

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.

