

## REPORT OF CONFERENCE COMMITTEE

# 2

**MADAM PRESIDENT AND MR. SPEAKER:**

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S. B. No. 2403: Ad valorem tax; clarify definition of trailers for purposes of an exemption.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.
2. That the Senate and House adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

27           **SECTION 1.** Section 27-51-41.1, Mississippi Code of 1972, is  
28 amended as follows:

29           27-51-41.1. (1) As used in this section:

30                   (a) "Motorcycle" shall have the meaning ascribed to  
31 such term in Section 27-19-3.

32                   (b) "Motor home" means an individually owned private  
33 carrier of passengers as defined in Section 27-9-3 whose primary  
34 purpose is to provide transportation and human living facilities,  
35 including, at a minimum, sleeping facilities, bath and toilet  
36 facilities and food storage and preparation facilities.

37                   (c) "Trailer" shall have the meaning ascribed to such  
38 term in Section 27-19-3. The term "trailer" shall not include  
39 semitrailers as defined in Section 27-19-3, other than those that  
40 are used for recreational purposes.

41           (2) (a) From and after July 1, 2006, through September 30,  
42 2007, sixty percent (60%) of the true value of all motorcycles,  
43 motor homes and trailers upon which the owner is required to pay  
44 the annual highway privilege tax levied in Chapter 19, Title 27,  
45 Mississippi Code of 1972, shall be exempt from ad valorem  
46 taxation.

47           (b) From and after October 1, 2007, through September  
48 30, 2008, fifty-five percent (55%) of the true value of all  
49 motorcycles, motor homes and trailers upon which the owner is  
50 required to pay the annual highway privilege tax levied in Chapter  
51 19, Title 27, Mississippi Code of 1972, shall be exempt from ad  
52 valorem taxation.

53           (c) From and after October 1, 2008, fifty percent (50%)  
54 of the true value of all motorcycles, motor homes and trailers  
55 upon which the owner is required to pay the annual highway  
56 privilege tax levied in Chapter 19, Title 27, Mississippi Code of  
57 1972, shall be exempt from ad valorem taxation.

58           **SECTION 2.** The revenue from ad valorem taxes for school  
59 district purposes that are levied upon liquefied natural gas  
60 terminals or improvements thereto constructed after July 1, 2007,  
61 crude oil refineries constructed after July 1, 2007, and  
62 expansions or improvements to existing crude oil refineries  
63 constructed after July 1, 2007, shall be distributed to all public  
64 school districts in the county in which the facilities are located  
65 in the proportion that the average daily attendance of each school  
66 district bears to the total average daily attendance of all school  
67 districts in the county. The county or municipal tax collector,  
68 as the case may be, shall pay such tax collections, except for  
69 taxes collected for the payment of the principal of and interest  
70 on school bonds or notes and except for taxes collected to defray  
71 collection costs, into the appropriate school depository and  
72 report to the school board of the appropriate school district at  
73 the same time and in the same manner as the tax collector makes  
74 his payments and reports of other taxes collected by him.

75           **SECTION 3.** Section 37-57-1, Mississippi Code of 1972, is  
76 amended as follows:

77           37-57-1. (1) (a) The boards of supervisors of the counties  
78 shall levy and collect all taxes for and on behalf of all school

79 districts which were within the county school system or designated  
80 as special municipal separate school districts prior to July 1,  
81 1986. Such taxes shall be collected by the county tax collector  
82 at the same time and in the same manner as county taxes are  
83 collected by him, and the same penalties for delinquency shall be  
84 applicable.

85 The governing authorities of the municipalities shall levy  
86 and collect all taxes for and on behalf of all school districts  
87 which were designated as municipal separate school districts prior  
88 to July 1, 1986. Such taxes shall be collected by the municipal  
89 tax collector at the same time and in the same manner as municipal  
90 taxes are collected by him, and the same penalties for delinquency  
91 shall be applicable.

