HOUSE BILL NO. 696

AN ACT TO AMEND SECTION 21-1-61, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT ALL EXISTING BUILDINGS, STRUCTURES AND IMPROVEMENTS LOCATED ON LAND THAT IS INCLUDED WITHIN AN AREA ANNEXED BY A MUNICIPALITY SHALL BE EXEMPT FROM MUNICIPAL AD VALOREM TAXATION; TO AMEND SECTION 21-33-1, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE PROVISIONS OF THIS ACT; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 21-1-61, Mississippi Code of 1972, is amended as follows:

21-1-61. (1) Except as otherwise provided in subsection (2) of this section, in all cases where a municipality is created or the limits of an existing municipality are enlarged under the provisions of this chapter, the property included within the municipal boundaries by such creation or enlargement shall become liable for and subject to municipal ad valorem taxation on the tax lien date next succeeding the effective date of the decree creating or enlarging such municipality.

(2) From and after July 1, 2001, whenever the corporate boundaries of any municipality are enlarged under the provisions of this chapter, all buildings, structures and improvements located on any land that is included within the enlarged area, if such buildings, structures and improvements existed at the time of the effective date of the decree or judgement approving the enlargement, shall be exempt from all municipal ad valorem taxes. However, the land, and all buildings and structures erected and improvements made to the land after the effective date of the decree or judgement approving the enlargement, shall be liable for and subject to municipal ad valorem taxation as provided for under subsection (1) of this section.
SECTION 2. Section 21-33-1, Mississippi Code of 1972, is amended as follows:

21-33-1. Except as otherwise provided under Section 21-1-61(2), all lands and other taxable property subject to assessment, held by any person within the municipality, or in added territory, on the first day of January, shall be assessed, and ad valorem taxes thereon levied and collected for the ensuing year, excepting motor vehicles as defined by the "Motor Vehicle Ad Valorem Tax Law of 1958," Sections 27-51-1 through 27-51-49, Mississippi Code of 1972.

SECTION 3. This act shall take effect and be in force from and after July 1, 2001.