

By: Senator(s) Minor

To: Public Utilities;
Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2441

1 AN ACT TO AMEND SECTIONS 27-33-11 AND 27-33-35, MISSISSIPPI
2 CODE OF 1972, TO AUTHORIZE THE STATE TAX COMMISSION TO REQUIRE THE
3 HOMESTEAD EXEMPTION SUPPLEMENTAL ROLL TO BE PREPARED AND
4 MAINTAINED ON ELECTRONIC MEDIA; TO AMEND SECTIONS 27-35-309 AND
5 27-35-313, MISSISSIPPI CODE OF 1972, TO REVISE THE AMOUNT OF TIME
6 THAT ASSESSMENTS OF PUBLIC UTILITY PROPERTY REMAIN OPEN AND
7 SUBJECT TO OBJECTION; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Section 27-33-11, Mississippi Code of 1972, is
10 amended as follows:

11 27-33-11. The subject words and terms of this section, for
12 the purpose of this article, shall have meaning as follows:

13 (a) "Tax loss" means the exemption from ad valorem
14 taxes allowed homeowners in this article. "Reimbursement of tax
15 loss" means the amount of tax losses to be reimbursed to each
16 taxing unit as determined by Sections 27-33-77 and 27-33-79.

17 (b) "Taxing unit" means (i) any county, (ii) any
18 special municipal separate school district with or without added
19 territory, (iii) any municipal separate school district with or
20 without added territory, and (iv) any municipality.

21 (c) "Added territory" means territory or land lying
22 outside of a municipality, added or annexed to and being a part of
23 a municipal separate school district and subject to the tax
24 permitted to be imposed by the district for school purposes as
25 provided by Chapter 57, Title 37, Mississippi Code of 1972.

26 (d) "Municipality" means a city, town or village which
27 is legally incorporated and which has not been automatically
28 abolished according to the provisions of Sections 21-1-49 and

29 21-1-51 or by other lawful process, and in which taxes are
30 assessed, levied and collected.

31 (e) "Depository" means the bank or institution and
32 place officially designated as the depository for funds of a
33 county.

34 (f) "Apartment" means rooms in an eligible dwelling
35 with space and facilities for sleeping and with space and
36 facilities, or equipment, for preparing and serving meals, which
37 equipment is supplied by the owner or tenant, or both: (1) in a
38 building constructed as a dwelling for two (2) or more families,
39 or (2) in an ordinary dwelling, consisting of three (3) or more
40 rooms, exclusive of a bathroom; in either case rented or leased or
41 available for rent or lease, or occupied by a family group other
42 than the owner. One (1) or two (2) rooms rented and used for
43 housekeeping shall be counted as rented rooms.

44 (g) "Commission" means the State Tax Commission of the
45 State of Mississippi.

46 (h) "Auditor" means the Auditor of Public Accounts of
47 the State of Mississippi.

48 (i) "Treasurer" means the Treasurer of the State of
49 Mississippi.

50 (j) "Officer or officers" includes the county tax
51 assessor, the members of the county board of supervisors, the
52 clerk of the board of supervisors, the chancery clerk, the county
53 tax collector, and the legally authorized deputies of each.

54 (k) * * * "Eligible" when used in this article, (1)
55 with reference to persons means those persons who are eligible
56 under the terms of this article for homestead exemption, or (2)
57 with reference to property means the real property eligible for
58 exemption as a homestead under the terms of this article as to
59 title, quantity, occupancy, use to which put, and other conditions
60 required by this article, or (3) with reference to title or

61 ownership means title to or ownership of real property as defined
62 in Section 27-33-17.

63 (1) "He" and other pronouns in the masculine
64 gender * * * embrace a female as well as a male, unless a contrary
65 intention is disclosed by the context.

66 (m) "Adjoining land, or land actually joined" * * *
67 means two (2) separately described tracts of land having at one or
68 more points a common boundary, or where the corners of the two (2)
69 tracts actually touch, but two (2) tracts connected by an easement
70 or by a narrow strip of land as a right-of-way for ingress and
71 egress shall not be treated as adjoining, or actually joined.

