

By: Senator(s) Jackson (32nd), Robertson,
Nunnelee

To: Public Property; Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3048

1 AN ACT TO AUTHORIZE THE DEPARTMENT OF FINANCE AND
2 ADMINISTRATION TO LEASE FOR A CERTAIN NUMBER OF YEARS THE
3 PROPERTY, FORMERLY KNOWN AS THE "OLD SCHOOL FOR THE BLIND,"
4 LOCATED NORTH OF EASTOVER DRIVE IN THE CITY OF JACKSON, HINDS
5 COUNTY, MISSISSIPPI; TO REQUIRE THE PROPERTY TO BE LEASED FOR
6 PRIVATE REDEVELOPMENT RESULTING IN THE HIGHEST AND BEST USE AS
7 DETERMINED BY THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO
8 AMEND SECTIONS 27-33-17 AND 27-33-19, MISSISSIPPI CODE OF 1972, TO
9 ALLOW HOMESTEAD EXEMPTION FOR PERSONS WHO SUBLEASE SUCH LAND FROM
10 THE LESSEE AND OCCUPIES AND USES THE PROPERTY AS A HOME; AND FOR
11 RELATED PURPOSES.

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

13 **SECTION 1.** (1) The Department of Finance and Administration
14 is hereby authorized to lease for a period not to exceed sixty
15 (60) years with an option to renew not to exceed twenty (20) years
16 all of the land, formerly known as the "Old School for the Blind,"
17 located north of Eastover Drive in the City of Jackson, Hinds
18 County, Mississippi, and more particularly described as follows:

19 Starting at a concrete monument that is the SE
20 corner of the SW 1/4 of the SW 1/4 of Section
21 24, T6N, R1E in the First Judicial District, Hinds
22 County, Mississippi, run thence N 00°-01' E along
23 the line between the E 1/2 and the W 1/2 of the
24 SW 1.4 of Section 24, T6N, R1E for a distance of
25 194.40 feet to a point on the north line of Eastover
26 Drive, as said drive is now laid out and improved, the
27 point of beginning.

28 Run thence N 56°-46' W along said north line of said
29 Eastover Drive for a distance of 3.02 feet to the P.C.
30 of a curve to the left with a radius (chord) of 5769.65
31 feet (angle of curve was omitted, 04°-00'-0r"); Run thence

32 along said curve and said north line of Eastover Drive for
33 a distance of 402.91 feet to the P.T. of said curve; Run
34 thence N 60°-46' W along said north line of said Eastover
35 Drive for a distance of 684.92 feet to a point on the east
36 right-of-way line of U.S. Highway No. 51, as said highway
37 is now laid out and improved, Run thence N 29°-14'E along
38 said east right of way line of U.S. Highway No. 51 for a
39 distance of 1422.24 feet to a point; Run thence N 87°-06'
40 E for a distance of 251.28 feet to a point on the line
41 between the E 1/2 and the W 1/2 of the SW 1/4 of Section
42 24, T6N, R1E, and also being a point on the south line
43 of share 1 of the Mosal partition; Run thence S 00°-01'
44 W along said line between the E1/2 and the W1/2 of the
45 SW 1.4 of Section 24, T6N, R1E for a distance of 1796.17
46 feet to the point of beginning.

47 All the above described land being situated in the W 1/2
48 of the SW 1/4 of Section 24, T6N, R1E in the First
49 Judicial District of Hinds County, Mississippi, and being
50 wholly within the corporate limits of the City of Jackson
51 and containing 22.822 acres.

52 (2) The property described in subsection (1) shall be leased
53 for private redevelopment to result in the highest and best use
54 as determined by the Department of Finance and Administration;
55 provided that such redevelopment shall be a mixed-use development,
56 consisting of commercial, residential and retail space, with an
57 investment of not less than One Hundred Million Dollars
58 (\$100,000,000.00). It is the intent of the Legislature that such
59 property will be leased to a private developer for the benefit of
60 creating value while also preserving the local environment,
61 promoting growth in the area and generating a constant revenue
62 stream for the State of Mississippi. The Department of Finance
63 and Administration is authorized to make such terms and agreements

64 as may be reasonably necessary to effect such intent, and to
65 ensure a fair and equitable return to the state.

