

**\*\*\*Adopted\*\*\***

**AMENDMENT No. 1 PROPOSED TO**

**Senate Bill NO. 2772**

**By Representative(s) Committee**

14           **Amend by striking all after the enacting clause and inserting**  
15 **in lieu thereof the following:**

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17           SECTION 1. Section 27-31-101, Mississippi Code of 1972, is  
18 amended as follows:  
19           27-31-101. County boards of supervisors and municipal  
20 authorities are hereby authorized and empowered, in their  
21 discretion, to grant exemptions from ad valorem taxation, except  
22 state ad valorem taxation. Provided, however, said governing  
23 authorities shall not exempt ad valorem taxes for school district  
24 purposes on tangible property used in, or necessary to, the  
25 operation of the manufacturers and other new enterprises  
26 hereinafter enumerated by classes, except to the extent authorized  
27 in Sections 27-31-104 and 27-31-105(2), nor shall they exempt from  
28 ad valorem taxes the products thereof or automobiles and trucks  
29 belonging to the said manufacturers or other new enterprises  
30 operating on and over the highways of the State of Mississippi.  
31 The time of such exemption shall be for a period not to exceed a  
32 total of ten (10) years which shall begin on the date of  
33 completion of the new enterprise for which the exemption is  
34 granted; however, boards of supervisors and municipal authorities,  
35 in lieu of granting the exemption for one (1) period of ten (10)  
36 years, may grant the exemption in a period of less than ten (10)

37 years. When the initial exemption period granted is less than ten  
38 (10) years, the boards of supervisors and municipal authorities  
39 may grant a subsequent consecutive period or periods to follow the  
40 initial period of exemption, provided that the total of all  
41 periods of exemption shall not exceed ten (10) years. The date of  
42 completion of the new enterprise, from which the initial period of  
43 exemption shall begin, shall be the date on which operations of  
44 the new enterprise begin. Any request for an exemption must be  
45 made in writing within three hundred sixty-five (365) days from  
46 the date of completion of a new enterprise.

47 Any board of supervisors and/or municipal governing  
48 authorities which has entered into an agreement with an enterprise  
49 to grant an exemption for a period of not more than ten (10)  
50 years, as this section authorized prior to amendment by Chapter  
51 524, Laws of 1989 (Senate Bill 2925, 1989 Regular Session), may  
52 grant the exemption agreed upon provided that proof is presented  
53 to the State Tax Commission that the agreement was negotiated and,  
54 with respect to which, official action has been taken by the board  
55 of supervisors and/or municipal governing authorities, prior to  
56 July 1, 1989.

57 Any exemption from ad valorem taxes heretofore granted to  
58 existing enterprises shall continue in full force and effect but  
59 only as to tangible property heretofore included in the exemption  
60 but not as to tangible property that may be later added as an  
61 addition or improvement to the exempt tangible property.

62 Any board of supervisors or municipal authority which has  
63 entered into an agreement prior to July 1, 1989, with a specific  
64 and new enterprise authorized to be exempt under the provisions of  
65 Section 27-31-101, may grant an exemption under this section  
66 provided said agreement is in writing and the date of the  
67 agreement is certified by the chancery clerk or municipal clerk of  
68 the granting authority. It is the intent of the Legislature to  
69 permit an exemption allowed under this section in those instances  
70 where the granting authority has in good faith negotiated with the  
71 new enterprise as to said exemption, and the agreement is reduced

72 to writing and the date certified as provided in this paragraph,  
73 but to prohibit the granting of an exemption after June 30, 1989,  
74 under Section 27-31-101 as to ad valorem taxes for school district  
75 purposes, except to the extent authorized in Sections 27-31-104  
76 and 27-31-105(2).

77 Any board of supervisors or municipal authority which has  
78 granted an exemption for a period of less than ten (10) years may  
79 grant subsequent periods of exemption to run consecutively with  
80 the initial exemption period, or a subsequently granted exemption  
81 period, but in no case shall the total of the exemption periods  
82 granted for a new enterprise exceed ten (10) years. Any  
83 consecutive period of exemption shall be granted by entry of an  
84 order by the board or the authority granting the consecutive  
85 exemption on its minutes, reflecting the granting of the  
86 consecutive exemption period and the dates upon which such  
87 consecutive exemption period begins and expires. The entry of  
88 this order granting the consecutive period of exemption shall be  
89 made before the expiration of the exemption period immediately  
90 preceding the consecutive exemption period being granted.

