

By: The Entire Membership

To: Ways and Means

HOUSE BILL NO. 1565  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-33-75, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE THE EXEMPTION FROM AD VALOREM TAXES ON HOMESTEADS IN  
3 COUNTIES THAT HAVE COMPLETED AN UPDATE IN THE VALUATION OF CLASS I  
4 PROPERTY IN THE COUNTY ACCORDING TO PROCEDURES PRESCRIBED BY THE  
5 STATE TAX COMMISSION AND FOR WHICH THE STATE TAX COMMISSION HAS  
6 CERTIFIED THAT SUCH NEW VALUATIONS HAVE BEEN IMPLEMENTED FOR THE  
7 PURPOSES OF AD VALOREM TAXATION; TO AMEND SECTION 27-33-19,  
8 MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM  
9 "HOME" OR "HOMESTEAD" UNDER THE HOMESTEAD EXEMPTION LAW; AND FOR  
10 RELATED PURPOSES.

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

12 SECTION 1. Section 27-33-75, Mississippi Code of 1972, is  
13 amended as follows:

14 [With regard to any county that has not completed an update  
15 in the valuation of Class I property, as designated by Section  
16 112, Mississippi Constitution of 1890, in the county according to  
17 procedures prescribed by the State Tax Commission and in effect on  
18 January 1, 2001, and has not implemented such valuations for the  
19 purposes of ad valorem taxation, this section shall read as  
20 follows:]

21 27-33-75. (1) Qualified homeowners described in subsection  
22 (1) of Section 27-33-67 shall be allowed an exemption from ad  
23 valorem taxes according to the following table:

24 ASSESSED VALUE	25 OF HOMESTEAD	26 HOMESTEAD	27 EXEMPTION
28 \$ 1 - \$ 150			\$ 6.00
29 151 - 300			12.00
30 301 - 450			18.00
			24.00
			30.00

31	751 - 900	36.00
32	901 - 1,050	42.00
33	1,051 - 1,200	48.00
34	1,201 - 1,350	54.00
35	1,351 - 1,500	60.00
36	1,501 - 1,650	66.00
37	1,651 - 1,800	72.00
38	1,801 - 1,950	78.00
39	1,951 - 2,100	84.00
40	2,101 - 2,250	90.00
41	2,251 - 2,400	96.00
42	2,401 - 2,550	102.00
43	2,551 - 2,700	108.00
44	2,701 - 2,850	114.00
45	2,851 - 3,000	120.00
46	3,001 - 3,150	126.00
47	3,151 - 3,300	132.00
48	3,301 - 3,450	138.00
49	3,451 - 3,600	144.00
50	3,601 - 3,750	150.00
51	3,751 - 3,900	156.00
52	3,901 - 4,050	162.00
53	4,051 - 4,200	168.00
54	4,201 - 4,350	174.00
55	4,351 - 4,500	180.00
56	4,501 - 4,650	186.00
57	4,651 - 4,800	192.00
58	4,801 - 4,950	198.00
59	4,951 - 5,100	204.00
60	5,101 - 5,250	210.00
61	5,251 - 5,400	216.00
62	5,401 - 5,550	222.00
63	5,551 - 5,700	228.00

64	5,701 - 5,850	234.00
65	5,851 and above	240.00

66 Assessed values shall be rounded to the next whole dollar  
67 (Fifty Cents (50¢) rounded to the next highest dollar) for the  
68 purposes of the above table.

69 One-half (1/2) of the exemption allowed in the above table  
70 shall be from taxes levied for school district purposes and  
71 one-half (1/2) shall be from taxes levied for county general fund  
72 purposes.

73 (2) Qualified homeowners described in subsection (2) of  
74 Section 27-33-67 shall be allowed an exemption from all ad valorem  
75 taxes on not in excess of Six Thousand Dollars (\$6,000.00) of the  
76 assessed value of the homestead property.

77 (3) This section shall apply to exemptions claimed in the  
78 1988 calendar year for which reimbursement is made in the 1989  
79 calendar year and to exemptions claimed for which reimbursement is  
80 made in subsequent years.

81 [With regard to any county that has completed an update in  
82 the valuation of Class I property, as designated by Section 112,  
83 Mississippi Constitution of 1890, in the county according to  
84 procedures prescribed by the State Tax Commission and in effect on  
85 January 1, 2001, and for which the State Tax Commission has  
86 certified that such new valuations have been implemented for the  
87 purposes of ad valorem taxation, this section shall read as  
88 follows:]

89 27-33-75. (1) Qualified homeowners described in subsection  
90 (1) of Section 27-33-67 shall be allowed an exemption from ad  
91 valorem taxes according to the following table:

