

By: Representative Stamps

To: Public Property;
Agriculture

HOUSE BILL NO. 547

1 AN ACT TO AMEND SECTION 29-1-1, MISSISSIPPI CODE OF 1972, TO
2 ALLOW STATE AGENCIES, WITH APPROVAL FROM THE DEPARTMENT OF FINANCE
3 AND ADMINISTRATION, TO DISPOSE OF UNNEEDED REAL PROPERTY, BY SALE
4 OR LEASE TO ANY DULY INCORPORATED NONPROFIT ORGANIZATION OR
5 ASSOCIATION FOR THE CULTIVATION AND SALE OF FRESH FRUITS AND
6 VEGETABLES ON A TRACT OF LAND OF LESS THAN FIVE ACRES WITHIN ANY
7 LOCAL GOVERNMENT UNIT; TO AUTHORIZE THE NONPROFIT ORGANIZATION OR
8 ASSOCIATION TO SELL FRESH FRUITS AND VEGETABLES EITHER ON OR OFF
9 THE CONVEYED LAND, PROVIDED THAT THE SALES ARE RELATED OR
10 INCIDENTAL TO THE NONPROFIT'S PURPOSES; TO REQUIRE THE NET SALES
11 PROCEEDS RECEIVED BY THE NONPROFIT TO BE USED TO FURTHER THE
12 PURPOSES OF THE NONPROFIT; TO AMEND SECTION 27-31-1, MISSISSIPPI
13 CODE OF 1972, TO EXEMPT STATE-OWNED REAL PROPERTY, WHICH HAS BEEN
14 LEASED OR SOLD TO A NONPROFIT ORGANIZATION FOR THE PURPOSE OF
15 CULTIVATING AND SELLING FRESH FRUITS AND VEGETABLES FROM TAXATION
16 SO LONG AS THE NONPROFIT CONTINUES TO USE THE REAL PROPERTY FOR
17 SUCH PURPOSES; AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** Section 29-1-1, Mississippi Code of 1972, is
20 amended as follows:

21 29-1-1. (1) Except as otherwise provided in subsections
22 (7), (8), (9) * * *, (13) and (14) of this section, the title to
23 all lands held by any agency of the State of Mississippi shall
24 appear on all deeds and land records under the name of the "State
25 of Mississippi." A deed may also recite the name of the agency



for whose benefit and use the land is acquired, but the recital shall not be deemed or construed to be a limitation on the grant or an impairment of title held by the State of Mississippi. Use and possession of the land may be reassigned by act of the Legislature or by interagency conveyance where each agency has statutory authority to acquire and dispose of land. For the purpose of this section, the term "agency" shall be defined as set forth in Section 31-7-1(a). The provisions of this section shall not affect the authority of any agency to use any land held by the agency. No assets or property of the Public Employees' Retirement System of Mississippi shall be transferred in violation of Section 272A of the Mississippi Constitution of 1890. Each state agency shall inventory any state-held lands which are titled in the name of the agency. The agency shall execute quitclaim deeds and any other necessary documents to transfer the name and title of the property to the State of Mississippi. State agencies shall furnish to the Secretary of State certified copies of the quitclaim deeds and all other deeds whereby the state agency acquires or disposes of state-held land.

(2) The Secretary of State, under the general direction of the Governor and as authorized by law, shall sell and convey the public lands in the manner and on the terms provided herein for the several classes thereof; he shall perform all the administrative and executive duties appertaining to the selection, location, surveying, platting, listing, and registering these



51 lands or otherwise concerning them; and he shall investigate the
52 status of the various "percent" funds accrued and accruing to the
53 state from the sale of lands by the United States, and shall
54 collect and pay the funds into the Treasury in the manner provided
55 by law. The Secretary of State, with the approval of the
56 Governor, acting on behalf of the state, may accept gifts or
57 donations of land to the State of Mississippi.

58 (3) In accordance with Sections 7-11-11 and 7-11-13, the
59 Secretary of State shall be required to sign all conveyances of
60 all state-held land. For purposes of this section, the term
61 "conveyance" shall mean any sale or purchase of land by the State
62 of Mississippi for use by any agency, board or commission thereof.
63 Failure to obtain legislative approval pursuant to subsection (4)
64 of this section and the signature of the Secretary of State on any
65 conveyance regarding the sale or purchase of lands for the state
66 including any agency, board or commission thereof, shall render
67 the attempted sale or purchase of the lands void. Nothing in this
68 section shall be construed to authorize any state agency, board,
69 commission or public official to convey any state-held land unless
70 this authority is otherwise granted by law. The Secretary of
71 State shall not withhold arbitrarily his signature from any
72 purchase or sale authorized by the Mississippi State Legislature.
73 Except for those lands forfeited to the state for the nonpayment
74 of taxes, conveyed to another state agency or entity as provided
75 in subsection (11) of this section or acquired by the Mississippi



76 Transportation Commission under Section 65-1-123, no state-held
77 land shall be sold for less than the fair market value as
78 determined by two (2) professional appraisers selected by the
79 State Department of Finance and Administration, who are certified
80 general appraisers of the State of Mississippi. The proceeds from
81 any sale by an agency, board, commission or public official of
82 state-held lands shall be deposited into the State General Fund
83 unless otherwise provided by law.