66 (3) The lessee of the property described in subsection (1)
67 shall be allowed to sublease all or a portion of such property
68 subject to the terms and conditions agreed to by the Department
69 and Finance and Administration.

70 (4) All lease and rental monies from the lease authorized in
71 this section shall be deposited into the State General Fund.

72 (5) Oil, gas and mineral rights in the property described in
73 subsection (1) shall be reserved to the State of Mississippi.

74 (6) Nothing in this section shall be construed to authorize
75 the sale or transfer of title to the property described in
76 subsection (1).

77 **SECTION 2.** Section 27-33-17, Mississippi Code of 1972, is
78 amended as follows:

79 27-33-17. The meaning of the words "own," "owned,"
80 "ownership," and similar words, for the purpose of this article,
81 shall be limited to real estate, and to title, as follows:

82 (a) "Fee title," meaning inheritable title (whether by
83 inheritance, gift or purchase), limited to only ownerships known
84 as (1) "absolute" (freehold) or (2) "tenancy for life" (life
85 estate), or (3) "tenancy in common," "joint tenancy," "joint
86 ownership," and "common title"; the conditions of none of which
87 may be restricted during the life of the owner as to possession,
88 occupancy and use; and, the words "joint owner," "joint tenant" or
89 "joint tenancy," when used in this article shall include "tenant
90 in common," "tenancy in common," and "estate in common," unless a
91 different meaning is clearly indicated by the context.

92 (b) "An express trust of record," meaning a trust
93 created in express terms in a recorded deed, will, or other
94 writing, with reference to the land to which it applies, the
95 beneficiary of which trust is the head of a family, who under the
96 terms of the trust, is entitled to and does occupy and use the

97 property as a home, which property is assessed for taxation to the
98 beneficiary and on which property the beneficiary pays the taxes,
99 unless otherwise provided in the trust.

100 (c) "School lands legally leased," meaning a legal
101 lease of school land which is perpetually renewable, or school
102 land legally leased for a term of ten (10) years or more under the
103 provisions of Section 211 of the Mississippi Constitution, the
104 owner of which lease is the head of a family who is entitled to
105 and does occupy and use the property as a home, and who renders
106 the property for assessment and pays the taxes thereon, as
107 required by law.

108 (d) "Pearl River Valley Water Supply District lands,
109 legally leased," meaning a legal lease of lands owned in fee by
110 the Pearl River Valley Water Supply District, an agency of the
111 State of Mississippi, for a period of twenty (20) years or more,
112 with the option of renewal for successive periods of ten (10)
113 years, to a person, individually or in joint tenancy, who is the
114 head of a family and is entitled to and does occupy and use the
115 property as a home, and who renders the property for assessment
116 and pays the taxes thereon, as required by law.

117 (e) "Mississippi-Yazoo Delta Levee Board lands, legally
118 leased," meaning a legal lease of lands owned in fee title by the
119 Mississippi-Yazoo Delta Levee Board, an agency of the State of
120 Mississippi, for a period of five (5) years or more, with the
121 option of renewal for successive periods of five (5) years, to a
122 person, individually or in joint tenancy, who is the head of a
123 family and is entitled to and does occupy and use the property as
124 a home, and who renders the property for assessment and pays the
125 taxes thereon, as required by law. This exemption shall include
126 all leases in existence that were entered into prior to July 1,
127 1992.

128 (f) If title is held by deed or other grant, such
129 instrument shall be dated and acknowledged on or before January 1

130 of the year for which homestead exemption is applied and shall be
131 filed for record with the chancery clerk on or before January 7 of
132 the year for which homestead exemption is applied and the book and
133 page of such recordation shall be noted on the application. If
134 title is held by will, inheritance, adverse possession or any
135 means other than grant, same may be proved by affidavit, citation
136 of any court record, or such other evidence as may be required by
137 the commission. However, nothing shall prevent homestead
138 exemptions where it shall be shown that title was derived through
139 inheritance and the recording evidence otherwise necessary was
140 later recorded.

