

By: Senator(s) Harkins, Kirby, Gollott,  
Wiggins, Carter, Younger

To: Finance

SENATE BILL NO. 2802  
(As Passed the Senate)

1 AN ACT TO AMEND SECTIONS 61-3-3 AND 61-3-21, MISSISSIPPI CODE  
2 OF 1972, TO LIMIT THE AD VALOREM TAX EXEMPTION FOR CONTRACTS,  
3 LEASES, AND OTHER ARRANGEMENTS AND STRUCTURES, IMPROVEMENTS AND  
4 OTHER FACILITIES ERECTED, INSTALLED, CONSTRUCTED OR LOCATED IN  
5 CONNECTION THEREWITH ON AN AIRPORT OR AIR NAVIGATION FACILITY  
6 OWNED OR CONTROLLED BY AN AIRPORT AUTHORITY TO AIRPORT-RELATED  
7 CONTRACTS, LEASES AND OTHER ARRANGEMENTS AND ALL STRUCTURES,  
8 IMPROVEMENTS AND OTHER FACILITIES ERECTED, CONSTRUCTED OR LOCATED  
9 IN CONNECTION THEREWITH; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 61-3-3, Mississippi Code of 1972, is  
12 amended as follows:

13 61-3-3. The following words or terms, whenever used or  
14 referred to in this chapter, shall have the following respective  
15 meanings unless different meanings clearly appear from the  
16 context:

17 (a) "Airport" means any area of land or water which is  
18 used, or intended for use, for the landing and taking off of  
19 aircraft, and any appurtenant areas which are used, or intended  
20 for use, for airport buildings or other airport facilities or  
21 rights-of-way, or for other appropriate purposes, including buffer



22 areas and areas for airport compatible development, together with  
23 all buildings and facilities located thereon.

24 (b) "Airport-related contracts, leases and other  
25 arrangements" means any leases, contracts or other arrangements  
26 entered into by an authority in accordance with Section 61-3-21  
27 other than any:

28 (i) Unrelated contracts, leases and other  
29 arrangements, as defined in this section; and

30 (ii) Leases, contracts or other arrangements  
31 related primarily to buffer areas or other such areas for airport  
32 compatible development and any buildings or facilities located  
33 thereon.

34 ( \* \* \*c) "Airport authority" or "authority" means any  
35 airport authority created pursuant to the provisions of this  
36 chapter.

37 ( \* \* \*d) "Airport hazard" means any structure, object  
38 or natural growth, or use of land which obstructs the airspace  
39 required for the flight of aircraft in landing or taking off at an  
40 airport, or is otherwise hazardous to such landing or taking off  
41 of aircraft.

42 ( \* \* \*e) "Air navigation facility" means any facility  
43 other than one owned and operated by the United States, used in,  
44 available for use in, or designed for use in aid of air  
45 navigation, including any structures, mechanisms, lights, beacons,  
46 markers, communicating systems, or other instrumentalities, or



47 devices used or useful as an aid, or constituting an advantage or  
48 convenience, to the safe taking off, navigation and landing of  
49 aircraft, or the safe and efficient operation or maintenance of an  
50 airport, and any combination of any or all of such facilities.

51 ( \* \* \*f) "Bonds" means any bonds, notes, interim  
52 certificates, debentures or similar obligations issued by an  
53 authority pursuant to this chapter.

54 ( \* \* \*g) "Governing body" means the official or  
55 officials authorized by law to exercise ordinance or other  
56 lawmaking powers of a municipality.

57 ( \* \* \*h) "Local government" means any local  
58 governmental unit as defined in Section 17-13-5.

59 ( \* \* \*i) "Municipal airport authority" or "municipal  
60 authority" means a municipal airport authority created pursuant to  
61 the provisions of Section 61-3-5 or 61-3-6.

62 ( \* \* \*j) "Municipality" means any county, supervisors  
63 district or supervisors districts, or all that portion of the  
64 county lying outside the territorial boundaries of any named city,  
65 town or village, and a city, town and village of this state or any  
66 state-supported institution of higher learning or any public  
67 community or junior college.

68 ( \* \* \*k) "Person" means any individual, firm,  
69 partnership, corporation, company, association, joint-stock  
70 association or body politic, and includes any trustee, receiver,  
71 assignee or other similar representative thereof.