72 (n) "Supplemental roll" means a list containing the
73 amount of the assessment of all lands and buildings which are all,
74 or a part, of exempt homesteads, and a list of the homeowners to
75 whom a homestead exemption has been allowed by the board for the
76 current year, and showing in strict alphabetical order the names
77 of all applicants to whom the exemption was granted, and in
78 vertical columns the amount of the assessment, the assessed value
79 of the exempted land and buildings, the assessed value of the land
80 and buildings not exempted, the page and line number of the
81 regular land roll where entered, the number of acres exempted, the
82 dollar amount of exemption allowed and such other information as
83 the State Tax Commission may require. The commission shall
84 prescribe the form of the supplemental roll and may require such
85 rolls to be prepared and maintained on electronic media. The
86 supplemental roll, as herein defined, is hereby made a legal
87 supplement to and a part of the complete land assessment roll of
88 the county or municipality and shall be subject to all laws
89 relating to assessment rolls and particularly Sections 27-35-117,
90 27-35-123 and 27-35-125 as far as applicable and not inconsistent
91 with the provisions of this article.

92 The supplemental roll, when certified by the clerk of the
93 board of supervisors and delivered to the tax collector, shall be

94 his warrant to allow the amount of the tax exemption to each
95 person as a credit on or deduction from the gross amount of the
96 taxes charged to that person on the assessment roll.

97 (o) "Ad valorem tax" means any tax where the amount
98 levied is based upon or determined by the value of the property
99 subject to the tax.

100 SECTION 2. Section 27-33-35, Mississippi Code of 1972, is
101 amended as follows:

102 27-33-35. The clerk of the board of supervisors shall keep
103 all records and documents relating to homestead exemption matters
104 coming before the board and perform such services as are generally
105 required of him by Section 19-3-27, and in addition to such
106 general duties:

107 (a) He shall receive applications for homestead
108 exemption as they are delivered to him by the tax assessor, as
109 required in Section 27-33-33(g); and before June 1 and in the
110 manner prescribed by the rules and regulations of the Tax
111 Commission, he shall forward the originals of all applications to
112 the commission in Jackson, Mississippi, and (1) on the first day
113 of each regular monthly meeting of the board of supervisors he
114 shall present to it all applications for homestead exemption in
115 his hands at that time for the board's consideration, as directed
116 hereafter in this article, (2) when not in use, said applications
117 shall be kept on file in alphabetical order, and (3) at the end of
118 each current year he shall deliver duplicate homestead exemption
119 applications that are no longer valid to the chancery clerk of the
120 county to be held by him as a public record for at least three (3)
121 years. This shall also include all applications disallowed by the
122 board.

123 (b) He shall make the supplemental roll of homestead
124 exemptions granted from the applications therefor (not from the
125 land roll), the year the land roll is made, as soon as reasonably
126 possible after the roll has been approved by the commission and

127 has been finally approved of minute record by the board of
128 supervisors, and only after the board has approved or disapproved
129 all applications.

130 (c) He shall make the supplemental roll as
131 prescribed * * * by the commission.

132 (d) He shall make the proper entry in all columns on
133 the supplemental roll, as defined in Section 27-33-11(n), and
134 shall make all proper extensions and add truly and correctly each
135 column of values of each page of said roll and carry the results
136 thereof to the grand total; and shall certify a copy of the
137 supplemental roll to the tax collector in the same manner as the
138 regular assessment roll is certified.

139 (e) He shall make in triplicate the supplemental roll
140 and the original shall be forwarded immediately to the commission,
141 one (1) copy shall be attached to the original land assessment
142 roll, and the other copy shall be delivered to the tax collector
143 as a legal part of the regular land assessment roll, as provided
144 by Section 27-33-11(n). In counties having two (2) judicial
145 districts, he shall make four (4) copies, one (1) for each
146 judicial district, or separate rolls for each district, as may be
147 directed by order of the board of supervisors. The original
148 supplemental roll shall be forwarded to the commission no later
149 than December 31 of each year.

150 (f) He shall also prepare two (2) certificates of tax
151 loss from the approved applications for homestead exemption and
152 from current legally completed land assessment roll, including the
153 supplemental roll as defined in Section 27-33-11(n), which
154 certificates shall be made on forms to be prescribed and furnished
155 by the commission. One (1) certificate shall reflect the tax loss
156 incurred because of the exemptions provided to applicants under
157 the age of sixty-five (65) and not disabled as defined in this
158 article, and the other shall reflect the tax loss incurred because

159 of the exemptions provided to applicants aged sixty-five (65) or
160 over and disabled as defined in this article.

161 In regard to certificates evidencing tax losses for
162 exemptions granted from taxes due and payable in 1985, the
163 certificates shall show truly and correctly the following
164 information:

165 (1) The total assessed value of real estate;

166 (2) The total exempted assessed value of
167 homesteads;

168 (3) The exempt tax rates, except the state rate,
169 expressed in mills, or a decimal fraction of a mill, which apply
170 to the exempted assessed value of homes;

171 (4) The total tax loss resulting from application
172 of those rates to the total exempted assessed value of homes; and

173 (5) Such additional information as the commission
174 may require.