92 Except as otherwise provided in Section 2, Senate Bill No.  
93 2403, 2007 Regular Session, the county or municipal tax collector,  
94 as the case may be, shall pay such tax collections, except for  
95 taxes collected for the payment of the principal of and interest  
96 on school bonds or notes and except for taxes collected to defray  
97 collection costs, into the school depository and report to the  
98 school board of the appropriate school district at the same time  
99 and in the same manner as the tax collector makes his payments and  
100 reports of other taxes collected by him.

101 Provided, however, the State Board of Education shall  
102 determine the appropriate levying authority for any school  
103 district created or reorganized after July 1, 1987.

104 (b) For the purposes of this chapter and any other laws  
105 pertaining to taxes levied or bonds or notes issued for and on  
106 behalf of school districts, the term "levying authority" means the  
107 board of supervisors of the county or the governing authorities of  
108 the municipality, whichever levies taxes for and on behalf of the  
109 particular school district as provided in paragraphs (a) and (b)  
110 of this subsection.

111 (2) The levying authority for the school district shall, at  
112 the same time and in the same manner as other taxes are levied by  
113 the levying authority, levy a tax of not less than twenty-eight  
114 (28) mills for the then current fiscal year, less the estimated  
115 amount of the yield of the School Ad Valorem Tax Reduction Fund  
116 grant to the school district as determined by the State Department  
117 of Education or twenty-seven percent (27%) of the basic adequate  
118 education program cost for such school district, whichever is a  
119 lesser amount, upon all of the taxable property of the school  
120 district, as required under Section 37-151-7(2)(a). However, in  
121 no case shall the minimum local ad valorem tax effort for any  
122 school district be equal to an amount that would require a millage  
123 rate exceeding fifty-five (55) mills in that school district.  
124 Provided, however, that if a levying authority is levying in  
125 excess of fifty-five (55) mills on July 1, 1997, the levying  
126 authority may levy an additional amount not exceeding three (3)  
127 mills in the aggregate for the period beginning July 1, 1997, and  
128 ending June 30, 2003, subject to the limitation on increased  
129 receipts from ad valorem taxes prescribed in Sections 37-57-105  
130 and 37-57-107. Nothing in this subsection shall be construed to  
131 require any school district that is levying more than fifty-five  
132 (55) mills pursuant to Sections 37-57-1 and 37-57-105 to decrease  
133 its millage rate to fifty-five (55) mills or less. In making such  
134 levy, the levying authority shall levy an additional amount  
135 sufficient to cover anticipated delinquencies and costs of  
136 collection so that the net amount of money to be produced by such  
137 levy shall be equal to the amount which the school district is  
138 required to contribute as its said minimum local ad valorem tax  
139 effort. The tax so levied shall be collected by the tax collector  
140 at the same time and in the same manner as other ad valorem taxes  
141 are collected by him. The amount of taxes so collected as a  
142 result of such levy shall be paid into the district maintenance

143 fund of the school district by the tax collector at the same time  
144 and in the same manner as reports and payments of other ad valorem  
145 taxes are made by said tax collector, except that the amount  
146 collected to defray costs of collection may be paid into the  
147 county general fund. The levying authority shall have the power  
148 and authority to direct and cause warrants to be issued against  
149 such fund for the purpose of refunding any amount of taxes  
150 erroneously or illegally paid into such fund where such refund has  
151 been approved in the manner provided by law.

152 **SECTION 4.** Section 27-33-19, Mississippi Code of 1972, is  
153 amended as follows:

154 27-33-19. The word "home" or "homestead" whenever used in  
155 this article shall mean the dwelling, the essential outbuildings  
156 and improvements, and the eligible land assessed on the land roll  
157 actually occupied as the primary home of a family group, eligible  
158 title to which is owned by the head of the family, a bona fide  
159 resident of this state, and when the dwelling is separately  
160 assessed on the land roll for the year in which the application is  
161 made, subject to the limitations and conditions contained in this  
162 article. And the meaning of the word is hereby extended to  
163 specifically include:

