

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2897

1 AN ACT TO AMEND SECTION 27-35-515, MISSISSIPPI CODE OF 1972,  
 2 TO PROVIDE THAT THE STATE TAX COMMISSION SHALL RETAIN 3% OF THE  
 3 TAX ON RAILCARS THAT IS COLLECTED BY THE COMMISSION IN ORDER TO  
 4 DEFRAY THE COST OF THE COLLECTION OF THE TAX AND THE DISTRIBUTION  
 5 OF THE PROCEEDS OF THE TAX TO THE COUNTIES; TO AMEND SECTION  
 6 27-35-517, MISSISSIPPI CODE OF 1972, TO REDUCE TO 20 DAYS THE  
 7 AMOUNT OF TIME THAT THE ASSESSMENT SHALL REMAIN OPEN AND SUBJECT  
 8 TO OBJECTIONS BY RAILCAR COMPANIES; AND FOR RELATED PURPOSES.

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

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

12 27-35-515. Any railcar company required to be assessed under  
 13 Section 27-35-501, Mississippi Code of 1972, shall be exempt from  
 14 county, municipal and district ad valorem taxes. In lieu of the  
 15 payment of ad valorem taxes, such company shall pay to the State  
 16 Tax Commission a sum based upon the assessed value of the company  
 17 in an amount to be determined and distributed as follows:

18 (a) The State Tax Commission shall annually assign an  
 19 assessed value to any railcar company described in Section  
 20 27-35-501, Mississippi Code of 1972. In determining this assessed  
 21 value, the commission shall consider the value of the company's  
 22 cars apportioned to Mississippi and, among other things, the  
 23 proportion of the total number of car miles within the state  
 24 during the preceding year to the total number of such car miles  
 25 during the same period, both within and without the state.

26 (b) On or before the first day of December for the year  
 27 applicable, such company shall pay to the State Tax Commission a  
 28 sum equal to the assessed value of that company's railcars  
 29 apportioned to Mississippi multiplied by a rate as determined by



30 the tax commission comprised of applicable statewide averages of  
31 county and municipal millages.

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

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

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

44 27-35-517. The assessment when made and completed shall  
45 remain open for twenty (20) days for inspection by order of the  
46 State Tax Commission and be subject to objections by the railcar  
47 companies for the same time period. The commission shall hear all  
48 objections, and it may increase or decrease any assessment if such  
49 action appears to be necessary and proper.

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

