

By: Representatives Compretta, Davis

To: Ways and Means

HOUSE BILL NO. 1721

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF ANY
 2 MUNICIPALITY, IN THEIR DISCRETION, TO DEFER FOR A PERIOD OF UP TO
 3 THREE YEARS AD VALOREM TAX ON REAL PROPERTY AND/OR INVENTORY
 4 LEVIED UPON ANY NEW CAPITAL INVESTMENTS IN LAND, BUILDINGS OR
 5 DEPRECIABLE FIXED ASSETS AND IMPROVEMENTS WITHIN THE MUNICIPALITY
 6 MADE BY CERTAIN SMALL BUSINESSES OR ENTITIES MEETING CERTAIN NEW
 7 INVESTMENT AND EMPLOYMENT CRITERIA; TO AMEND SECTION 27-41-1,
 8 MISSISSIPPI CODE OF 1972, IN CONFORMITY WITH THE PROVISIONS OF
 9 THIS ACT; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** (1) The governing authorities of any
 12 municipality, in their discretion, may defer for a period of up to
 13 three (3) years ad valorem tax on real property and/or inventory,
 14 including ad valorem taxes imposed on commodities, products,
 15 goods, wares and merchandise held for resale, with the exception
 16 of school ad valorem taxes, levied upon any new capital
 17 investments in land, buildings, or depreciable fixed assets and
 18 improvements within the municipality made by any business or
 19 entity having less than fifty (50) employees whenever the new
 20 investment of such business or entity is at least One Hundred
 21 Thousand Dollars (\$100,000.00), in the aggregate, and such new
 22 investment provides for the employment of at least five (5) new
 23 employees.

24 (2) The deferral of taxes provided for under subsection (1)
 25 of this section may be authorized by resolution duly adopted and
 26 entered upon the minutes of the governing authorities of the
 27 municipality following receipt of an application filed with the
 28 governing authorities by the business or entity describing in
 29 detail:

30 (a) The total dollar amount of new capital investments
31 proposed to be made;

32 (b) The property for which ad valorem taxation deferral
33 is requested;

34 (c) A timetable for completion of the new capital
35 investment project;

36 (d) A demonstration that the business or entity is
37 financially sound and is likely to fulfill its commitments; and

38 (e) Any other information that the governing
39 authorities of the municipality may require.

40 **SECTION 2.** Section 27-41-1, Mississippi Code of 1972, is
41 amended as follows:

42 27-41-1. Except as may otherwise be provided in Section
43 27-41-2, or Section 1 of House Bill No. _____, 2005 Regular
44 Session, all state, county, school, road, levee and other taxing
45 districts and municipal ad valorem taxes, except ad valorem taxes
46 levied for county or district or municipal bonds and other
47 evidences of indebtedness for money borrowed, and interest
48 thereon, heretofore or hereafter assessed or levied shall be due,
49 payable and collectible by the tax collector and shall be paid on
50 or before the first day of February next succeeding the date of
51 the assessment and levying of such taxes. All taxes levied for
52 county and district and municipal bonds and interest thereon, or
53 betterment or improvement assessments, shall be paid by each
54 person assessed therewith on or before the first day of February
55 next succeeding the date of the assessment and levying of the
56 same, at the time of payment of the state and county ad valorem
57 taxes, except as otherwise hereinafter provided in this chapter.
58 The tax collector shall begin to accept payment for such ad
59 valorem taxes or assessments not later than December 26 of the
60 year prior to the year in which such taxes are required to be
61 paid.

62 Any county may, by an order spread upon the minutes of the
63 board of supervisors, allow the acceptance of partial payments for
64 ad valorem taxes. Any municipality wherein municipal taxes are
65 not collected by the county may, by an order spread upon the
66 minutes of the governing authority of said municipality, allow the
67 acceptance of partial payments for ad valorem taxes. If said
68 partial payments are allowed by the county or municipality, said
69 partial payments shall be made as follows:

70 (a) One-half (1/2) of all ad valorem taxes due shall be
71 paid on or before February 1.

72 (b) One-fourth (1/4) of all ad valorem taxes, interest
73 and penalty due shall be paid on or before May 1.

74 (c) One-fourth (1/4) of all ad valorem taxes, interest
75 and penalty due shall be paid on or before July 1.

76 If any unpaid balance exists on August 1, then the lands
77 shall be sold at the land sale on the last Monday in August for
78 said unpaid balance.

79 All ad valorem taxes, however, assessed against motor
80 vehicles as prescribed by the Motor Vehicle Ad Valorem Tax Law of
81 1958, for any and all purposes and in any and all jurisdictions,
82 shall be paid in full on the date such taxes are due and payable.

83 **SECTION 3.** This act shall take effect and be in force from
84 and after July 1, 2005.