164 (a) One or more separate, bona fide dwellings and the  
165 land on which they are located, each occupied under eligible  
166 ownership rights by the widow or the widower, or the children of a  
167 deceased parent, each separate home being property or a portion of  
168 property owned by a deceased person whose estate has not been  
169 distributed or divided or vested in a person or persons for life.  
170 But in each case the property for which exemption is sought may  
171 not be more than the applicant's inherited portion, and must be  
172 accurately described on the application and the conditions  
173 explained in writing. But the heirs may elect to accept one (1)  
174 homestead for the estate. The home occupied by the surviving

175 spouse as provided by the laws of this state shall be preferred  
176 over the homes claimed by the children, and the exemption to any  
177 other heir shall not exceed the remaining amount obtained by  
178 deducting the assessed value of the surviving spouse's portion  
179 from the assessed value of the whole, divided by the number of  
180 heirs other than the surviving spouse. Each heir claiming  
181 exemption shall meet the requirements as to occupancy, residence  
182 and head of a family, and no part of the undivided inherited lands  
183 shall be combined with other lands and included in a homestead  
184 exemption under this article except in the case of the surviving  
185 spouse.

186 (b) One or more separated dwellings and eligible land,  
187 not apartments, occupied each by a family group as a bona fide  
188 home, eligible title to which entire property is held jointly by  
189 purchase or otherwise by the heads of the families, and each joint  
190 owner shall be allowed exemption on the proportion of the total  
191 assessed value of all the property, equal to his fractional  
192 interest (except as otherwise provided in paragraph (r) of this  
193 section), provided no part of the jointly owned property shall be  
194 exempted to a joint owner who has been allowed an exemption on  
195 another home in the state.

196 (c) A dwelling and eligible lands owned jointly or  
197 severally by a husband and wife, if they are actually and legally  
198 living together. But if husband and wife are living apart, not  
199 divorced, as provided by paragraphs (c) and (d) of Section  
200 27-33-13, jointly owned land shall not be included except that the  
201 dwelling occupied as a home at the time of separation shall be  
202 eligible if owned jointly or severally.

203 (d) The dwelling and eligible land on which it is  
204 located, owned and actually occupied as a home by a minister of  
205 the gospel or by a licensed school teacher actively engaged whose  
206 duties as such require them to be away from the home for the major

207 part of each year, including January 1, provided it was eligible  
208 before such absence, and no income is derived therefrom, and no  
209 part of the dwelling claimed as a home is rented, leased or  
210 occupied by another family group, and when the home is eligible  
211 except for the temporary absence of the owner.

212 (e) The dwelling and the eligible land on which it is  
213 located, consisting of not more than four (4) apartments; provided  
214 (1) if one (1) apartment is actually occupied as a home by the  
215 owner the exemption shall be limited to one-fourth (1/4) the  
216 exemption granted pursuant to this article, or (2) if the dwelling  
217 and land is owned by four (4) persons and the four (4) owners each  
218 occupy one (1) apartment as a home, the exemption shall be granted  
219 equally to each owner; provided revenue is not derived from any  
220 part of the property except as permitted by paragraphs (g) and (h)  
221 of this section. If the dwelling and the eligible land on which  
222 it is located consists of not more than three (3) apartments, and  
223 one (1) apartment is actually occupied as a home by the owner, the  
224 exemption shall be limited to one-third (1/3) the exemption  
225 granted pursuant to this article, or if the dwelling and land is  
226 owned by three (3) persons and the three (3) owners each occupy  
227 one (1) apartment as a home, the exemption shall be granted  
228 equally to each owner; provided revenue is not derived from any  
229 part of the property except as permitted by paragraphs (g) and (h)  
230 of this section. If the dwelling and the eligible land on which  
231 it is located consists of not more than two (2) apartments and one  
232 (1) apartment is actually occupied as a home by the owner, the  
233 exemption shall be limited to one-half (1/2) the exemption granted  
234 pursuant to this article, or if the dwelling and land is owned by  
235 two (2) persons and the two (2) owners each occupy one (1)  
236 apartment as a home, the exemption shall be granted equally to  
237 each owner; provided revenue is not derived from any part of the

238 property except as permitted by paragraphs (g) and (h) of this  
239 section.