92	ASSESSED VALUE	HOMESTEAD
93	OF HOMESTEAD	EXEMPTION
94	\$ 1 - \$ 150	\$ 6.00
95	151 - 300	12.00
96	301 - 450	18.00

97	451 - 600	24.00
98	601 - 750	30.00
99	751 - 900	36.00
100	901 - 1,050	42.00
101	1,051 - 1,200	48.00
102	1,201 - 1,350	54.00
103	1,351 - 1,500	60.00
104	1,501 - 1,650	66.00
105	1,651 - 1,800	72.00
106	1,801 - 1,950	78.00
107	1,951 - 2,100	84.00
108	2,101 - 2,250	90.00
109	2,251 - 2,400	96.00
110	2,401 - 2,550	102.00
111	2,551 - 2,700	108.00
112	2,701 - 2,850	114.00
113	2,851 - 3,000	120.00
114	3,001 - 3,150	126.00
115	3,151 - 3,300	132.00
116	3,301 - 3,450	138.00
117	3,451 - 3,600	144.00
118	3,601 - 3,750	150.00
119	3,751 - 3,900	156.00
120	3,901 - 4,050	162.00
121	4,051 - 4,200	168.00
122	4,201 - 4,350	174.00
123	4,351 - 4,500	180.00
124	4,501 - 4,650	186.00
125	4,651 - 4,800	192.00
126	4,801 - 4,950	198.00
127	4,951 - 5,100	204.00
128	5,101 - 5,250	210.00
129	5,251 - 5,400	216.00

130	5,401 - 5,550	222.00
131	5,551 - 5,700	228.00
132	5,701 - 5,850	234.00
133	5,851 - <u>6,000</u>	240.00
134	<u>6,001 - 6,150</u>	<u>246.00</u>
135	<u>6,151 - 6,300</u>	<u>252.00</u>
136	<u>6,301 - 6,450</u>	<u>258.00</u>
137	<u>6,451 - 6,600</u>	<u>264.00</u>
138	<u>6,601 - 6,750</u>	<u>270.00</u>
139	<u>6,751 - 6,900</u>	<u>276.00</u>
140	<u>6,901 - 7,050</u>	<u>282.00</u>
141	<u>7,051 - 7,200</u>	<u>288.00</u>
142	<u>7,201 - 7,350</u>	<u>294.00</u>
143	<u>7,351 and above</u>	<u>300.00</u>

144 Assessed values shall be rounded to the next whole dollar  
145 (Fifty Cents (50¢) rounded to the next highest dollar) for the  
146 purposes of the above table.

147 One-half (1/2) of the exemption allowed in the above table  
148 shall be from taxes levied for school district purposes and  
149 one-half (1/2) shall be from taxes levied for county general fund  
150 purposes.

151 (2) Qualified homeowners described in subsection (2) of  
152 Section 27-33-67 shall be allowed an exemption from all ad valorem  
153 taxes on not in excess of Seven Thousand Five Hundred Dollars  
154 (\$7,500.00) of the assessed value of the homestead property.

155 (3) This section shall apply to exemptions claimed in the  
156 2001 calendar year for which reimbursement is made in the 2002  
157 calendar year and to exemptions claimed for which reimbursement is  
158 made in subsequent years.

159 SECTION 2. Section 27-33-19, Mississippi Code of 1972, is  
160 amended as follows:

161 27-33-19. The word "home" or "homestead" whenever used in  
162 this article shall mean the dwelling, the essential outbuildings

163 and improvements, and the eligible land assessed on the land roll  
164 actually occupied as the primary home of a family group, eligible  
165 title to which is owned by the head of the family, a bona fide  
166 resident of this state, and when the dwelling is separately  
167 assessed on the land roll for the year in which the application is  
168 made, subject to the limitations and conditions contained in this  
169 article. And the meaning of the word is hereby extended to  
170 specifically include:

171           (a) One or more separate, bona fide dwellings and the  
172 land on which they are located, each occupied under eligible  
173 ownership rights by the widow or the widower, or the children of a  
174 deceased parent, each separate home being property or a portion of  
175 property owned by a deceased person whose estate has not been  
176 distributed or divided or vested in a person or persons for life.  
177 But in each case the property for which exemption is sought may  
178 not be more than the applicant's inherited portion, and must be  
179 accurately described on the application and the conditions  
180 explained in writing. But the heirs may elect to accept one (1)  
181 homestead for the estate. The home occupied by the surviving  
182 spouse as provided by the laws of this state shall be preferred  
183 over the homes claimed by the children, and the exemption to any  
184 other heir shall not exceed the remaining amount obtained by  
185 deducting the assessed value of the surviving spouse's portion  
186 from the assessed value of the whole, divided by the number of  
187 heirs other than the surviving spouse. Each heir claiming  
188 exemption shall meet the requirements as to occupancy, residence  
189 and head of a family, and no part of the undivided inherited lands  
190 shall be combined with other lands and included in a homestead  
191 exemption under this article except in the case of the surviving  
192 spouse.

