HOUSE BILL NO. 1635

AN ACT TO AMEND SECTION 27-33-77, MISSISSIPPI CODE OF 1972, TO INCREASE THE AMOUNT OF REIMBURSEMENT TO COUNTIES FOR TAX LOSSES SUSTAINED BECAUSE OF HOMESTEAD EXEMPTION; TO AMEND SECTION 27-33-79, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-33-77, Mississippi Code of 1972, is amended as follows:

27-33-77. (1) Beginning with the 1985 supplemental roll, and for each succeeding year's roll thereafter, the amount of tax loss to be reimbursed because of exemptions provided for in this article shall be Fifty Dollars ($50.00) each for county taxes exempted and school taxes exempted for a total of One Hundred Dollars ($100.00) per applicant qualifying for homestead exemption under this article.

(2) In addition to the amount necessary to fund the reimbursement provided for in subsection (1) of this section, the following additional amounts shall be appropriated to the homestead reimbursement to the counties for tax losses because of exemptions provided for in this article:

(a) 2002 supplemental roll -- Two Million Dollars ($2,000,000.00);

(b) 2003 supplemental roll -- Four Million Dollars ($4,000,000.00);

(c) 2004 supplemental roll -- Six Million Dollars ($6,000,000.00);

(d) 2005 supplemental roll -- Eight Million Dollars ($8,000,000.00);
(e) 2006 supplemental roll -- Ten Million Dollars ($10,000,000.00);
(f) 2007 supplemental roll -- Twelve Million Dollars ($12,000,000.00);
(g) 2008 supplemental roll -- Fourteen Million Dollars ($14,000,000.00);
(h) 2009 supplemental roll -- Sixteen Million Dollars ($16,000,000.00);
(i) 2010 supplemental roll -- Eighteen Million Dollars ($18,000,000.00); and
(j) 2011 supplemental roll and for each succeeding year's roll thereafter -- Twenty Million Dollars ($20,000,000.00).

These amounts shall be distributed to the counties based on the proportion that the number of homestead applications filed in each county each year bears to the total number of homestead applications filed in the state each year.

[3] The reimbursement received by the county shall be distributed by the county treasurer to the general fund. Such reimbursement may be pledged as security for any loan received by the county for the purpose of capital improvements as authorized under Section 57-1-303, or for the purpose of loans as authorized under Section 57-44-7, or for the purpose of water systems improvements as authorized under Section 41-3-16.

[4] Provided further, that tax losses sustained by municipalities because of exemptions granted to homeowners described in subsection (2) of Section 27-33-67 shall be reimbursed up to the amount of the actual exemption allowed, not to exceed Two Hundred Dollars ($200.00) per qualified applicant.

SECTION 2. Section 27-33-79, Mississippi Code of 1972, is amended as follows:

27-33-79. Notwithstanding the limitation imposed on reimbursement of tax losses in Section 27-33-77, no taxing unit shall be reimbursed more than one hundred six percent (106%)
except as otherwise provided in this section, or less than the
amount of the reimbursement made to the same taxing unit, for the
next preceding year, unless such reimbursement is reduced as a
result of a reduction in approved homestead applicants; however,
for the 1986 calendar year, no taxing unit shall be reimbursed
less than the amount of the reimbursement made to the same taxing
unit for the 1985 calendar year. However, the limitation on
reimbursement of tax losses imposed in this section shall not
apply to the reimbursement of tax losses authorized in Section
27-33-77(2).

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