141 (g) "Fraternal or benevolent organization land legally
142 leased," meaning a legal lease of land from any fraternal or
143 benevolent organization owning land exempt from ad valorem
144 taxation under the provisions of Section 27-31-1, leased for ten
145 (10) years or more or for life, the owner of which lease is a head
146 of a family who is entitled to and does occupy and uses the
147 property as a home, and who renders the property for assessment
148 and pays the tax thereon, as required by law. This paragraph
149 shall not apply to any leased land if the dwelling located thereon
150 is owned by the fraternal or benevolent organization.

151 (h) "A remainder interest in the dwelling and eligible
152 land" meaning an interest held by the children of a testator in a
153 dwelling and the eligible land on which it is located, created by
154 the express terms of the will of the testator, in which the
155 children of the testator are granted the use of property only upon
156 the death or remarriage of the spouse of the testator or the
157 occurrence of certain other contingencies and such dwelling and
158 the eligible land on which it is located is assessed for taxation
159 to the children of the testator and on which dwelling and eligible
160 land the children of the testator pay the taxes thereon, as
161 required by law.

162 (i) "Old School for the Blind land legally subleased,"
163 meaning a legal sublease of land leased pursuant to Section 1,
164 Senate Bill No. 3048, 2007 Regular Session, subleased for twenty
165 (20) years or more, the owner of which lease is a head of a family
166 who is entitled to and does occupy and uses the property as a
167 home, and who renders the property for assessment and pays the tax
168 thereon, as required by law.

169 **SECTION 3.** Section 27-33-19, Mississippi Code of 1972, is
170 amended as follows:

171 27-33-19. The word "home" or "homestead" whenever used in
172 this article shall mean the dwelling, the essential outbuildings
173 and improvements, and the eligible land assessed on the land roll
174 actually occupied as the primary home of a family group, eligible
175 title to which is owned by the head of the family, a bona fide
176 resident of this state, and when the dwelling is separately
177 assessed on the land roll for the year in which the application is
178 made, subject to the limitations and conditions contained in this
179 article. And the meaning of the word is hereby extended to
180 specifically include:

181 (a) One or more separate, bona fide dwellings and the
182 land on which they are located, each occupied under eligible
183 ownership rights by the widow or the widower, or the children of a
184 deceased parent, each separate home being property or a portion of
185 property owned by a deceased person whose estate has not been
186 distributed or divided or vested in a person or persons for life.
187 But in each case the property for which exemption is sought may
188 not be more than the applicant's inherited portion, and must be
189 accurately described on the application and the conditions
190 explained in writing. But the heirs may elect to accept one (1)
191 homestead for the estate. The home occupied by the surviving
192 spouse as provided by the laws of this state shall be preferred
193 over the homes claimed by the children, and the exemption to any
194 other heir shall not exceed the remaining amount obtained by

195 deducting the assessed value of the surviving spouse's portion
196 from the assessed value of the whole, divided by the number of
197 heirs other than the surviving spouse. Each heir claiming
198 exemption shall meet the requirements as to occupancy, residence
199 and head of a family, and no part of the undivided inherited lands
200 shall be combined with other lands and included in a homestead
201 exemption under this article except in the case of the surviving
202 spouse.

203 (b) One or more separated dwellings and eligible land,
204 not apartments, occupied each by a family group as a bona fide
205 home, eligible title to which entire property is held jointly by
206 purchase or otherwise by the heads of the families, and each joint
207 owner shall be allowed exemption on the proportion of the total
208 assessed value of all the property, equal to his fractional
209 interest (except as otherwise provided in paragraph (r) of this
210 section), provided no part of the jointly owned property shall be
211 exempted to a joint owner who has been allowed an exemption on
212 another home in the state.

213 (c) A dwelling and eligible lands owned jointly or
214 severally by a husband and wife, if they are actually and legally
215 living together. But if husband and wife are living apart, not
216 divorced, as provided by paragraphs (c) and (d) of Section
217 27-33-13, jointly owned land shall not be included except that the
218 dwelling occupied as a home at the time of separation shall be
219 eligible if owned jointly or severally.

220 (d) The dwelling and eligible land on which it is
221 located, owned and actually occupied as a home by a minister of
222 the gospel or by a licensed school teacher actively engaged whose
223 duties as such require them to be away from the home for the major
224 part of each year, including January 1, provided it was eligible
225 before such absence, and no income is derived therefrom, and no
226 part of the dwelling claimed as a home is rented, leased or

227 occupied by another family group, and when the home is eligible
228 except for the temporary absence of the owner.

