

By: Representative Watson

To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1158

1 AN ACT TO AMEND SECTION 27-31-104, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT PROPERTY THAT IS SUBJECT TO A FEE IN LIEU OF AD  
3 VALOREM TAXES AGREEMENT SHALL CONTINUE UNDER AGREEMENT ONLY WHILE  
4 THE PROJECT DOES NOT DETERIORATE IN VALUE UNLESS FOR NORMAL  
5 DEPRECIATION; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 27-31-104, Mississippi Code of 1972, is  
8 amended as follows:

9 27-31-104. County boards of supervisors and municipal  
10 authorities are hereby authorized and empowered to grant a fee in  
11 lieu of taxes, including taxes levied for school purposes, for  
12 projects totaling over One Hundred Million Dollars  
13 (\$100,000,000.00). In addition to those new enterprises  
14 enumerated in Section 27-31-101, Mississippi Code of 1972, the  
15 term "projects," as used in this section, shall include a private  
16 company (as such term is defined in Section 57-61-5, Mississippi  
17 Code of 1972) having a minimum capital investment of One Hundred  
18 Million Dollars (\$100,000,000.00).

19 The fee in lieu shall be negotiated by and given final  
20 approval by the Mississippi Development Authority.

21 The minimum sum allowable as a fee in lieu shall not be less  
22 than one-third (1/3) of the ad valorem levy, including ad valorem  
23 taxes for school district purposes, and the sum allowed shall be  
24 apportioned between the county or municipality, as appropriate,  
25 and the school districts in such amounts as may be determined by  
26 the county board of supervisors or municipal governing authority,  
27 as the case may be, however, from the sum allowed the  
28 apportionment to school districts shall not be less than the

29 school districts' pro rata share based upon the proportion that  
30 the millage imposed for the school districts by the appropriate  
31 levying authority bears to the millage imposed by such levying  
32 authority for all other county or municipal purposes. The  
33 agreement shall be for a term of not more than ten (10) years.

34 It is the intent of the Legislature that the project that is  
35 subject to a fee in lieu agreement should continue to benefit from  
36 the fee in lieu agreement during the term of the agreement only as  
37 long as the project maintains a true value on the tax rolls of at  
38 least One Hundred Million Dollars (\$100,000,000.00) subject only  
39 to normal depreciation and not functional or economic  
40 obsolescence.

41 **SECTION 2.** This act shall take effect and be in force from  
42 and after its passage.