HOUSE BILL NO. 1080

AN ACT TO AMEND SECTION 27-35-515, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE STATE TAX COMMISSION SHALL RETAIN 3% OF THE TAX ON RAILCARS THAT IS COLLECTED BY THE COMMISSION IN ORDER TO DEFRAY THE COST OF THE COLLECTION OF THE TAX AND THE DISTRIBUTION OF THE PROCEEDS OF THE TAX TO THE COUNTIES; TO AMEND SECTION 27-35-517, MISSISSIPPI CODE OF 1972, TO REDUCE TO 20 DAYS THE AMOUNT OF TIME THAT THE ASSESSMENT SHALL REMAIN OPEN AND SUBJECT TO OBJECTIONS BY RAILCAR COMPANIES; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-35-515, Mississippi Code of 1972, is amended as follows:

27-35-515. Any railcar company required to be assessed under Section 27-35-501, Mississippi Code of 1972, shall be exempt from county, municipal and district ad valorem taxes. In lieu of the payment of ad valorem taxes, such company shall pay to the State Tax Commission a sum based upon the assessed value of the company in an amount to be determined and distributed as follows:

(a) The State Tax Commission shall annually assign an assessed value to any railcar company described in Section 27-35-501, Mississippi Code of 1972. In determining this assessed value, the commission shall consider the value of the company's cars apportioned to Mississippi and, among other things, the proportion of the total number of car miles within the state during the preceding year to the total number of such car miles during the same period, both within and without the state.

(b) On or before the first day of December for the year applicable, such company shall pay to the State Tax Commission a sum equal to the assessed value of that company's railcars apportioned to Mississippi multiplied by a rate as determined by
the tax commission comprised of applicable statewide averages of county and municipal millages.

(c) The State Tax Commission shall have the power to adopt, amend or repeal rules and regulations necessary to implement the duties assigned to the commission in this section.

(d) Funds collected under this section shall be distributed to the respective counties of the state in proportion to the number of miles of railroad in the respective county to the total number of miles of railroad in the entire state. The State Tax Commission shall retain three percent (3%) of the funds collected under this section to defray the cost of collection and distribution of such funds.

SECTION 2. Section 27-35-517, Mississippi Code of 1972, is amended as follows:

27-35-517. The assessment when made and completed shall remain open for twenty (20) days for inspection by order of the State Tax Commission and be subject to objections by the railcar companies for the same time period. The commission shall hear all objections, and it may increase or decrease any assessment if such action appears to be necessary and proper.

SECTION 3. This act shall take effect and be in force from and after July 1, 2002.