229 (e) The dwelling and the eligible land on which it is
230 located, consisting of not more than four (4) apartments; provided
231 (1) if one (1) apartment is actually occupied as a home by the
232 owner the exemption shall be limited to one-fourth (1/4) the
233 exemption granted pursuant to this article, or (2) if the dwelling
234 and land is owned by four (4) persons and the four (4) owners each
235 occupy one (1) apartment as a home, the exemption shall be granted
236 equally to each owner; provided revenue is not derived from any
237 part of the property except as permitted by paragraphs (g) and (h)
238 of this section. If the dwelling and the eligible land on which
239 it is located consists of not more than three (3) apartments, and
240 one (1) apartment is actually occupied as a home by the owner, the
241 exemption shall be limited to one-third (1/3) the exemption
242 granted pursuant to this article, or if the dwelling and land is
243 owned by three (3) persons and the three (3) owners each occupy
244 one (1) apartment as a home, the exemption shall be granted
245 equally to each owner; provided revenue is not derived from any
246 part of the property except as permitted by paragraphs (g) and (h)
247 of this section. If the dwelling and the eligible land on which
248 it is located consists of not more than two (2) apartments and one
249 (1) apartment is actually occupied as a home by the owner, the
250 exemption shall be limited to one-half (1/2) the exemption granted
251 pursuant to this article, or if the dwelling and land is owned by
252 two (2) persons and the two (2) owners each occupy one (1)
253 apartment as a home, the exemption shall be granted equally to
254 each owner; provided revenue is not derived from any part of the
255 property except as permitted by paragraphs (g) and (h) of this
256 section.

257 (f) The dwelling and eligible land on which it is
258 located, actually occupied as the bona fide home of a family group
259 owned by the head of the family whereof five (5) and not more than

260 six (6) rooms are rented to tenants or boarders, and where there
261 are rented rooms and an apartment, the apartment shall be counted
262 as three (3) rooms; provided the exemption shall be limited to
263 one-half (1/2) the exemption granted pursuant to this article.

264 (g) The dwelling and eligible land being the bona fide
265 home of a family group owned by the head of the family used partly
266 as a boarding house, or for the entertainment of paying guests, if
267 the number of boarders or paying guests does not exceed eight (8).

268 (h) The dwelling and eligible land being the bona fide
269 home of a family group owned by the head of the family wherein
270 activity of a business nature is carried on, but where the
271 assessed value of the property associated with the business
272 activity is less than one-fifth (1/5) of the total assessed value
273 of the bona fide home; provided, however, that when the owner's
274 full-time business is located in the bona fide home of the head of
275 the family, such owner shall be limited to one-half (1/2) of the
276 exemption granted pursuant to this article.

277 (i) The dwelling and the eligible land on which it is
278 located and other eligible land even though ownership of and title
279 to the dwelling and the land on which it is located has been
280 conveyed to a housing authority for the purpose of obtaining the
281 benefits of the Housing Authorities Law as authorized by Sections
282 43-33-1 through 43-33-53 or related laws.

283 (j) A dwelling and the eligible land on which it is
284 located owned by a person who is physically or mentally unable to
285 care for himself and confined in an institution for treatment
286 shall be eligible notwithstanding the absence of the owner unless
287 the home is excluded under other provisions of this article. The
288 exemption is available for a period of ten (10) years from the day
289 of confinement.

290 (k) The dwelling and the eligible land on which it is
291 located owned by two (2) or more persons of a group, as defined in
292 paragraph (f) of Section 27-33-13, when two (2) or more of the

293 group have eligible title, or if the group holds a life estate, a
294 joint estate or an estate in common; provided the title of the
295 several owners shall be of the same class.

296 (l) A dwelling and the eligible land on which it is
297 located under a lease of sixty (60) years by the Pearl River
298 Valley Water Supply District at the reservoir known as the "Ross
299 Barnett Reservoir" actually occupied as the home or homestead of a
300 family or person as defined heretofore in this article. However,
301 no such family group or any other person heretofore qualified and
302 defined in this article shall be allowed to establish more than
303 one (1) home or homestead for the purpose and intent of this
304 article.