240 (f) The dwelling and eligible land on which it is  
241 located, actually occupied as the bona fide home of a family group  
242 owned by the head of the family whereof five (5) and not more than  
243 six (6) rooms are rented to tenants or boarders, and where there  
244 are rented rooms and an apartment, the apartment shall be counted  
245 as three (3) rooms; provided the exemption shall be limited to  
246 one-half (1/2) the exemption granted pursuant to this article.

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

251 (h) The dwelling and eligible land being the bona fide  
252 home of a family group owned by the head of the family wherein  
253 activity of a business nature is carried on, but where the  
254 assessed value of the property associated with the business  
255 activity is less than one-fifth (1/5) of the total assessed value  
256 of the bona fide home; provided, however, that when the owner's  
257 full-time business is located in the bona fide home of the head of  
258 the family, such owner shall be limited to one-half (1/2) of the  
259 exemption granted pursuant to this article.

260 (i) The dwelling and the eligible land on which it is  
261 located and other eligible land even though ownership of and title  
262 to the dwelling and the land on which it is located has been  
263 conveyed to a housing authority for the purpose of obtaining the  
264 benefits of the Housing Authorities Law as authorized by Sections  
265 43-33-1 through 43-33-53 or related laws.

266 (j) A dwelling and the eligible land on which it is  
267 located owned by a person who is physically or mentally unable to  
268 care for himself and confined in an institution for treatment  
269 shall be eligible notwithstanding the absence of the owner unless



270 the home is excluded under other provisions of this article. The  
271 exemption is available for a period of ten (10) years from the day  
272 of confinement.

273 (k) The dwelling and the eligible land on which it is  
274 located owned by two (2) or more persons of a group, as defined in  
275 paragraph (f) of Section 27-33-13, when two (2) or more of the  
276 group have eligible title, or if the group holds a life estate, a  
277 joint estate or an estate in common; provided the title of the  
278 several owners shall be of the same class.

279 (l) A dwelling and the eligible land on which it is  
280 located under a lease of sixty (60) years by the Pearl River  
281 Valley Water Supply District at the reservoir known as the "Ross  
282 Barnett Reservoir" actually occupied as the home or homestead of a  
283 family or person as defined heretofore in this article. However,  
284 no such family group or any other person heretofore qualified and  
285 defined in this article shall be allowed to establish more than  
286 one (1) home or homestead for the purpose and intent of this  
287 article.

288 (m) Units of a condominium constructed in accordance  
289 with Section 89-9-1 et seq., Mississippi Code of 1972, known as  
290 the "Mississippi Condominium Law," and actually occupied as the  
291 home or homestead of a family or person as defined heretofore in  
292 this article. However, no such family group or any other person  
293 heretofore qualified and defined in this article shall be allowed  
294 to establish more than one (1) home or homestead for the purpose  
295 and intent of this article.

296 (n) A dwelling and the eligible land on which it is  
297 located held under a lease of ten (10) years or more or for life,  
298 from a fraternal or benevolent organization and actually occupied  
299 as the home or homestead of a family or person as defined  
300 heretofore in this article. No such family group or any other  
301 person heretofore qualified and defined in this article shall be

302 allowed to establish more than one (1) home or homestead for the  
303 purpose and intent of this article.

304 (o) A dwelling being the bona fide home of a family  
305 group owned by the head of the family and located on land owned by  
306 a corporation incorporated more than fifty (50) years ago and in  
307 which the homeowner is a shareholder, and which corporation owns  
308 no land outside Monroe and Itawamba Counties. No family group or  
309 any other person heretofore qualified and defined in this article  
310 shall be allowed to establish more than one (1) home or homestead  
311 for the purpose and intent of this article.

