

By: Representative Watson

To: Ways and Means

HOUSE BILL NO. 1466

1 AN ACT TO AMEND SECTION 27-31-50, MISSISSIPPI CODE OF 1972,
 2 TO CLARIFY THAT STRUCTURES OR OTHER IMPROVEMENTS THAT HAVE
 3 UNDERGONE REHABILITATION, RENOVATION OR REPLACEMENT FOR
 4 RESIDENTIAL USE MUST BE NOT LESS THAN 25 YEARS OF AGE IN ORDER FOR
 5 A MUNICIPALITY TO PROVIDE A PARTIAL AD VALOREM TAX EXEMPTION FOR
 6 THE REAL PROPERTY ON WHICH SUCH A STRUCTURE OR OTHER IMPROVEMENT
 7 IS LOCATED; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Section 27-31-50, Mississippi Code of 1972, is
 10 amended as follows:

11 27-31-50. (1) The governing authority of any incorporated
 12 municipality may adopt an ordinance providing for the partial
 13 exemption from municipal ad valorem taxation of real property on
 14 which any structure or other improvement that is not less than
 15 twenty-five (25) years of age has undergone substantial
 16 rehabilitation, renovation or replacement for residential use,
 17 subject to such conditions and other restrictions authorized in
 18 this section. The ordinance may restrict such exemption to real
 19 property located within certain areas as may be determined by the
 20 governing authority and prescribed by the ordinance. The
 21 governing authority of a municipality shall establish criteria for
 22 determining whether real property qualifies for the partial
 23 exemption provided for in this section, shall require the
 24 structures or improvements to be not less than twenty-five (25)
 25 years of age and may place such other restrictions and conditions
 26 on such property as may be prescribed by ordinance. The ordinance
 27 may also provide for the partial exemption from municipal ad
 28 valorem taxation of multifamily residential units which have been

29 substantially rehabilitated by replacement for multifamily use.
30 Any replacement structure shall not exceed the total square
31 footage of the replaced structures by more than thirty percent
32 (30%).

33 (2) The partial exemption provided by an ordinance adopted
34 pursuant to this section may be (a) in an amount equal to the
35 increase in the assessed value of the property resulting from the
36 rehabilitation, renovation or replacement of the structure as
37 determined by the tax assessor, or (b) an amount of not more than
38 fifty percent (50%) of the cost of the rehabilitation, renovation
39 or replacement. The exemption may commence upon completion of the
40 rehabilitation, renovation or replacement or on January 1 of the
41 year following completion of the rehabilitation, renovation or
42 replacement and shall last for a period of time not to exceed ten
43 (10) years. The ordinance may prescribe a shorter time period for
44 the length of the exemption, or reduce the amount of the exemption
45 in annual steps over the length of the exemption or a portion
46 thereof.

47 (3) The governing authority of a municipality may assess a
48 fee not to exceed Fifty Dollars (\$50.00) for processing an
49 application requesting the exemption provided for in this section.
50 No property shall be eligible for the exemption unless the
51 appropriate building permits have been acquired and the tax
52 assessor has verified that the rehabilitation, renovation or
53 replacement indicated on the application has been completed.

54 (4) If the governing authority of a municipality desires to
55 grant a partial exemption after July 1, 2000, the governing
56 authority must adopt an ordinance declaring its intention to grant
57 the exemption and finding that such exemption will promote the
58 economic, cultural or educational advancement of the municipality.
59 The governing authority of the municipality shall publish notice
60 of its intention to grant the exemption at least ten (10) days
61 before the actual granting of the exemption.

62 SECTION 2. This act shall take effect and be in force from
63 and after July 1, 2001.