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

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

SECTION 1. Section 27-31-50, Mississippi Code of 1972, is amended as follows:

27-31-50. (1) The governing authority of any incorporated municipality may adopt an ordinance providing for the partial exemption from municipal ad valorem taxation of real property on which any structure or other improvement that is not less than twenty-five (25) years of age has undergone substantial rehabilitation, renovation or replacement for residential use, subject to such conditions and other restrictions authorized in this section. The ordinance may restrict such exemption to real property located within certain areas as may be determined by the governing authority and prescribed by the ordinance. The governing authority of a municipality shall establish criteria for determining whether real property qualifies for the partial exemption provided for in this section, shall require the structures or improvements to be older than twenty-five (25) years of age and may place such other restrictions and conditions on
such property as may be prescribed by ordinance. The ordinance
may also provide for the partial exemption from municipal ad
valorem taxation of multifamily residential units which have been
substantially rehabilitated by replacement for multifamily use.
Any replacement structure shall not exceed the total square
footage of the replaced structures by more than thirty percent
(30%).

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

(3) The governing authority of a municipality may assess a
fee not to exceed Fifty Dollars ($50.00) for processing an
application requesting the exemption provided for in this section.
No property shall be eligible for the exemption unless the
appropriate building permits have been acquired and the tax
assessor has verified that the rehabilitation, renovation or
replacement indicated on the application has been completed.

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

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