305 (m) Units of a condominium constructed in accordance
306 with Section 89-9-1 et seq., Mississippi Code of 1972, known as
307 the "Mississippi Condominium Law," and actually occupied as the
308 home or homestead of a family or person as defined heretofore in
309 this article. However, no such family group or any other person
310 heretofore qualified and defined in this article shall be allowed
311 to establish more than one (1) home or homestead for the purpose
312 and intent of this article.

313 (n) A dwelling and the eligible land on which it is
314 located held under a lease of ten (10) years or more or for life,
315 from a fraternal or benevolent organization and actually occupied
316 as the home or homestead of a family or person as defined
317 heretofore in this article. No such family group or any other
318 person heretofore qualified and defined in this article shall be
319 allowed to establish more than one (1) home or homestead for the
320 purpose and intent of this article.

321 (o) A dwelling being the bona fide home of a family
322 group owned by the head of the family and located on land owned by
323 a corporation incorporated more than fifty (50) years ago and in
324 which the homeowner is a shareholder, and which corporation owns
325 no land outside Monroe and Itawamba Counties. No family group or

326 any other person heretofore qualified and defined in this article
327 shall be allowed to establish more than one (1) home or homestead
328 for the purpose and intent of this article.

329 (p) A dwelling and the eligible land on which it is
330 located under a lease of five (5) years or more by the
331 Mississippi-Yazoo Delta Levee Board actually occupied as the home
332 or homestead of a family or person as defined pursuant to this
333 article. However, no such family group or any other person
334 qualified and defined pursuant to this article shall be allowed to
335 establish more than one (1) home or homestead for the purpose and
336 intent of this article. The definition shall include all leases
337 in existence that were entered into prior to July 1, 1992.

338 (q) A dwelling and the eligible land on which the
339 spouse of a testator is granted the use of such dwelling for life
340 or until the occurrence of certain contingencies and the children
341 of such testator are granted a remainder interest in the dwelling
342 and eligible land. Such dwelling and eligible land will only
343 qualify as a home or homestead if (i) the spouse of the testator
344 would otherwise qualify as head of a family if the interest were a
345 tenancy for life (life estate) and (ii) the dwelling and eligible
346 land is actually occupied as the home of the spouse of the
347 testator. The children of the testator shall be allowed to
348 establish an additional homestead for purposes of this article.

349 (r) A dwelling and the eligible land actually occupied
350 as the bona fide home of a family group. If a person has been
351 granted use and possession of a home in a divorce decree, that
352 individual is eligible for full exemption, regardless of whether
353 the property is jointly owned.

354 (s) A dwelling being the bona fide home of a family
355 group located on land owned by a corporation incorporated more
356 than forty (40) years ago and in which the head of the family
357 group is a shareholder, and which corporation owns no land outside
358 Lee County, Mississippi. No family group or any other person

359 qualified and defined in this article shall be allowed to
360 establish more than one (1) home or homestead for the purpose and
361 intent of this article.

362 (t) The floor or floors of a building used solely for
363 the residence of a family group when the building is owned by the
364 head of the family and another floor or floors of the building are
365 used for business activity.

366 (u) A dwelling being the bona fide home of a family
367 group located on land owned by an incorporated club and in which
368 the head of the family group is a shareholder, and which
369 incorporated club owns no land outside Union County, Mississippi;
370 provided, the incorporated club pays all ad valorem taxes levied
371 on the land upon which the dwelling is located. No family group
372 or any other person qualified and defined in this article shall be
373 allowed to establish more than one (1) home or homestead for the
374 purpose and intent of this article.

375 (v) A dwelling and the eligible land on which it is
376 located under a sublease of twenty (20) years or more on land
377 leased pursuant to Section 1, Senate Bill No. 3048, 2007 Regular
378 Session, actually occupied as the home or homestead of a family or
379 person as defined pursuant to this article. However, no such
380 family group or any other person qualified and defined pursuant to
381 this article shall be allowed to establish more than one (1) home
382 or homestead for the purpose and intent of this article.

383 **SECTION 4.** This act shall take effect and be in force from
384 and after its passage.