

By: Representatives Ellington, Horne

To: Ways and Means

HOUSE BILL NO. 1152

1 AN ACT TO AMEND SECTION 21-1-61, MISSISSIPPI CODE OF 1972, TO
 2 PROVIDE THAT THE PROPERTY OF A NEWLY ANNEXED AREA SHALL BE EXEMPT
 3 FROM MUNICIPAL AD VALOREM TAXES AND SHALL RECEIVE A REFUND FOR THE
 4 AVERAGE ANNUAL AMOUNT OF TAXES PAID IF WITHIN FIVE YEARS AFTER
 5 ANNEXATION THE MUNICIPALITY HAS NOT PROVIDED THE SERVICES LISTED
 6 IN THE ORDINANCE THAT THE MUNICIPALITY IS REQUIRED TO PASS; TO
 7 AMEND SECTIONS 21-33-1 AND 21-33-79, MISSISSIPPI CODE OF 1972, IN
 8 CONFORMITY TO THE PROVISIONS OF THIS ACT; AND FOR RELATED
 9 PURPOSES.

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

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

13 21-1-61. (1) Except as otherwise provided in subsection (2)
 14 of this section, in all cases where a municipality is created or
 15 the limits of an existing municipality are enlarged under the
 16 provisions of this chapter, the property included within the
 17 municipal boundaries by such creation or enlargement shall become
 18 liable for and subject to municipal ad valorem taxation on the tax
 19 lien date next succeeding the effective date of the decree
 20 creating or enlarging such municipality.

21 (2) Beginning July 1, 2001, if those services that the
 22 municipality proposed to render in the ordinance adopted under
 23 Section 21-1-27 are not provided by the anniversary date of the
 24 fifth year after annexation, the property annexed shall be exempt
 25 from all municipal ad valorem taxes, and the municipal ad valorem
 26 taxes paid on the property for the five (5) years shall be
 27 refunded as provided in this subsection (2). The amount of such
 28 refund shall be determined by calculating the average amount of
 29 municipal ad valorem taxes paid each year during the five (5) year

30 period and refunding that amount annually until the taxes are
31 refunded. The refund shall cease if the services are provided
32 before the five (5) years worth of taxes are refunded. However,
33 such property shall be liable for and subject to all other taxes
34 levied by the county in which the municipality is located.

35 SECTION 2. Section 21-33-1, Mississippi Code of 1972, is
36 amended as follows:

37 21-33-1. Except as otherwise provided under Section
38 21-1-61(2), all lands and other taxable property subject to
39 assessment, held by any person within the municipality, or in
40 added territory, on the first day of January, shall be assessed,
41 and ad valorem taxes thereon levied and collected for the ensuing
42 year, excepting motor vehicles as defined by the "Motor Vehicle Ad
43 Valorem Tax Law of 1958," Sections 27-51-1 through 27-51-107.

44 SECTION 3. Section 21-33-79, Mississippi Code of 1972, is
45 amended as follows:

46 21-33-79. The tax collectors of all municipalities are
47 hereby authorized to refund erroneously-paid privilege or ad
48 valorem taxes paid such municipalities. An applicant for such
49 refunds shall submit application to the tax collector of any such
50 municipality, and if such claim be found by the tax collector to
51 be due, and is allowed, then the tax collector of said
52 municipality shall issue a warrant to the claimant and deduct the
53 proper amounts from his next settlement.

54 The tax collectors of all municipalities are authorized to
55 refund ad valorem taxes as provided in Section 21-1-6(2).

56 SECTION 4. This act shall take effect and be in force from
57 and after July 1, 2001.