193           (b) One or more separated dwellings and eligible land,  
194 not apartments, occupied each by a family group as a bona fide  
195 home, eligible title to which entire property is held jointly by

196 purchase or otherwise by the heads of the families, and each joint  
197 owner shall be allowed exemption on the proportion of the total  
198 assessed value of all the property, equal to his fractional  
199 interest (except as otherwise provided in paragraph (r) of this  
200 section), provided no part of the jointly owned property shall be  
201 exempted to a joint owner who has been allowed an exemption on  
202 another home in the state.

203 (c) A dwelling and eligible lands owned jointly or  
204 severally by a husband and wife, if they are actually and legally  
205 living together. But if husband and wife are living apart, not  
206 divorced, as provided by subparagraphs (c) and (d) of Section  
207 27-33-13, jointly owned land shall not be included except that the  
208 dwelling occupied as a home at the time of separation shall be  
209 eligible if owned jointly or severally.

210 (d) The dwelling and eligible land on which it is  
211 located, owned and actually occupied as a home by a minister of  
212 the gospel or by a licensed school teacher actively engaged whose  
213 duties as such require them to be away from the home for the major  
214 part of each year, including January 1, provided it was eligible  
215 before such absence, and no income is derived therefrom, and no  
216 part of the dwelling claimed as a home is rented, leased or  
217 occupied by another family group, and when the home is eligible  
218 except for the temporary absence of the owner.

219 (e) The dwelling and the eligible land on which it is  
220 located, consisting of not more than four (4) apartments; provided  
221 (1) if one (1) apartment is actually occupied as a home by the  
222 owner the exemption shall be limited to one-fourth (1/4) the  
223 exemption granted pursuant to this article, or (2) if the dwelling  
224 and land is owned by four (4) persons and the four (4) owners each  
225 occupy one (1) apartment as a home, the exemption shall be granted  
226 equally to each owner; provided revenue is not derived from any  
227 part of the property except as permitted by subparagraphs (g) and  
228 (h) of this section. If the dwelling and the eligible land on

229 which it is located consists of not more than three (3)  
230 apartments, and one (1) apartment is actually occupied as a home  
231 by the owner, the exemption shall be limited to one-third (1/3)  
232 the exemption granted pursuant to this article, or if the dwelling  
233 and land is owned by three (3) persons and the three (3) owners  
234 each occupy one (1) apartment as a home, the exemption shall be  
235 granted equally to each owner; provided revenue is not derived  
236 from any part of the property except as permitted by subparagraphs  
237 (g) and (h) of this section. If the dwelling and the eligible  
238 land on which it is located consists of not more than two (2)  
239 apartments and one (1) apartment is actually occupied as a home by  
240 the owner, the exemption shall be limited to one-half (1/2) the  
241 exemption granted pursuant to this article, or if the dwelling and  
242 land is owned by two (2) persons and the two (2) owners each  
243 occupy one (1) apartment as a home, the exemption shall be granted  
244 equally to each owner; provided revenue is not derived from any  
245 part of the property except as permitted by subparagraphs (g) and  
246 (h) of this section.

247 (f) The dwelling and eligible land on which it is  
248 located, actually occupied as the bona fide home of a family group  
249 owned by the head of the family whereof five (5) and not more than  
250 six (6) rooms are rented to tenants or boarders, and where there  
251 are rented rooms and an apartment, the apartment shall be counted  
252 as three (3) rooms; provided the exemption shall be limited to  
253 one-half (1/2) the exemption granted pursuant to this article.

254 (g) The dwelling and eligible land being the bona fide  
255 home of a family group owned by the head of the family used partly  
256 as a boarding house, or for the entertainment of paying guests, if  
257 the number of boarders or paying guests does not exceed eight (8).

258 (h) The dwelling and eligible land being the bona fide  
259 home of a family group owned by the head of the family wherein  
260 activity of a business nature is carried on, but where the  
261 assessed value of the property associated with the business



262 activity is less than one-fifth (1/5) of the total assessed value  
263 of the bona fide home; provided, however, that when the owner's  
264 full-time business is located in the bona fide home of the head of  
265 the family, such owner shall be limited to one-half (1/2) of the  
266 exemption granted pursuant to this article.

267 (i) The dwelling and the eligible land on which it is  
268 located and other eligible land even though ownership of and title  
269 to the dwelling and the land on which it is located has been  
270 conveyed to a housing authority for the purpose of obtaining the  
271 benefits of the Housing Authorities Law as authorized by Sections  
272 43-33-1 through 43-33-53 or related laws.

273 (j) A dwelling and the eligible land on which it is  
274 located owned by a person who is physically or mentally unable to  
275 care for himself and confined in an institution for treatment  
276 shall be eligible notwithstanding the absence of the owner unless  
277 the home is excluded under other provisions of this article. The  
278 exemption is available for a period of five (5) years from the day  
279 of confinement.