91 The new enterprises which may be exempt are enumerated as and  
92 limited to the following, as determined by the State Tax  
93 Commission:

94 Warehouse and/or distribution centers;

95 Manufacturing, processors and refineries;

96 Research facilities;

97 Corporate regional and national headquarters meeting minimum  
98 criteria established by the Department of Economic and Community  
99 Development;

100 Movie industry studios meeting minimum criteria established  
101 by the Department of Economic and Community Development;

102 Air transportation and maintenance facilities meeting minimum  
103 criteria established by the Department of Economic and Community  
104 Development;

105 Recreational facilities that impact tourism meeting minimum  
106 criteria established by the Department of Economic and Community

107 Development; and

108       Telecommunications enterprises meeting minimum criteria  
109 established by the Department of Economic and Community  
110 Development. The term "telecommunications enterprises" means  
111 entities engaged in the creation, display, management, storage,  
112 processing, transmission or distribution for compensation of  
113 images, text, voice, video or data by wire or by wireless means,  
114 or entities engaged in the construction, design, development,  
115 manufacture, maintenance or distribution for compensation of  
116 devices, products, software or structures used in the above  
117 activities. Companies organized to do business as commercial  
118 broadcast radio stations, television stations or news  
119 organizations primarily serving in-state markets shall not be  
120 included within the definition of the term "telecommunications  
121 enterprises."

122       SECTION 2. Section 27-31-105, Mississippi Code of 1972, is  
123 amended as follows:

124       27-31-105. (1) Any person, firm or corporation who owns or  
125 operates a manufacturing or other enterprise of public utility as  
126 enumerated in Section 27-31-101 and who makes additions to or  
127 expansions of the facilities or properties or replaces equipment  
128 used in connection with or necessary to the operation of such  
129 enterprise may be granted an exemption from ad valorem taxation,  
130 except state ad valorem taxation, upon each such addition to or  
131 expansion of the facility or property or replacement of equipment,  
132 within the discretion of the county board of supervisors and  
133 municipal authorities. Provided, however, said governing  
134 authorities shall not exempt ad valorem taxes for school district  
135 purposes on such additions or expansions of the facility or  
136 property, or replacement of equipment, except that this provision  
137 shall not apply to or affect any exemptions from ad valorem taxes  
138 for school district purposes which were granted under this section  
139 prior to the effective date of this chapter and such exemptions  
140 heretofore granted shall continue in force for the period of time  
141 for which they were granted, unless the grantor and grantee of the

142 exemption agree otherwise. In order to obtain such exemptions  
143 upon additions to or expansions of the facilities or properties,  
144 or replacement of equipment, such person, firm or corporation  
145 shall follow the same procedure prescribed for obtaining an  
146 exemption on a new enterprise, except as otherwise provided  
147 herein. For any additions, expansions or replacements with  
148 reference to any particular new enterprise, which additions,  
149 expansions or replacements have been completed during any calendar  
150 year, only one (1) request must be made for the exemptions sought  
151 for such additions, expansions or replacements. \* \* \* The time  
152 of \* \* \* such exemption \* \* \* shall commence from the date the  
153 additions, expansions or replacements were completed, and shall  
154 extend for a period not to exceed ten (10) years thereafter;  
155 however, boards of supervisors and municipal authorities, in lieu  
156 of granting the exemption for one (1) period of ten (10) years,  
157 may grant the exemption in consecutive periods of five (5) years  
158 each, but the total of such consecutive periods shall not exceed  
159 ten (10) years. The date of completion of the additions,  
160 expansions or replacements, from which the initial period of  
161 exemption shall begin, shall be the date on which operations of  
162 the additions, expansions or replacements begin. Any request for  
163 an exemption must be made in writing within three hundred  
164 sixty-five (365) days from the date of completion of the  
165 additions, expansions or replacements.

166 (2) For expansions of facilities or properties or  
167 replacement of equipment, county boards of supervisors and  
168 municipal authorities may grant a fee in lieu of taxes in the same  
169 manner, to the same extent, and with the same qualifying threshold  
170 as provided for projects under Section 27-31-104, Mississippi Code  
171 of 1972.

172 SECTION 3. This act shall take effect and be in force from  
173 and after July 1, 2000.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 27-31-101, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT A REQUEST FOR AN AD VALOREM TAX EXEMPTION FOR  
3 CERTAIN NEW ENTERPRISES MUST BE REQUESTED WITHIN 365 DAYS FROM THE  
4 DATE OF COMPLETION OF SUCH NEW ENTERPRISE; TO AMEND SECTION  
5 27-31-105, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE TIME OF  
6 AD VALOREM TAX EXEMPTIONS GRANTED TO MANUFACTURERS AND CERTAIN  
7 OTHER ENTERPRISES FOR ADDITIONS OR EXPANSIONS TO FACILITIES OR  
8 PROPERTY OR REPLACEMENTS OF EQUIPMENT SHALL COMMENCE ON THE DATE  
9 OF THE COMPLETION OF THE ADDITION, EXPANSION OR REPLACEMENT; TO  
10 PROVIDE THAT A REQUEST FOR SUCH AN EXEMPTION MUST BE MADE WITHIN  
11 365 DAYS FROM THE DATE OF COMPLETION OF THE ADDITION, EXPANSION OR  
12 REPLACEMENT; AND FOR RELATED PURPOSES.