To: Ways and Means

HOUSE BILL NO. 271

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF A MUNICIPALITY OR THE BOARD OF SUPERVISORS OF A COUNTY TO EXEMPT FROM AD VALOREM TAXATION ANY STRUCTURE OR IMPROVEMENT THAT IS TO BE USED EXCLUSIVELY AS A RESIDENCE AND THAT HAS BEEN CONSTRUCTED BY ANY CHAPTER OF A NOT-FOR-PROFIT CORPORATION WITH THE MISSION OF CONSTRUCTING SINGLE-FAMILY DWELLINGS FOR THE BENEFIT OF INDIVIDUALS POSSESSING LOW INCOME LEVELS; TO PROVIDE THAT THE BOARD OF SUPERVISORS OR GOVERNING AUTHORITIES SHALL ESTABLISH CRITERIA FOR DETERMINING THE QUALIFICATIONS TO BE ELIGIBLE FOR THE EXEMPTION OF THE NOT-FOR-PROFIT CORPORATION AND OF THE INDIVIDUALS FOR WHOM THE HOMES ARE CONSTRUCTED; TO PROVIDE THAT THE LENGTH OF THE EXEMPTION SHALL NOT EXCEED 5 YEARS; TO PROVIDE THAT THE GRANTING OF ANY INDIVIDUAL EXEMPTION SHALL BE BY OFFICIAL ACTION OF THE BOARD OF SUPERVISORS OR GOVERNING AUTHORITIES AND MADE A PART OF ITS MINUTES; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) (a) The governing authorities of any incorporated municipality may adopt an ordinance providing for the partial or total exemption from ad valorem taxation, except ad valorem taxes for school district purposes, of any structure or improvement that is to be used exclusively as a residence and that has been constructed by, or with the assistance of, any chapter of a not-for-profit corporation, qualified under Section 501(c)(3) of the Internal Revenue Code, the mission of which is to construct single-family dwellings or homes for the benefit of individuals possessing low income levels. The ordinance shall set forth criteria established by the governing authorities for determining the qualifications to be eligible for the exemption of the not-for-profit corporation and of the individuals for whom the homes are constructed.

(b) Any request for an exemption under this subsection must be made in writing on an application form prescribed by the governing authorities, providing full information about the
property for which the exemption is requested, including the true
value of the land involved; however, the true value of the land
upon which the structure will be placed or the improvement will be
made shall not be exempt under this subsection. The exemption
shall commence upon completion of the structure or improvement or
on January 1 of the year following such completion, and it shall
last for a period of time not to exceed five (5) 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. The
granting of each individual exemption under this subsection shall
be recorded by the municipal clerk in the official minutes of the
municipality. The governing authorities of the municipality may
assess a fee not to exceed Forty Dollars ($40.00) 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 construction or improvement
indicated on the application has been completed.

(2) (a) The board of supervisors of any county may
authorize the partial or total exemption from ad valorem taxation,
except ad valorem taxes for school district purposes, of any
structure or improvement that is to be used exclusively as a
residence and that has been constructed by, or with the assistance
of, any chapter of a not-for-profit corporation, qualified under
Section 501(c)(3) of the Internal Revenue Code, the mission of
which is to construct single-family dwellings or homes for the
benefit of individuals possessing low income levels. The board of
supervisors shall establish criteria for determining the
qualifications to be eligible for the exemption of the
not-for-profit corporation and of the individuals for whom the
homes are constructed.
(b) Any request for an exemption under this subsection must be made in writing on an application form prescribed by the board of supervisors, providing full information about the property for which the exemption is requested, including the true value of the land involved; however, the true value of the land upon which the structure will be placed or the improvement will be made shall not be exempt under this subsection. The exemption shall commence upon the completion of the structure or improvement or on January 1 of the year following such completion, and it shall last for a period of time not to exceed five (5) years. The board of supervisors 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. The granting of each individual exemption under this subsection shall be by order of the board of supervisors, duly adopted and entered into the official minutes. The board of supervisors may assess a fee not to exceed Forty Dollars ($40.00) 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 construction or improvement indicated on the application has been completed.

(3) Any exemption granted under this section shall be in addition to all other exemptions heretofore granted by the laws of the State of Mississippi, and it shall not be applicable to the land upon which the structure is built or the improvement is made.

SECTION 2. Section 1 of this act shall be codified in a separate code section in Chapter 31, Title 27, Mississippi Code of 1972.

SECTION 3. Nothing in this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for taxes due or accrued under the ad valorem tax laws before the date on which this act becomes effective, whether such claims,
assessments, appeals, suits or actions have been begun before the
date on which this act becomes effective, or are begun thereafter;
and the provisions of the ad valorem tax laws are expressly
continued in full force, effect and operation for the purpose of
the assessment, collection and enrollment of liens for any taxes
due or accrued and the execution of any warrant under such laws
before the date on which this act becomes effective, and for the
imposition of any penalties, forfeitures or claims for failure to
comply with such laws.

SECTION 4. This act shall take effect and be in force from
and after January 1, 2002.