280 (k) The dwelling and the eligible land on which it is  
281 located owned by two (2) or more persons of a group, as defined in  
282 paragraph (f) of Section 27-33-13, when two (2) or more of the  
283 group have eligible title, or if the group holds a life estate, a  
284 joint estate or an estate in common; provided the title of the  
285 several owners shall be of the same class.

286 (l) A dwelling and the eligible land on which it is  
287 located under a lease of sixty (60) years by the Pearl River  
288 Valley Water Supply District at the reservoir known as the "Ross  
289 Barnett Reservoir" actually occupied as the home or homestead of a  
290 family or person as defined heretofore in this article. However,  
291 no such family group or any other person heretofore qualified and  
292 defined in this article shall be allowed to establish more than  
293 one (1) home or homestead for the purpose and intent of this  
294 article.

295           (m) Units of a condominium constructed in accordance  
296 with Section 89-9-1 et seq., Mississippi Code of 1972, known as  
297 the "Mississippi Condominium Law," and actually occupied as the  
298 home or homestead of a family or person as defined heretofore in  
299 this article. However, no such family group or any other person  
300 heretofore qualified and defined in this article shall be allowed  
301 to establish more than one (1) home or homestead for the purpose  
302 and intent of this article.

303           (n) A dwelling and the eligible land on which it is  
304 located held under a lease of ten (10) years or more or for life,  
305 from a fraternal or benevolent organization and actually occupied  
306 as the home or homestead of a family or person as defined  
307 heretofore in this article. No such family group or any other  
308 person heretofore qualified and defined in this article shall be  
309 allowed to establish more than one (1) home or homestead for the  
310 purpose and intent of this article.

311           (o) A dwelling being the bona fide home of a family  
312 group owned by the head of the family and located on land owned by  
313 a corporation incorporated more than fifty (50) years ago and in  
314 which the homeowner is a shareholder, and which corporation owns  
315 no land outside Monroe and Itawamba Counties. No family group or  
316 any other person heretofore qualified and defined in this article  
317 shall be allowed to establish more than one (1) home or homestead  
318 for the purpose and intent of this article.

319           (p) A dwelling and the eligible land on which it is  
320 located under a lease of five (5) years or more by the  
321 Mississippi-Yazoo Delta Levee Board actually occupied as the home  
322 or homestead of a family or person as defined pursuant to this  
323 article. However, no such family group or any other person  
324 qualified and defined pursuant to this article shall be allowed to  
325 establish more than one (1) home or homestead for the purpose and  
326 intent of this article. The definition shall include all leases  
327 in existence that were entered into prior to July 1, 1992.

328           (q) A dwelling and the eligible land on which the  
329 spouse of a testator is granted the use of such dwelling for life  
330 or until the occurrence of certain contingencies and the children  
331 of such testator are granted a remainder interest in the dwelling  
332 and eligible land. Such dwelling and eligible land will only  
333 qualify as a home or homestead if (i) the spouse of the testator  
334 would otherwise qualify as head of a family if the interest were a  
335 tenancy for life (life estate) and (ii) the dwelling and eligible  
336 land is actually occupied as the home of the spouse of the  
337 testator. The children of the testator shall be allowed to  
338 establish an additional homestead for purposes of this article.

339           (r) A dwelling and the eligible land actually occupied  
340 as the bona fide home of a family group. If a person has been  
341 granted use and possession of a home in a divorce decree, that  
342 individual is eligible for full exemption, regardless of whether  
343 the property is jointly owned.

344           (s) A dwelling being the bona fide home of a family  
345 group located on land owned by a corporation incorporated more  
346 than forty (40) years ago and in which the head of the family  
347 group is a shareholder, and which corporation owns no land outside  
348 Lee County, Mississippi. No family group or any other person  
349 qualified and defined in this article shall be allowed to  
350 establish more than one (1) home or homestead for the purpose and  
351 intent of this article.

352           SECTION 3. Nothing in this act shall affect or defeat any  
353 claim, assessment, appeal, suit, right or cause of action for  
354 taxes due or accrued under the ad valorem tax laws before the date  
355 on which this act becomes effective, whether such claims,  
356 assessments, appeals, suits or actions have been begun before the  
357 date on which this act becomes effective or are begun thereafter;  
358 and the provisions of the ad valorem tax laws are expressly  
359 continued in full force, effect and operation for the purpose of  
360 the assessment, collection and enrollment of liens for any taxes

361 due or accrued and the execution of any warrant under such laws  
362 before the date on which this act becomes effective, and for the  
363 imposition of any penalties, forfeitures or claims for failure to  
364 comply with such laws.

365 SECTION 4. This act shall take effect and be in force from  
366 and after January 1, 2001.