175 Certificates evidencing tax losses for exemptions granted
176 from taxes due and payable in 1986 and for subsequent years
177 thereafter shall show truly and correctly the total number of
178 applications allowed for homestead exemption and the total tax
179 loss resulting from applications allowed for homestead exemption;
180 and such additional information as the commission may require.

181 The certificates shall be made in triplicate and be certified
182 by him as being true and correct; and not later than December 31
183 of each year he shall forward the original certificates to the
184 commission, deliver the duplicate certificates to the tax
185 collector, and retain the triplicate certificates in his file as a
186 public record. Certificates received later than June 1 of the
187 year following the year in which the supplemental roll is made
188 shall not be considered for reimbursement by the commission.

189 SECTION 3. Section 27-35-309, Mississippi Code of 1972, is
190 amended as follows:

191 27-35-309. (1) The State Tax Commission shall, if
192 practicable, on or before the first Monday of June of each year,
193 make out for each person, firm, company or corporation listed in
194 Section 27-35-303, Mississippi Code of 1972, an assessment of said
195 company's property, both real and personal, tangible and
196 intangible. The State Tax Commission shall apportion the
197 assessment of value of each company's property according to the
198 provisions of this article, except as provided in subsection (3)
199 of this section, as follows:

200 (a) When the property of such public service company is
201 located in more than one (1) county in this state, the State Tax
202 Commission shall direct the company to apportion the assessed
203 value between the counties and municipalities and all other taxing
204 districts therein, in the proportion which the property located
205 therein bears to the entire value of the property of such company
206 as valued by the commission, so that to each county, municipality
207 and taxing district therein, there shall be apportioned such part
208 of the entire valuation as will fairly equalize the relative value
209 of the property therein located to the whole value thereof.

210 (b) When the property of such public utility required
211 to be assessed by the provisions of this article is located in
212 more than one (1) state, the assessed value thereof shall be
213 apportioned by the State Tax Commission in such manner as will
214 fairly and equitably determine the principal sum for the value
215 thereof in this state, and after ascertaining such value it shall
216 be apportioned by them as herein provided.

217 The assessment roll shall contain all the property of any
218 such public service company, railroad, person, firm or corporation
219 and the value thereof, and so made that each county, municipality,
220 and taxing district shall receive its just share of taxes
221 proportionately to the amount of property therein situated.

222 (2) (a) The assessment when made shall remain open for
223 twenty (20) days in the office of the State Tax Commission, and be

224 for such time subject to the objections thereto which may be
225 filed; but real estate belonging to railroads and which forms no
226 part of the road, and is wholly disconnected from its railroad
227 business, shall not be assessed by the State Tax Commission, but
228 shall be assessed as other real estate is assessed by the tax
229 assessor of the county where situated.

230 (b) The apportionment of the assessed value as required
231 by this section shall be filed with the State Tax Commission by
232 such public service company on or before the first day of August
233 in each year. If such company shall fail, refuse or neglect to
234 render the apportionment of assessed value as required by this
235 section, such company shall be subject to the penalties provided
236 for in Section 27-35-305. The filing of an objection by such
237 public service company shall not preclude such company from filing
238 the property apportionment as required by this section.

239 (3) Any nuclear generating plant which is located in the
240 state, which is owned or operated by a public utility rendering
241 electric service within the state and not exempt from ad valorem
242 taxation under any other statute and which is not owned or
243 operated by an instrumentality of the federal government shall be
244 exempt from county, municipal and district ad valorem taxes. In
245 lieu of the payment of county, municipal and district ad valorem
246 taxes, such public utility shall pay to the State Tax Commission a
247 sum based on the assessed value of such nuclear generating plant
248 in an amount to be determined and distributed as follows:

249 (a) The State Tax Commission shall annually assign an
250 assessed value to any nuclear generating plant described in this
251 subsection in the same manner as for ad valorem tax purposes by
252 using accepted industry methods for appraising and assessing
253 public utility property. The assessed value assigned shall be
254 used for the purpose of determining the in-lieu tax due under this
255 section and shall not be included on the ad valorem tax rolls of
256 the situs taxing authority nor be subject to ad valorem taxation

257 by the situs taxing authority nor shall the assessed value
258 assigned be used in determining the debt limit of the situs taxing
259 authority. However, the assessed value so assigned may be used by
260 the situs taxing authority for the purpose of determining salaries
261 of its public officials.

