

By: The Entire Membership

To: Ways and Means

HOUSE BILL NO. 1739

1 AN ACT TO AMEND SECTION 27-35-50, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT IN DETERMINING THE TRUE VALUE OF AQUACULTURE FOR  
3 AD VALOREM TAX PURPOSES, SUCH VALUE SHALL BE DETERMINED IN THE  
4 SAME MANNER AS THAT USED TO DETERMINE THE TRUE VALUE OF ROW CROPS;  
5 AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 27-35-50, Mississippi Code of 1972, is  
8 amended as follows:

9 27-35-50. (1) True value shall mean and include, but shall  
10 not be limited to, market value, cash value, actual cash value,  
11 proper value and value for the purposes of appraisal for ad  
12 valorem taxation.

13 (2) With respect to each and every parcel of property  
14 subject to assessment, the tax assessor shall, in ascertaining  
15 true value, consider whenever possible the income capitalization  
16 approach to value, the cost approach to value and the market data  
17 approach to value, as such approaches are determined by the State  
18 Tax Commission. For differing types of categories of property,  
19 differing approaches may be appropriate. The choice of the  
20 particular valuation approach or approaches to be used should be  
21 made by the assessor upon a consideration of the category or  
22 nature of the property, the approaches to value for which the  
23 highest quality data is available, and the current use of the  
24 property.

25 (3) Except as otherwise provided in subsection (4) of this  
26 section, in determining the true value of land and improvements  
27 thereon, factors to be taken into consideration are the proximity  
28 to navigation; to a highway; to a railroad; to a city, town,



29 village or road; and any other circumstances that tend to affect  
30 its value, and not what it might bring at a forced sale but what  
31 the owner would be willing to accept and would expect to receive  
32 for it if he were disposed to sell it to another able and willing  
33 to buy.

34 (4) In arriving at the true value of all Class I and Class  
35 II property and improvements, the appraisal shall be made  
36 according to current use, regardless of location.

37 In arriving at the true value of any land used for  
38 agricultural purposes, the appraisal shall be made according to  
39 its use on January 1 of each year, regardless of its location; in  
40 making the appraisal, the assessor shall use soil types,  
41 productivity and other criteria set forth in the land appraisal  
42 manuals of the State Tax Commission, which criteria shall include,  
43 but not be limited to, an income capitalization approach with a  
44 capitalization rate of not less than ten percent (10%) and a  
45 moving average of not more than ten (10) years. However, for the  
46 year 1990, the moving average shall not be more than five (5)  
47 years; for the year 1991, not more than six (6) years; for the  
48 year 1992, not more than seven (7) years; for the year 1993, not  
49 more than eight (8) years; and for the year 1994, not more than  
50 nine (9) years; and for the year 1990, the variation up or down  
51 from the previous year shall not exceed twenty percent (20%) and  
52 thereafter, the variation, up or down, from a previous year shall  
53 not exceed ten percent (10%). The land shall be deemed to be used  
54 for agricultural purposes when it is devoted to the commercial  
55 production of crops and other commercial products of the soil,  
56 including, but not limited to, the production of fruits and timber  
57 or the raising of livestock and poultry; provided, however,  
58 enrollment in the federal Conservation Reserve Program or in any  
59 other United States Department of Agriculture conservation program  
60 shall not preclude land being deemed to be used for agricultural  
61 purposes solely on the ground that the land is not being devoted



62 to the production of commercial products of the soil, and income  
63 derived from participation in the federal program may be used in  
64 combination with other relevant criteria to determine the true  
65 value of such land. The true value of aquaculture shall be  
66 determined in the same manner as that used to determine the true  
67 value of row crops.

68 In determining the true value based upon current use, no  
69 consideration shall be taken of the prospective value such  
70 property might have if it were put to some other possible use.

71 (5) The true value of each class of property shall be  
72 determined annually.

73 (6) The State Tax Commission shall have the power to adopt,  
74 amend or repeal such rules or regulations in a manner consistent  
75 with the Constitution of the State of Mississippi to implement the  
76 duties assigned to the commission in this section.

77 **SECTION 2.** Nothing in this act shall affect or defeat any  
78 claim, assessment, appeal, suit, right or cause of action for  
79 taxes due or accrued under the ad valorem tax laws before the date  
80 on which this act becomes effective, whether such claims,  
81 assessments, appeals, suits or actions have been begun before the  
82 date on which this act becomes effective or are begun thereafter;  
83 and the provisions of the ad valorem tax laws are expressly  
84 continued in full force, effect and operation for the purpose of  
85 the assessment, collection and enrollment of liens for any taxes  
86 due or accrued and the execution of any warrant under such laws  
87 before the date on which this act becomes effective, and for the  
88 imposition of any penalties, forfeitures or claims for failure to  
89 comply with such laws.

90 **SECTION 3.** This act shall take effect and be in force from  
91 and after January 1, 2002.

