AN ACT TO AMEND SECTION 27-25-721, MISSISSIPPI CODE OF 1972, TO CONTINUE THE AD VALOREM TAX EXEMPTION FOR CARBON DIOXIDE AND CARBON DIOXIDE PRODUCTION EQUIPMENT; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-25-721, Mississippi Code of 1972, is amended as follows:

[Until July 1, 2004, this section shall read as follows:]

27-25-721. All gas and carbon dioxide produced or under the ground on producing properties within the State of Mississippi and all producing gas or carbon dioxide equipment, including wells, connections, pumps, derricks and other appurtenances actually owned by and belonging to the producer, and all leases in production, including mineral rights in producing properties, shall be exempt from all ad valorem taxes now levied or hereafter levied by the State of Mississippi, or any other taxing district within this state. This exemption shall not apply to drilling equipment, including derricks, machinery, and other materials necessary to drilling, nor to gas or carbon dioxide gathering systems, nor to the surface of lands leased for gas or carbon dioxide production or upon which gas or carbon dioxide properties are situated, but all such drilling equipment, gathering systems, and lands shall be assessed as are other properties and shall be subject to ad valorem tax. However, no additional assessment shall be added to the surface value of such lands by reason of the presence of gas or carbon dioxide.
thereunder or its production therefrom. The exemption herein
granted shall apply to all ad valorem taxes levied in the year
1948 and each year thereafter.

[From and after July 1, 2004, this section shall read as
follows:] 27-25-721. All gas produced or under the ground on producing
properties within the State of Mississippi and all producing gas
equipment, including wells, connections, pumps, derricks and other
appurtenances actually owned by and belonging to the producer, and
all leases in production, including mineral rights in producing
properties, shall be exempt from all ad valorem taxes now levied
or hereafter levied by the State of Mississippi, or any other
taxing district within this state. This exemption shall not apply
to drilling equipment, including derricks, machinery, and other
materials necessary to drilling, nor to gas gathering systems, nor
to the surface of lands leased for gas production or upon which
gas producing properties are situated, but all such drilling
equipment, gathering systems, and lands shall be assessed as are
other properties and shall be subject to ad valorem tax. However,
no additional assessment shall be added to the surface value of
such lands by reason of the presence of gas thereunder or its
production therefrom. The exemption herein granted shall apply to
all ad valorem taxes levied in the year 1948 and each year
thereafter.

SECTION 2. This act shall take effect and be in force from
and after December 31, 1999.