262 (b) On or before February 1, 1987, for the 1986 taxable
263 year and on or before February 1 of each year through the 1989
264 taxable year, such utility shall pay to the State Tax Commission a
265 sum equal to two percent (2%) of the assessed value as ascertained
266 by the State Tax Commission, but such payment shall not be less
267 than Sixteen Million Dollars (\$16,000,000.00) for any of the four
268 (4) taxable years; all such payments in excess of Sixteen Million
269 Dollars (\$16,000,000.00) for these four (4) taxable years shall be
270 paid into the General Fund of the state. On or before February 1,
271 1991, for the 1990 taxable year and on or before February 1 of
272 each year thereafter, such utility shall pay to the State Tax
273 Commission a sum equal to two percent (2%) of the assessed value
274 as ascertained by the State Tax Commission, but such payment shall
275 not be less than Twenty Million Dollars (\$20,000,000.00) for any
276 taxable year for as long as such nuclear power plant is licensed
277 to operate and is not being permanently decommissioned; all such
278 payments in excess of Sixteen Million Dollars (\$16,000,000.00) for
279 taxable years 1990 and thereafter shall be paid as follows:

280 (i) An amount of Three Million Forty Thousand
281 Dollars (\$3,040,000.00) annually, beginning with fiscal year 1991,
282 shall be transferred by the State Tax Commission to Claiborne
283 County. Such payments may be expended by the Board of Supervisors
284 of Claiborne County for any purpose for which a county is
285 authorized by law to levy an ad valorem tax and shall not be
286 included or considered as proceeds of ad valorem taxes for the
287 purposes of the growth limitation on ad valorem taxes under
288 Sections 27-39-305 and 27-39-321. Provided, however, should the
289 Board of Supervisors of Claiborne County withdraw its support of

290 the Grand Gulf Nuclear Station off-site emergency plan or
291 otherwise fail to satisfy its off-site emergency plan commitments
292 as determined by the Mississippi Emergency Management Agency and
293 the Federal Emergency Management Agency, Five Hundred Thousand
294 Dollars (\$500,000.00) annually of the funds designated for
295 Claiborne County as described by this subsection (i) shall be
296 deposited in the Grand Gulf Disaster Assistance Fund as provided
297 in Section 33-15-51.

298 (ii) An amount of One Hundred Sixty Thousand
299 Dollars (\$160,000.00) annually, beginning with fiscal year 1991,
300 shall be transferred by the State Tax Commission to the City of
301 Port Gibson, Mississippi. Such payments may be expended by the
302 Board of Aldermen of the City of Port Gibson for any purpose for
303 which a municipality is authorized by law to levy an ad valorem
304 tax and shall not be included or considered as proceeds of ad
305 valorem taxes for the purposes of the growth limitation on ad
306 valorem taxes under Sections 27-39-305 and 27-39-321. Provided,
307 however, should the Board of Aldermen of the City of Port Gibson
308 withdraw its support of the Grand Gulf Nuclear Station off-site
309 emergency plan or otherwise fail to satisfy its off-site emergency
310 plan commitment, as determined by the Mississippi Emergency
311 Management Agency and the Federal Emergency Management Agency,
312 Fifty Thousand Dollars (\$50,000.00) annually of the funds
313 designated for the City of Port Gibson as described by this
314 subsection (ii) shall be deposited in the Grand Gulf Disaster
315 Assistance Fund as provided in Section 33-15-51.

316 (iii) The remaining balance of the payments in
317 excess of Sixteen Million Dollars (\$16,000,000.00) annually, less
318 amounts transferred under (i) and (ii) of this subsection,
319 beginning with fiscal year 1991, shall be allocated in accordance
320 with subsection (3)(f) of this section.

321 (c) Pursuant to certification by the Attorney General
322 to the State Treasurer and the State Tax Commission that the suit