72 ( \* \* \*1) "Regional airport authority" or "regional  
73 authority" means a regional airport authority created pursuant to  
74 the provisions of Section 61-3-7.

75 (m) "Unrelated contracts, leases and other  
76 arrangements" means any lease, contract or other arrangement  
77 entered into by the authority in accordance with Section 61-3-21  
78 pursuant to which the current, primary use of the structures,  
79 improvements or other facilities erected, installed, constructed  
80 or located in connection therewith are substantially unrelated to  
81 the support of the following airport-related activities:

82 (i) The taking off and landing of commercial and  
83 private aircraft at the airport or air navigation facility;

84 (ii) The maintenance or repair of commercial or  
85 private aircraft taking off and landing at the airport or air  
86 navigation facility;

87 (iii) The storage, via hanger or otherwise, of  
88 commercial or private aircraft taking off and landing at the  
89 airport or air navigation facility;

90 (iv) The shipping or transporting of freight by  
91 aircraft at the airport or air navigation facility;

92 (v) The provision of ground and air transportation  
93 services to commercial or private aircraft passengers;

94 (vi) The supplying of goods, commodities, things,  
95 services or facilities primarily:



96 1. To commercial and private aircraft taking  
97 off and landing at the airport or air navigation facility; or

98 2. Within the airport terminal building to  
99 commercial or private aircraft passengers in the process of  
100 traveling on such aircraft.

101 (vii) Any fixed base operator activities providing  
102 aviation services at the airport or air navigation facility.

103 **SECTION 2.** Section 61-3-21, Mississippi Code of 1972, is  
104 amended as follows:

105 61-3-21. (1) In connection with the operation of an airport  
106 or air navigation facility owned or controlled by an authority,  
107 the authority may enter into contracts, leases and other  
108 arrangements for terms not to exceed fifty (50) years with any  
109 persons:

110 (a) Granting the privilege of using or improving the  
111 airport or air navigation facility or any portion or facility  
112 thereof or space therein for commercial purposes;

113 (b) Conferring the privilege of supplying goods,  
114 commodities, things, services or facilities at the airport or air  
115 navigation facility; and

116 (c) Making available services to be furnished by the  
117 authority or its agents at the airport or air navigation facility.

118 In each case the authority may establish the terms and  
119 conditions and fix the charges, rentals or fees for the privileges  
120 or services, which shall be reasonable and uniform for the same



121 class of privilege or service and which shall be established with  
122 due regard to the property and improvements used and the expenses  
123 of operation to the authority. In no case shall the public be  
124 deprived of its rightful, equal and uniform use of the airport,  
125 air navigation facility or portion or facility thereof.

126 (2) Except as may be limited by the terms and conditions of  
127 any grant, loan or agreement authorized by Section 61-3-25,  
128 Mississippi Code of 1972, an authority may, by contract, lease or  
129 other arrangements, upon a consideration fixed by it, grant to any  
130 qualified person for a term not to exceed fifty (50) years, the  
131 privilege of operating, as agent of the authority or otherwise,  
132 any airport owned or controlled by the authority. However, no  
133 person shall be granted any authority to operate an airport other  
134 than as a public airport or to enter into any contracts, leases or  
135 other arrangements in connection with the operation of the airport  
136 which the authority might not have undertaken under subsection (1)  
137 of this section.

138 (3) All airport-related contracts, leases and other  
139 arrangements entered into pursuant to this section are deemed to  
140 serve a public and governmental purpose as a matter of public  
141 necessity; therefore, all \* \* \* airport-related contracts, leases,  
142 and other arrangements and all structures, improvements and other  
143 facilities erected, installed, constructed or located in  
144 connection therewith on an airport or air navigation facility  
145 owned or controlled by an authority, or any portion of facility



146 thereof or space therein, shall be free and exempt from all state,  
147 county and municipal ad valorem taxes on real property and  
148 personal property for so long as may otherwise be lawful, and the  
149 charges, rentals and fees received by an authority in connection  
150 with \* \* \* airport-related contracts, leases and other  
151 arrangements shall be deemed to be in lieu of said taxes.

152         **SECTION 3.** This act shall take effect and be in force from  
153 and after its passage.