84 (4) Before any state-held land is sold to any individual or
85 private entity, thirty (30) days' advance notice of the intended
86 sale shall be provided by the Secretary of State to the State
87 Legislature and to all state agencies for the purpose of
88 ascertaining whether an agency has a need for the land and for the
89 purpose of ascertaining whether the sale of the land was
90 authorized by law. If no agency of the state expresses in writing
91 to the Secretary of State by the end of the thirty-day period a
92 desire to use the land, then the Secretary of State, with the
93 prior approval of the Mississippi Legislature to sell the
94 state-held land, may offer the land for sale to any individual or
95 private entity. Such notice to state agencies is given in aid of
96 internal management of the real property inventory of the state,
97 and this notice requirement shall not be applied to challenge or
98 defeat any title heretofore or hereafter granted by the state
99 under any law authorized by the Mississippi Legislature providing
100 for the sale or disposal of property.



101 (5) A cultural resources survey may be performed on any
102 state-held land before the disposition of the land if the
103 Mississippi Department of Archives and History deems this survey
104 necessary. The cost of the survey and any archaeological studies
105 deemed necessary by the Mississippi Department of Archives and
106 History shall be paid by the selling agency and recouped from the
107 proceeds of the sale.

108 (6) Before any land may be purchased by the state for the
109 benefit of any state agency, the Secretary of State, or his
110 designee, shall search and examine all state land records to
111 determine whether the state owns any land that may fit the
112 particular need of the agency. The Secretary of State, or his
113 designee, shall notify the agency if it is determined that any
114 state-held land is available for use by the agency. The agency
115 shall determine if such land accommodates its needs and shall
116 determine whether to make an official request to the proper
117 authorities to have the use of the land.

118 (7) This section shall not apply to: (a) any lands
119 purchased or acquired for construction and maintenance of highways
120 or highway rights-of-way by the Mississippi Department of
121 Transportation, or (b) any lands acquired by the state by
122 forfeiture for nonpayment of ad valorem taxes and heretofore or
123 hereafter sold under authority of any other section of Chapter 1,
124 Title 29, specifically relating to tax-forfeited lands.



125 (8) This section shall not apply to any lands purchased
126 solely by the use of federal funds or lands for which authority to
127 transfer or dispose of these lands is governed by federal law or
128 federal regulations insofar as the application of this section
129 limits or impairs the ability of the Secretary of State to acquire
130 or dispose of the land. However, any state agency acquiring or
131 disposing of land exempted from the application of this section by
132 this subsection shall furnish the Secretary of State certified
133 copies of all deeds executed for those transfers or disposals.

134 (9) Any lands purchased by the Mississippi Major Economic
135 Impact Authority for a "project" as defined in Section 57-75-5
136 shall be excluded from the provisions of this section.

137 (10) The Secretary of State may recover from any agency,
138 corporation, board, commission, entity or individual any cost that
139 is incurred by his office for the record-keeping responsibilities
140 regarding the sale or purchase of any state-held lands.

141 (11) Subsections (4), (5) and (6) of this section shall not
142 apply to sales or purchases of land when the Legislature expressly
143 authorizes or directs a state agency to sell, purchase or
144 lease-purchase a specifically described property. However, when
145 the Legislature authorizes a state agency to sell or otherwise
146 convey specifically described real property to another state
147 agency or other entity such as a county, municipality, economic
148 development district created under Section 19-5-99 or similar
149 entity, without providing that the conveyance may not be made for



less than the fair market value of the property, then the state agency authorized to convey such property must make the following determinations before conveying the property:

(a) That the state agency or other entity to which the proposed conveyance is to be made has an immediate need for the property;

(b) That there are quantifiable benefits that will inure to the state agency or other entity to which the proposed conveyance is to be made which outweigh any quantifiable costs to the state agency authorized to make the conveyance; and

(c) That the state agency or other entity to which the proposed conveyance is to be made lacks available funds to pay fair market value for the property. If the state agency authorized to convey such property fails to make such determinations, then it shall not convey the property for less than the fair market value of the property.