323 against the State of Mississippi pending on the effective date of
324 House Bill 8, First Extraordinary Session of 1990, [Laws, 1990 Ex
325 Session, Ch. 12, eff June 26, 1990], in the Chancery Court for the
326 First Judicial District of Hinds County, Mississippi, styled
327 Albert Butler et al v. the Mississippi State Tax Commission et al,
328 has been voluntarily dismissed with prejudice as to all plaintiffs
329 at the request of the complainants and that no attorney's fees or
330 court costs have been assessed against the state and each of the
331 parties, including Claiborne County and each municipality and
332 school district located in the county, have signed and delivered
333 to the Attorney General a full and complete release in favor of
334 the State of Mississippi and its elected officials of all claims
335 that have been asserted or may be asserted in the suit pending on
336 the effective date of House Bill 8, First Extraordinary Session of
337 1990, [Laws, 1990 Ex Session, Ch. 12, eff June 26, 1990], in the
338 Chancery Court for the First Judicial District of Hinds County,
339 Mississippi, styled Albert Butler et al v. the Mississippi State
340 Tax Commission et al, and the deposit into the State General Fund
341 of in-lieu payments and interest thereon due the state under
342 subsection (3)(b) of this section but placed in escrow because of
343 the lawsuit described above, the state shall promptly transfer to
344 the Board of Supervisors of Claiborne County out of the State
345 General Fund an amount of Two Million Dollars (\$2,000,000.00)
346 which shall be a one-time distribution to Claiborne County from
347 the state. Such payment may be expended by the Board of
348 Supervisors of Claiborne County for any purposes for which a
349 county is authorized by law to levy an ad valorem tax and shall
350 not be included or considered as proceeds of ad valorem taxes for
351 the purposes of the growth limitation on ad valorem taxes for the
352 1991 fiscal year under Sections 27-39-321 and 27-39-305.

353 (d) After distribution of the one-time payment to
354 Claiborne County as set forth in subsection (3)(c) of this
355 section, the State Tax Commission upon certification that the

356 pending lawsuit as described in subsection (3)(c) of this section
357 has been voluntarily dismissed shall promptly deposit an amount of
358 Five Hundred Thousand Dollars (\$500,000.00) into the Grand Gulf
359 Disaster Assistance Trust Fund as provided for in Section
360 33-15-51, which shall be a one-time payment, to be utilized in
361 accordance with the provisions of such section.

362 (e) After distribution of the one-time payment to
363 Claiborne County as set forth in subsection (3)(c) of this section
364 and the payment to the Grand Gulf Disaster Assistance Trust Fund
365 as set forth in subsection (3)(d) of this section, the State Tax
366 Commission upon certification that the pending lawsuit as
367 described in subsection (3)(c) of this section has been
368 voluntarily dismissed shall promptly distribute ten percent (10%)
369 of the remainder of the prior payments remaining in escrow to the
370 General Fund of the state and the balance of the prior payments
371 remaining in escrow shall be distributed to the counties and
372 municipalities in this state wherein such public utility has
373 rendered electric service in the proportion that the amount of
374 electric energy consumed by the retail customers of such public
375 utility in each county, excluding municipalities therein, and in
376 each municipality, for the next preceding fiscal year bears to the
377 total amount of electric energy consumed by all retail customers
378 of such public utility in the State of Mississippi for the next
379 preceding fiscal year. The payments distributed to the counties
380 and municipalities under this paragraph (e) may be expended by
381 such counties and municipalities for any lawful purpose and shall
382 not be included or considered as proceeds of ad valorem taxes for
383 the purposes of the growth limitation on ad valorem taxes under
384 Sections 27-39-321 and 27-39-305.

385 (f) After distribution of the payments for fiscal year
386 1991 as set forth in Section 19-9-151 and distribution of the
387 payments as provided for in subsection (3)(b) of this section, the
388 State Tax Commission shall distribute ten percent (10%) of the

389 remainder of the payments to the General Fund of the state and the
390 balance to the counties and municipalities in this state wherein
391 such public utility renders electric service in the proportion
392 that the amount of electric energy consumed by the retail
393 customers of such public utility in each county, excluding
394 municipalities therein, and in each municipality for the next
395 preceding fiscal year bears to the total amount of electric energy
396 consumed by all retail customers of such public utility in the
397 State of Mississippi for the next preceding fiscal year.

398 (g) No county, including municipalities therein, shall
399 receive in excess of twenty percent (20%) of the funds distributed
400 under paragraph (f) of this subsection.

401 (h) The revenues received by counties and
402 municipalities under paragraph (f) of this subsection shall not be
403 included or considered as proceeds of ad valorem taxes for the
404 purposes of the growth limitation on ad valorem taxes under
405 Sections 27-39-305 and 27-39-321.

406 SECTION 4. Section 27-35-313, Mississippi Code of 1972, is
407 amended as follows:

408 27-35-313. So soon as the assessment rolls have remained
409 subject to objection for twenty (20) days, and when all
410 objections, if any, are disposed of, the assessment rolls shall be
411 approved by order of the State Tax Commission, and a certified
412 copy of the same shall be sent immediately to the clerks of the
413 board of supervisors of the respective counties, who shall file
414 and preserve the same as a record.

415 SECTION 5. This act shall take effect and be in force from
416 and after its passage.