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

321 (q) A dwelling and the eligible land on which the  
322 spouse of a testator is granted the use of such dwelling for life  
323 or until the occurrence of certain contingencies and the children  
324 of such testator are granted a remainder interest in the dwelling  
325 and eligible land. Such dwelling and eligible land will only  
326 qualify as a home or homestead if (i) the spouse of the testator  
327 would otherwise qualify as head of a family if the interest were a  
328 tenancy for life (life estate) and (ii) the dwelling and eligible  
329 land is actually occupied as the home of the spouse of the  
330 testator. The children of the testator shall be allowed to  
331 establish an additional homestead for purposes of this article.

332 (r) A dwelling and the eligible land actually occupied  
333 as the bona fide home of a family group. If a person has been

334 granted use and possession of a home in a divorce decree, that  
335 individual is eligible for full exemption, regardless of whether  
336 the property is jointly owned.

337 (s) A dwelling being the bona fide home of a family  
338 group located on land owned by a corporation incorporated more  
339 than forty (40) years ago and in which the head of the family  
340 group is a shareholder, and which corporation owns no land outside  
341 Lee County, Mississippi. No family group or any other person  
342 qualified and defined in this article shall be allowed to  
343 establish more than one (1) home or homestead for the purpose and  
344 intent of this article.

345 (t) The floor or floors of a building used solely for  
346 the residence of a family group when the building is owned by the  
347 head of the family and another floor or floors of the building are  
348 used for business activity.

349 (u) A dwelling being the bona fide home of a family  
350 group located on land owned by an incorporated club and in which  
351 the head of the family group is a shareholder, and which  
352 incorporated club owns no land outside Union County, Mississippi;  
353 provided, the incorporated club pays all ad valorem taxes levied  
354 on the land upon which the dwelling is located. No family group  
355 or any other person qualified and defined in this article shall be  
356 allowed to establish more than one (1) home or homestead for the  
357 purpose and intent of this article.

358 (v) The portion of a building that is listed on the  
359 National Register of Historic Places that is used solely for the  
360 residence of a family group when the building is owned by the head  
361 of the family and rooms in the building are rented to transient  
362 guests; however, not more than ten (10) rooms in the building may  
363 be rented to transient guests.

364 **SECTION 5.** (1) The board of supervisors of any county and  
365 the governing authorities of any municipality, in the discretion

366 of the board or governing authorities, by order duly adopted and  
367 entered upon their respective official minutes, may grant an  
368 exemption from motor vehicle ad valorem taxes levied by the county  
369 or levied by the municipality, as the case may be, as specified in  
370 subsection (2) of this section on one (1) motor vehicle owned by a  
371 resident of this state who, as a member of the Mississippi  
372 National Guard, as a member of the Armed Forces of the United  
373 States or as a member of any reserve component of the Armed Forces  
374 of the United States is serving on active duty pursuant to  
375 military orders in Iraq or Afghanistan.

376 (2) (a) A board of supervisors may grant an exemption from  
377 all county ad valorem taxes, except ad valorem taxes for school  
378 district purposes, in the amount of the lesser of One Hundred  
379 Dollars (\$100.00) or the amount of ad valorem taxes due on one (1)  
380 vehicle for eligible Mississippi active duty servicemembers as set  
381 forth in subsection (1) of this section for the license tag  
382 registration year or portion of year during which the military  
383 service described under subsection (1) of this section is being  
384 performed.

385 (b) The governing authorities of a municipality may  
386 grant an exemption from all municipal ad valorem taxes, except ad  
387 valorem taxes for school district purposes, in the amount of the  
388 lesser of Fifty Dollars (\$50.00) or the amount of ad valorem taxes  
389 due on one (1) vehicle for eligible Mississippi active duty  
390 servicemembers as set forth in subsection (1) of this section for  
391 the license tag registration year or portion of year during which  
392 the military service described under subsection (1) of this  
393 section is being performed.