(12) This section shall not apply to the donation and conveyance of the Nanih Waiya State Park to the Mississippi Band of Choctaw Indians.

(13) This section shall not apply to any lands acquired, sold, or leased pursuant to Section 59-5-1 et seq.

(14) Upon receiving approval by the Department of Finance and Administration, any agency of the State of Mississippi, after consulting with the department and the Secretary of State, may dispose of unneeded property, including real property, by sale or



lease to any duly incorporated nonprofit organization or
association for the cultivation and sale of fresh fruits and
vegetables on a tract of land of less than five (5) acres within
any local government unit, which has been established in
accordance with ordinances adopted by municipal or county
governing authority as authorized by the "Agricultural Zones Act,"
established by House Bill No. , 2021 Regular Session,
provided that the nonprofit or association is not controlled,
directly or indirectly, by any agricultural, commercial or other
business. The nonprofit organization or association under this
subsection shall be authorized to sell fresh fruits and vegetables
either on the land that was conveyed, off that land, or both,
provided that the sales are related or incidental to the nonprofit
purposes of the organization or association, and the net proceeds
received by the nonprofit organization or association from sales
are used to further the nonprofit purposes of the organization or
association.

SECTION 2. Section 27-31-1, Mississippi Code of 1972, is
amended as follows:

27-31-1. The following shall be exempt from taxation:

(a) All cemeteries used exclusively for burial
purposes.

(b) All property, real or personal, belonging to the
State of Mississippi or any of its political subdivisions, except
property of a municipality not being used for a proper municipal



200 purpose and located outside the county or counties in which such
201 municipality is located. A proper municipal purpose within the
202 meaning of this section shall be any authorized governmental or
203 corporate function of a municipality.

204 (c) All property, real or personal, owned by units of
205 the Mississippi National Guard, or title to which is vested in
206 trustees for the benefit of any unit of the Mississippi National
207 Guard; provided such property is used exclusively for such unit,
208 or for public purposes, and not-for-profit.

209 (d) All property, real or personal, belonging to any
210 religious society, or ecclesiastical body, or any congregation
211 thereof, or to any charitable society, or to any historical or
212 patriotic association or society, or to any garden or pilgrimage
213 club or association and used exclusively for such society or
214 association and not for profit; not exceeding, however, the amount
215 of land which such association or society may own as provided in
216 Section 79-11-33. All property, real or personal, belonging to
217 any rural waterworks system or rural sewage disposal system
218 incorporated under the provisions of Section 79-11-1. All
219 property, real or personal, belonging to any college or
220 institution for the education of youths, used directly and
221 exclusively for such purposes, provided that no such college or
222 institution for the education of youths shall have exempt from
223 taxation more than six hundred forty (640) acres of land;
224 provided, however, this exemption shall not apply to commercial



225 schools and colleges or trade institutions or schools where the
226 profits of same inure to individuals, associations or
227 corporations. All property, real or personal, belonging to an
228 individual, institution or corporation and used for the operation
229 of a grammar school, junior high school, high school or military
230 school. All property, real or personal, owned and occupied by a
231 fraternal and benevolent organization, when used by such
232 organization, and from which no rentals or other profits accrue to
233 the organization, but any part rented or from which revenue is
234 received shall be taxed.

235 (e) All property, real or personal, held and occupied
236 by trustees of public schools, and school lands of the respective
237 townships for the use of public schools, and all property kept in
238 storage for the convenience and benefit of the State of
239 Mississippi in warehouses owned or leased by the State of
240 Mississippi, wherein said property is to be sold by the Alcoholic
241 Beverage Control Division of the Department of Revenue of the
242 State of Mississippi.

243 (f) All property, real or personal, whether belonging
244 to religious or charitable or benevolent organizations, which is
245 used for hospital purposes, and nurses' homes where a part
246 thereof, and which maintain one or more charity wards that are for
247 charity patients, and where all the income from said hospitals and
248 nurses' homes is used entirely for the purposes thereof and no
249 part of the same for profit.



(g) The wearing apparel of every person; and also jewelry and watches kept by the owner for personal use to the extent of One Hundred Dollars (\$100.00) in value for each owner.

(h) Provisions on hand for family consumption.

(i) All farm products grown in this state for a period of two (2) years after they are harvested, when in the possession of or the title to which is in the producer, except the tax of one-fifth of one percent ($\frac{1}{5}$ of 1%) per pound on lint cotton now levied by the Board of Commissioners of the Mississippi Levee District; and lint cotton for five (5) years, and cottonseed, soybeans, oats, rice and wheat for one (1) year regardless of ownership.

