

By: Senator(s) Cuevas

To: Finance

SENATE BILL NO. 2755

1 AN ACT TO AUTHORIZE AN AD VALOREM TAX EXEMPTION FOR
2 HOMEOWNERS 65 YEARS OF AGE OR OLDER FOR INCREASES IN THE ASSESSED
3 VALUE ON THEIR HOME SUBSEQUENT TO THE DATE THAT THEY QUALIFY FOR
4 THE EXEMPTION; TO PROVIDE THAT THIS EXEMPTION SHALL NOT APPLY TO
5 HOMEOWNERS WITH AN ADJUSTED GROSS INCOME ON THEIR FEDERAL TAX
6 RETURN IN EXCESS OF \$70,000.00; TO REQUIRE THAT THE EXEMPTION BE
7 APPLIED FOR ANNUALLY; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** (1) Except as otherwise provided in this
10 section, homeowners who qualify for the exemption provided for in
11 Section 27-33-3 by reason of being sixty-five (65) years of age or
12 older may apply for the exemption provided for in this section.

13 (2) Any increase in the assessed value of the homestead of a
14 homeowner described in subsection (1) of this section that occurs
15 subsequent to the date that the homeowner qualifies as provided
16 for in subsection (4) of this section, shall be exempt from ad
17 valorem taxation.

18 (3) A homeowner shall not be eligible for the exemption
19 authorized by this section if the homeowner's adjusted gross
20 income, as reported in the homeowner's federal tax return for the
21 year prior to the year in which the exemption is applied to the
22 property, exceeds Seventy Thousand Dollars (\$70,000.00). In the
23 case of a person whose filing status is married and filing
24 separately, the homeowner shall not be eligible for the exemption
25 authorized by this section if the combined adjusted gross income
26 reported in the federal income tax returns of the homeowner and
27 his spouse exceed Seventy Thousand Dollars (\$70,000.00). The
28 Seventy Thousand Dollar (\$70,000.00) limit shall be increased in
29 an amount equal to the percentage increase in the Consumer Price

30 Index, as established by the United States Department of Labor,
31 with the January 2006 index to be used as the base month and year
32 for calculating increases.

33 (4) (a) An eligible homeowner shall apply annually for the
34 exemption authorized by this section with the county tax
35 collector. The application shall be accompanied by such
36 information as the tax collector considers necessary to determine
37 if the homeowner qualifies for the exemption and the tax collector
38 shall determine whether the homeowner qualifies for the exemption.
39 Any adverse decision may be appealed as provided in Section
40 27-33-55.

41 (b) If an eligible homeowner fails to qualify for the
42 exemption in one (1) year and qualifies in a subsequent year, the
43 exemption shall be based on the ad valorem tax for the most recent
44 year the owner failed to receive the exemption.

45 (5) The exemption shall not apply if the value to the home
46 is increased by twenty-five percent (25%) due to construction or
47 reconstruction.

48 (6) An eligible homeowner's surviving spouse who is
49 fifty-five (55) years of age or older, or who has minor children,
50 shall be eligible to continue the exemption in the same manner as
51 the homeowner.

52 **SECTION 2.** This act shall take effect and be in force from
53 and after July 1, 2007.