TO
13 GRANT THE EXEMPTION AT LEAST TEN DAYS BEFORE GRANTING THE
14 EXEMPTION; AND FOR RELATED PURPOSES.

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

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

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

33 such property as may be prescribed by ordinance. The ordinance
34 may also provide for the partial exemption from municipal ad
35 valorem taxation of multifamily residential units which have been
36 substantially rehabilitated by replacement for multifamily use.
37 Any replacement structure shall not exceed the total square
38 footage of the replaced structures by more than thirty percent
39 (30%).

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

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

57 No property shall be eligible for the exemption unless the
58 appropriate building permits have been acquired and the tax
59 assessor has verified that the rehabilitation, renovation or
60 replacement indicated on the application has been completed.

61 (4) If the governing authority of a municipality desires to
62 grant a partial exemption after July 1, 2000, the governing
63 authority must adopt an ordinance declaring its intention to grant
64 the exemption and finding that such exemption will promote the
65 economic, cultural or educational advancement of the municipality.
66 The governing authority of the municipality shall publish notice
67 of its intention to grant the exemption at least ten (10) days
68 before the actual granting of the exemption.

69 SECTION 2. This act shall take effect and be in force from

70 and after July 1, 2000.