(j) All guns and pistols kept by the owner for private use.

(k) All poultry in the hands of the producer.

(l) Household furniture, including all articles kept in the home by the owner for his own personal or family use; but this shall not apply to hotels, rooming houses or rented or leased apartments.

(m) All cattle and oxen.

(n) All sheep, goats and hogs.

(o) All horses, mules and asses.

(p) Farming tools, implements and machinery, when used exclusively in the cultivation or harvesting of crops or timber.



274 (q) All property of agricultural and mechanical
275 associations and fairs used for promoting their objects, and where
276 no part of the proceeds is used for profit.

277 (r) The libraries of all persons.

278 (s) All pictures and works of art, not kept for or
279 offered for sale as merchandise.

280 (t) The tools of any mechanic necessary for carrying on
281 his trade.

282 (u) All state, county, municipal, levee, drainage and
283 all school bonds or other governmental obligations, and all bonds
284 and/or evidences of debts issued by any church or church
285 organization in this state, and all notes and evidences of
286 indebtedness which bear a rate of interest not greater than the
287 maximum rate per annum applicable under the law; and all money
288 loaned at a rate of interest not exceeding the maximum rate per
289 annum applicable under the law; and all stock in or bonds of
290 foreign corporations or associations shall be exempt from all ad
291 valorem taxes.

292 (v) All lands and other property situated or located
293 between the Mississippi River and the levee shall be exempt from
294 the payment of any and all road taxes levied or assessed under any
295 road laws of this state.

296 (w) Any and all money on deposit in either national
297 banks, state banks or trust companies, on open account, savings
298 account or time deposit.



299 (x) All wagons, carts, drays, carriages and other
300 horse-drawn vehicles, kept for the use of the owner.

301 (y) (i) Boats, seines and fishing equipment used in
302 fishing and shrimping operations and in the taking or catching of
303 oysters.

304 (ii) All towboats, tugboats and barges documented
305 under the laws of the United States, except watercraft of every
306 kind and character used in connection with gaming operations.

307 (z) (i) All materials used in the construction and/or
308 conversion of vessels in this state;

309 (ii) Vessels while under construction and/or
310 conversion;

311 (iii) Vessels while in the possession of the
312 manufacturer, builder or converter, for a period of twelve (12)
313 months after completion of construction and/or conversion;
314 however, the twelve-month limitation shall not apply to:

315 1. Vessels used for the exploration for, or
316 production of, oil, gas and other minerals offshore outside the
317 boundaries of this state; or

318 2. Vessels that were used for the exploration
319 for, or production of, oil, gas and other minerals that are
320 converted to a new service for use outside the boundaries of this
321 state;



(iv) 1. In order for a vessel described in subparagraph (iii) of this paragraph (z) to be exempt for a period of more than twelve (12) months, the vessel must:

a. Be operating or operable, generating or capable of generating its own power or connected to some other power source, and not removed from the service or use for which manufactured or to which converted; and

b. The manufacturer, builder, converter or other entity possessing the vessel must be in compliance with any lease or other agreement with any applicable port authority or other entity regarding the vessel and in compliance with all applicable tax laws of this state and applicable federal tax laws.

2. A vessel exempt from taxation under subparagraph (iii) of this paragraph (z) may not be exempt for a period of more than three (3) years unless the board of supervisors of the county and/or governing authorities of the municipality, as the case may be, in which the vessel would otherwise be taxable adopts a resolution or ordinance authorizing the extension of the exemption and setting a maximum period for the exemption.

(v) As used in this paragraph (z), the term "vessel" includes ships, offshore drilling equipment, dry docks, boats and barges, except watercraft of every kind and character used in connection with gaming operations.



(aa) Sixty-six and two-thirds percent (66-2/3%) of nuclear fuel and reprocessed, recycled or residual nuclear fuel by-products, fissionable or otherwise, used or to be used in generation of electricity by persons defined as public utilities in Section 77-3-3.

(bb) All growing nursery stock.

(cc) A semitrailer used in interstate commerce.

(dd) All property, real or personal, used exclusively for the housing of and provision of services to elderly persons, disabled persons, mentally impaired persons or as a nursing home, which is owned, operated and managed by a not-for-profit corporation, qualified under Section 501(c)(3) of the Internal Revenue Code, whose membership or governing body is appointed or confirmed by a religious society or ecclesiastical body or any congregation thereof.

(ee) All vessels while in the hands of bona fide dealers as merchandise and which are not being operated upon the waters of this state shall be exempt from ad valorem taxes. As used in this paragraph, the terms "vessel" and "waters of this state" shall have the meaning ascribed to such terms in Section 59-21-3.

