MISSISSIPPI LEGISLATURE

By: Senator(s) Blount

REGULAR SESSION 2016

To: Public Property; Accountability, Efficiency, Transparency

SENATE BILL NO. 2111 (As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-45-21, MISSISSIPPI CODE OF 1972, 2 TO AUTHORIZE CHANCERY CLERKS TO ELECTRONICALLY CERTIFY TO THE 3 SECRETARY OF STATE THE LIST OF ALL LANDS STRUCK OFF TO THE STATE FOR TAXES; TO AMEND SECTION 29-1-37, MISSISSIPPI CODE OF 1972, TO 4 AUTHORIZE THE SECRETARY OF STATE TO SELL STATE-FORFEITED TAX LANDS 5 6 BY ONLINE AUCTION; TO AMEND SECTION 29-1-75, MISSISSIPPI CODE OF 7 1972, TO REMOVE THE JULY 1, 2016 REPEAL DATE ON THE PROVISION THAT PLACES RESTRICTIONS ON THE PURCHASE OR OWNERSHIP OF TAX-FORFEITED 8 9 LANDS BY CORPORATIONS AND NONRESIDENT ALIENS; TO AMEND SECTION 29-1-81, MISSISSIPPI CODE OF 1972, TO MODIFY THE PROCEDURE FOR THE 10 CONVEYANCE OF LAND BY THE STATE IN FEE; AND FOR RELATED PURPOSES. 11 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 13 SECTION 1. Section 27-45-21, Mississippi Code of 1972, is 14 amended as follows: 15 27-45-21. (1) It shall be the duty of the chancery clerk, within thirty (30) days after the period of redemption has 16 17 expired, to certify to the \* \* \* Secretary of State a list, on 18 forms provided by the \* \* \* Secretary of State, of all lands 19 struck off to the state for taxes, which have not been 20 redeemed. \* \* \* The list shall show a description of the land, 21 all costs, officer's and printer's fees, the tax for which it 22 sold, segregated as to state, county, levee and drainage

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23 districts, and of all taxes due on \* \* \* the lands for the year in 24 which it was struck off to the state, segregated as to state, 25 county, levee and drainage districts, a total of two (2) years' taxes listed separately (the taxes for which it sold and accrued 26 27 taxes for one (1) year). If any chancery clerk shall fail or 28 neglect to transmit such lists within the time specified, he shall be liable to the state on his official bond in the penalty of 29 30 Fifty Dollars (\$50.00) for each day that he is in default \* \* \*. 31 The penalty to be collected by the \* \* \* Department of Revenue, or 32 by the Attorney General, in a suit instituted for that purpose 33 upon request of the \* \* \* Secretary of State; provided that the \* \* \* Secretary of State, if so requested by any chancery 34 35 clerk before the expiration of ten (10) days and for good cause 36 shown, may grant a reasonable extension of the time within 37 which \* \* \* the clerk shall transmit his list. 38 (2) The Secretary of State may provide the forms described 39 in subsection (1) of this section for certifying lands struck off to the state for taxes to the chancery clerk as an electronic 40 41 record. The chancery clerk may certify the list of all lands 42 struck off to the state by completing and submitting the form

43 <u>containing the electronic signature of the chancery clerk to the</u>
44 <u>Secretary of State. An electronic record of the list submitted by</u>
45 <u>the chancery clerk to the Secretary of State in the prescribed</u>

46 form and containing the electronic signature of the chancery clerk

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47 shall vest good title in the State of Mississippi to all lands

48 <u>listed in the form.</u>

49 SECTION 2. Section 29-1-37, Mississippi Code of 1972, is 50 amended as follows:

51 29-1-37 (1) Except as otherwise provided in subsection (2) 52 of this section, any person desiring to purchase any 53 state-forfeited tax land shall make application in writing to the 54 Secretary of State for the purchase of such land, and shall state 55 in such application:

56 (a) A correct description of the land sought to be57 purchased.

(b) The name of the former owner and the name of the person to whom such land was assessed at the time of such tax sale, and the post office address of such former owner and the post office address of the person to whom such land was assessed at the time of such sale, if known to the applicant.

(c) Whether or not such land is occupied at the date of
the filing of such application, and the name of the person
occupying such land, if any.

66 (d) The nature and value of the improvements on such67 land.

68 (e) The approximate quantity of the merchantable timber69 on such land, if any.

(f) Any other special information as the Secretary ofState, with the approval of the Governor, may require.

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72 Each application shall be signed by the applicant and shall 73 contain a declaration that the statements and information 74 submitted in the application are true and correct and are made 75 under penalty of perjury. The Secretary of State may require any additional information with reference to the value of such lands, 76 77 the nature and condition of the buildings and improvements on such 78 lands, and the value of the timber on such lands as he may deem 79 necessary. Such applications shall be filed by the Secretary of 80 State in the order in which they are received. Each application shall be given a serial number and shall be entered on a record 81 82 book on the day it is received. The record book shall show the 83 name of the applicant, the serial number of the application, and 84 the county in which the property is situated.

