

By: Representative Reynolds

To: Ways and Means

HOUSE BILL NO. 1266

1 AN ACT TO AMEND SECTION 57-10-255, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT CERTAIN AD VALOREM TAX EXEMPTIONS PROVIDED UNDER
3 THE MISSISSIPPI BUSINESS FINANCING ACT MUST BE APPROVED BY THE
4 APPROPRIATE LOCAL TAXING AUTHORITY BEFORE BECOMING EFFECTIVE; AND
5 FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 57-10-255, Mississippi Code of 1972, is
8 amended as follows:

9 57-10-255. (1) The company is hereby declared to be
10 performing a public function and to be a public body corporate and
11 a political subdivision of the state. Accordingly, the income,
12 including any profit made on the sale thereof from all bonds
13 issued by the company, shall at all times be exempt from all
14 taxation by the state or any public subdivision thereof. If,
15 after all indebtedness and other obligations of the company are
16 discharged the company is dissolved, its remaining assets shall
17 inure to the benefit of the state.

18 (2) All mortgages or deeds of trust executed as security
19 therefor, all lease, loan or purchase agreements made pursuant to
20 the provisions hereof, all purchases required to establish the
21 enterprise and financed by proceeds from bonds issued pursuant to
22 Chapter 10, Title 57, Mississippi Code of 1972, shall likewise be
23 exempt from all taxation in the State of Mississippi except the
24 contractors' tax imposed by Section 27-65-21, and all projects
25 financed by the proceeds from such bonds and the revenue derived
26 from any lease thereof shall be exempt from all taxation in the
27 State of Mississippi, except the tax levied by Section 27-65-21,
28 and except the tax levied under Chapter 7, Title 27, Mississippi



29 Code of 1972. From and after July 1, 2002, there shall be no new
30 ad valorem tax exemption authorized under this section unless
31 approved by the appropriate local taxing authority.

32 (3) The time of any ad valorem tax exemption provided for
33 hereunder shall not exceed a total of ten (10) years, which shall
34 run from the date of the completion of the project. In no event
35 shall the term of the ad valorem tax exemption provided for
36 hereunder be limited, terminated or otherwise affected by payment
37 in full of the bonds issued under this chapter or by the change
38 from a leasehold to a fee title in the enterprise financed with
39 bonds issued under this chapter.

40 (4) From and after July 1, 1990, there shall be no new
41 exemption under this section from ad valorem taxes levied for
42 school district purposes.

43 **SECTION 2.** This act shall take effect and be in force from
44 and after July 1, 2002.