394 (3) Upon application to the tax collector for issuance of a  
395 motor vehicle license tag and/or decals, any person wishing to be  
396 granted the exemption under the provisions of this section shall  
397 present to the tax collector a copy of his military orders and a

398 form prescribed by the State Tax Commission establishing his right  
399 to such exemption, and the applicant shall be entitled to an  
400 exemption from county and/or municipal motor vehicle ad valorem  
401 taxes in the amount provided for under subsection (2) of this  
402 section if the board of supervisors of the county or the governing  
403 authorities of the municipality have authorized such exemption.

404 (4) The State Tax Commission shall adopt and promulgate such  
405 rules and regulations as may be necessary to administer and  
406 implement the provisions of this section.

407 (5) This section shall stand repealed from and after  
408 September 30, 2009.

409 **SECTION 6.** Section 5 of this act shall take effect and be in  
410 force from and after October 1, 2007. The remainder of this act  
411 shall take effect and be in force from and after its passage.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 27-51-41.1, MISSISSIPPI CODE OF 1972,  
2 TO CLARIFY THE DEFINITION OF THE TERM "TRAILER" FOR PURPOSES OF AN  
3 AD VALOREM TAX EXEMPTION; TO PROVIDE THAT THE REVENUE FROM AD  
4 VALOREM TAXES FOR SCHOOL DISTRICT PURPOSES THAT ARE LEVIED UPON  
5 LIQUEFIED NATURAL GAS TERMINALS AND CRUDE OIL REFINERIES SHALL BE  
6 DISTRIBUTED TO ALL PUBLIC SCHOOL DISTRICTS IN THE COUNTY IN WHICH  
7 THE FACILITIES ARE LOCATED IN THE PROPORTION THAT THE AVERAGE  
8 DAILY ATTENDANCE OF EACH SCHOOL DISTRICT BEARS TO THE TOTAL  
9 AVERAGE DAILY ATTENDANCE OF ALL SCHOOL DISTRICTS IN THE COUNTY; TO  
10 AMEND SECTION 37-57-1, MISSISSIPPI CODE OF 1972, IN CONFORMITY  
11 THERETO; TO AMEND SECTION 27-33-19, MISSISSIPPI CODE OF 1972, TO  
12 INCLUDE WITHIN THE DEFINITION OF "HOME" OR "HOMESTEAD" UNDER THE  
13 HOMESTEAD EXEMPTION LAW THE PORTION OF A BUILDING THAT IS LISTED  
14 ON THE NATIONAL REGISTER OF HISTORIC PLACES THAT IS USED SOLELY  
15 FOR THE RESIDENCE OF A FAMILY GROUP WHEN THE BUILDING IS OWNED BY  
16 THE HEAD OF THE FAMILY AND NOT MORE THAN 10 ROOMS IN THE BUILDING  
17 ARE RENTED TO TRANSIENT GUESTS; TO AUTHORIZE THE BOARD OF  
18 SUPERVISORS OF ANY COUNTY AND THE GOVERNING AUTHORITIES OF ANY  
19 MUNICIPALITY TO GRANT AN EXEMPTION FROM AD VALOREM TAXES, EXCEPT  
20 TAXES FOR SCHOOL DISTRICT PURPOSES, ON MOTOR VEHICLES OWNED BY  
21 RESIDENTS OF THIS STATE WHO ARE SERVING ON ACTIVE DUTY PURSUANT TO  
22 MILITARY ORDERS IN IRAQ OR AFGHANISTAN; TO AUTHORIZE THE STATE TAX

23 COMMISSION TO ADOPT AND PROMULGATE RULES AND REGULATIONS TO  
24 ADMINISTER AND IMPLEMENT SUCH PROVISIONS OF THIS ACT; AND FOR  
25 RELATED PURPOSES.

CONFEREES FOR THE SENATE

X (SIGNED)  
Robertson

X (SIGNED)  
Fillingane

X (SIGNED)  
Tollison

CONFEREES FOR THE HOUSE

X (SIGNED)  
Watson

X (SIGNED)  
Reynolds

X (SIGNED)  
Rotenberry