(ff) All property, real or personal, owned by a nonprofit organization that: (i) is qualified as tax exempt under Section 501(c)(4) of the Internal Revenue Code of 1986, as amended; (ii) assists in the implementation of the national



371 contingency plan or area contingency plan, and which is created in
372 response to the requirements of Title IV, Subtitle B of the Oil
373 Pollution Act of 1990, Public Law 101-380; (iii) engages primarily
374 in programs to contain, clean up and otherwise mitigate spills of
375 oil or other substances occurring in the United States coastal or
376 tidal waters; and (iv) is used for the purposes of the
377 organization.

378 (gg) If a municipality changes its boundaries so as to
379 include within the boundaries of such municipality the project
380 site of any project as defined in Section 57-75-5(f)(iv)1, Section
381 57-75-5(f)(xxi) or Section 57-75-5(f)(xxviii) or Section
382 57-75-5(f)(xxix), all real and personal property located on the
383 project site within the boundaries of such municipality that is
384 owned by a business enterprise operating such project, shall be
385 exempt from ad valorem taxation for a period of time not to exceed
386 thirty (30) years upon receiving approval for such exemption by
387 the Mississippi Major Economic Impact Authority. The provisions
388 of this paragraph shall not be construed to authorize a breach of
389 any agreement entered into pursuant to Section 21-1-59.

390 (hh) All leases, lease contracts or lease agreements
391 (including, but not limited to, subleases, sublease contracts and
392 sublease agreements), and leaseholds or leasehold interests
393 (including, but not limited to, subleaseholds and subleasehold
394 interests), of or with respect to any and all property (real,
395 personal or mixed) constituting all or any part of a facility for



the manufacture, production, generation, transmission and/or distribution of electricity, and any real property related thereto, shall be exempt from ad valorem taxation during the period as the United States is both the title owner of the property and a sublessee of or with respect to the property; however, the exemption authorized by this paragraph (hh) shall not apply to any entity to whom the United States sub-subleases its interest in the property nor to any entity to whom the United States assigns its sublease interest in the property. As used in this paragraph, the term "United States" includes an agency or instrumentality of the United States of America. This paragraph (hh) shall apply to all assessments for ad valorem taxation for the 2003 calendar year and each calendar year thereafter.

(ii) All property, real, personal or mixed, including fixtures and leaseholds, used by Mississippi nonprofit entities qualified, on or before January 1, 2005, under Section 501(c)(3) of the Internal Revenue Code to provide support and operate technology incubators for research and development startup companies, telecommunication startup companies and/or other technology startup companies, utilizing technology spun-off from research and development activities of the public colleges and universities of this state, State of Mississippi governmental research or development activities resulting therefrom located within the State of Mississippi.



420 (jj) All property, real, personal or mixed, including
421 fixtures and leaseholds, of startup companies (as described in
422 paragraph (ii) of this section) for the period of time, not to
423 exceed five (5) years, that the startup company remains a tenant
424 of a technology incubator (as described in paragraph (ii) of this
425 section).

426 (kk) All leases, lease contracts or lease agreements
427 (including, but not limited to, subleases, sublease contracts and
428 sublease agreements), and leaseholds or leasehold interests, of or
429 with respect to any and all property (real, personal or mixed)
430 constituting all or any part of an auxiliary facility, and any
431 real property related thereto, constructed or renovated pursuant
432 to Section 37-101-41, Mississippi Code of 1972.

433 (ll) Equipment brought into the state temporarily for
434 use during a disaster response period as provided in Sections
435 27-113-1 through 27-113-9 and subsequently removed from the state
436 on or before the end of the disaster response period as defined in
437 Section 27-113-5.

438 (mm) For any lease or contractual arrangement to which
439 the Department of Finance and Administration and a nonprofit
440 corporation are a party to as provided in Section 39-25-1(5), the
441 nonprofit corporation shall, along with the possessory and
442 leasehold interests and/or real and personal property of the
443 corporation, be exempt from all ad valorem taxation, including,
444 but not limited to, school, city and county ad valorem taxes, for



the term or period of time stated in the lease or contractual arrangement.

(nn) Any state-owned real property which is or may be sold or leased to a nonprofit organization or association specified under Section 29-1-1(14), shall be exempt from all ad valorem taxation, including, but not limited to, school, city and county ad valorem taxes, despite the making of any such sale or lease, if it is used for the cultivation and sale of fresh fruits and vegetables, and the net proceeds received by the nonprofit organization or association are used to further the nonprofit purposes of the organization or association.

SECTION 3. This act shall take effect and be in force from and after July 1, 2021.