An application so filed shall remain on file with the Secretary of State at least thirty (30) days before it is acted upon and finally approved or disapproved. Applications made by state agencies, counties, municipalities or other political subdivisions of the state may be acted upon immediately after filing, and shall not be required to be on file the thirty (30) days herein provided.

92 (2) Except as otherwise provided in subsection (3) of this 93 section, the Secretary of State, with the approval of the 94 Governor, may dispose of any state-forfeited tax land by sealed 95 bids after three (3) weeks' advertisement in a newspaper in the 96 county in which such land is located.

## 97 (3) The Secretary of State may sell state-forfeited tax land 98 by online auction. The Secretary of State may establish 99 procedures and adopt administrative rules for the sale of 100 state-forfeited tax land by online auction. 101 SECTION 3. Section 29-1-75, Mississippi Code of 1972, is

101 SECTION 3. Section 29-1-75, Mississippi Code of 1972, is 102 amended as follows:

103 29-1-75. (1) Except as otherwise provided in this section, 104 neither a corporation nor a nonresident alien, nor any association 105 of persons composed in whole or in part of nonresident aliens, 106 shall directly or indirectly purchase or become the owner of any 107 of the public lands; and every patent issued in contravention 108 hereof shall be void.

109 (2)(a) A banking corporation owning such tax-forfeited 110 lands or holding a mortgage or deed of trust thereon at the time of the sale to the state, and whose mortgage or deed of trust is 111 112 still in force and effect, may purchase such lands, regardless of 113 acreage, owned by it as aforesaid or on which it held a mortgage or deed of trust. In event of a purchase by such corporation as a 114 115 mortgagee, such lands shall be held for the benefit of the 116 mortgagor subject to all the terms and conditions of the mortgage 117 or deed of trust held by the purchasing banking corporation and, 118 upon payment of the debt secured by such mortgage or deed of 119 trust, together with interest and incidents, such banking 120 corporation shall in that event reconvey such lands to the original mortgagor, his heirs or assigns. 121

(b) Any other nonbanking corporation may purchase lands sold or forfeited to the state for delinquent taxes under any section of Chapter 1, Title 29, specifically relating to the sale of such tax-forfeited lands by the Secretary of State. A nonbanking corporation purchasing land sold or forfeited to the state shall be subject to the acreage limitations of Section 29-1-73.

129 Nonresident aliens may acquire and hold not to (C) 130 exceed three hundred twenty (320) acres of public lands in this state for the purpose of industrial development thereon. 131 In 132 addition, any nonresident alien may acquire and hold not to exceed 133 five (5) acres of public lands for residential purposes. If any 134 land acquired by a nonresident alien for the purpose of industrial 135 development ceases to be used for industrial development, it shall 136 escheat to the public body that sold such land to the nonresident 137 alien.

138 (3) This section shall stand repealed on July 1, <u>\* \* \* 2019</u>.
 139 SECTION 4. Section 29-1-81, Mississippi Code of 1972, is
 140 amended as follows:

141 29-1-81. (1) All conveyances of land by the state in fee 142 shall be by patent issued from the Secretary of State's office; 143 every patent issued shall be under the great seal, signed by the 144 Secretary of State.

145 (2) (a) The patent shall be issued \* \* \* by the Office of
146 the Secretary of State \* \* \* and delivered to the patentee \* \* \*.

S. B. No. 2111 **~ OFFICIAL ~** 16/SS26/R532SG PAGE 6 147 <u>A copy thereof shall be</u> retained by the Secretary of State among 148 the records of his office \* \* \*.

(b) The Secretary of State may file the original patent with the chancery clerk and such filing shall constitute the delivery of the patent to the patentee. Prior to filing the original patent, the Secretary of State shall collect from the patentee the sum of Twenty Dollars (\$20.00) to cover the cost of filing the patent. Failure of the Secretary of State to file the patent shall not affect its validity.

(3) All contracts of sale of public lands shall be issued
from the Secretary of State's office in duplicate; and every
contract issued shall be under the great seal, signed by the
Secretary of State and countersigned by the Governor.

160 (4) No more than one-quarter (1/4) section of land shall be
161 embraced in the same patent or contract, except as otherwise
162 provided by law.

163 **SECTION 5.** This act shall take effect and be in force from 164 and after July 1, 2016.

S. B. No. 2111 16/SS26/R532SG PAGE 7 ST: State-forfeited tax lands; authorize certification to Secretary of State electronically, allow sale by online auction.