

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**Senate Bill No. 2895**

**BY: Committee**

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

12        SECTION 1. (1) Notwithstanding the provisions of Section  
13 27-35-4 that fix the assessment rate of property for ad valorem  
14 tax purposes, property owned by a transformative renewable energy  
15 project shall be assessed at eight percent (8%) of true value for  
16 ad valorem taxes. Such assessment rate shall be used in  
17 calculating any payments under a fee-in-lieu of ad valorem taxes  
18 agreement under Section 27-31-104.

19        (2) The assessment rate established under this section shall  
20 remain in full force and effect for any transformative renewable  
21 energy projects for as long as any fee-in-lieu of ad valorem taxes



22 agreement between the project and a qualifying county remain in  
23 effect.

24 As used in this section, the term "transformative renewable  
25 energy project" means a project that proposes to invest at least  
26 One Hundred Million Dollars (\$100,000,000.00) in generating  
27 renewable energy within a qualifying county and that has been  
28 designated as such by resolution of the board of supervisors of  
29 that qualifying county.

30 As used in this section, the term "qualifying county" means a  
31 county in Mississippi:

32 (a) Wholly located north of United States Highway 82;

33 (b) Located within fifty (50) miles of the Mississippi  
34 state border;

35 (c) Either (i) bordering the Mississippi River, or (ii)  
36 wholly east of United States Interstate 55; and

37 (d) With a population between eight thousand five  
38 hundred (8,500) and nineteen thousand (19,000) as determined by  
39 both the 2010 federal decennial census and the latest estimates  
40 from the United States Census Bureau.

41 (3) The authority of the board of supervisors of a  
42 qualifying county to designate transformative renewable energy  
43 projects shall expire on December 31, 2022.

44 **SECTION 2.** Section 27-35-4, Mississippi Code of 1972, is  
45 amended as follows:



46           27-35-4. (1) All Class I property, as defined in Section  
47 112, Mississippi Constitution of 1890, shall be assessed at the  
48 rate of ten percent (10%) of true value.

49           (2) Except as otherwise provided in Section 1 of this act,  
50 all Class II property and Class III property, as defined in  
51 Section 112, Mississippi Constitution of 1890, shall be assessed  
52 at the rate of fifteen percent (15%) of true value.

53           (3) All Class IV property and Class V property, as defined  
54 in Section 112, Mississippi Constitution of 1890, shall be  
55 assessed at the rate of thirty percent (30%) of true value.

56           **SECTION 3.** Section 27-31-104, Mississippi Code of 1972, is  
57 brought forward as follows:

58           **[Through June 30, 2022, this section shall read as follows:]**

59           27-31-104. (1) (a) County boards of supervisors and  
60 municipal authorities are each hereby authorized and empowered to  
61 enter into an agreement with an enterprise granting, and pursuant  
62 to such agreement grant a fee-in-lieu of ad valorem taxes,  
63 including ad valorem taxes levied for school purposes, for the  
64 following:

65                           (i) Projects totaling over Sixty Million Dollars  
66 (\$60,000,000.00) by any new enterprises enumerated in Section  
67 27-31-101;

68                           (ii) Projects by a private company (as such term  
69 is defined in Section 57-61-5) having a minimum capital investment  
70 of Sixty Million Dollars (\$60,000,000.00);



71 (iii) Projects by a qualified business (as such  
72 term is defined in Section 57-117-3) meeting minimum criteria  
73 established by the Mississippi Development Authority;

74 (iv) Projects, in addition to those projects  
75 referenced in Section 27-31-105, totaling over Sixty Million  
76 Dollars (\$60,000,000.00) by an existing enterprise that has been  
77 doing business in the county or municipality for twenty-four (24)  
78 months. For purposes of this subparagraph (iv), the term  
79 "existing enterprise" includes those enterprises enumerated in  
80 Section 27-31-101; or

81 (v) A private company (as such term is defined in  
82 Section 57-61-5) having a minimum capital investment of One  
83 Hundred Million Dollars (\$100,000,000.00) from any source or  
84 combination of sources, provided that a majority of the capital  
85 investment is from private sources, when such project is located  
86 within a geographic area for which a Presidential Disaster  
87 Declaration was issued on or after January 1, 2014.

88 (b) A fee-in-lieu of ad valorem taxes granted in  
89 accordance with this section may include any or all tangible  
90 property, real or personal, including any leasehold interests  
91 therein but excluding automobiles and trucks operating on and over  
92 the highways of the State of Mississippi, used in connection with,  
93 or necessary to, the operation of any enterprise, private company  
94 or business described in paragraph (a) of this subsection (1), as  
95 applicable, whether or not such property is owned, leased,



96 subleased, licensed or otherwise obtained by such enterprise,  
97 private company or business, as applicable, irrespective of the  
98 taxpayer to which any such leased property is assessed for ad  
99 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is  
100 granted pursuant to this section with respect to any leasehold  
101 interest under a lease, sublease or license of tangible property  
102 used in connection with, or necessary to, the operation of an  
103 enterprise, private company or business described in paragraph (a)  
104 of this subsection (1), as applicable, the corresponding ownership  
105 interest of the owner, lessor and sublessor of such tangible  
106 property shall similarly and automatically be exempt and subject  
107 to the fee-in-lieu granted in accordance herewith without any  
108 action being required to be taken by such owner, lessor or  
109 sublessor.

110 (2) A county board of supervisors may enter into a  
111 fee-in-lieu agreement on behalf of the county and any county  
112 school district, and a municipality may enter into such a  
113 fee-in-lieu agreement on behalf of the municipality and any  
114 municipal school district located in the municipality; however, if  
115 the project is located outside the limits of a municipality but  
116 within the boundaries of the municipal school district, then the  
117 county board of supervisors may enter into such a fee-in-lieu  
118 agreement on behalf of the school district granting a fee-in-lieu  
119 of ad valorem taxes for school district purposes.



120 (3) Any grant of a fee-in-lieu of ad valorem taxes shall be  
121 evidenced by a written agreement negotiated by the enterprise and  
122 the county board of supervisors and/or municipal authority, as the  
123 case may be, and given final approval by the Mississippi  
124 Development Authority as satisfying the requirements of this  
125 section.

126 (4) The minimum sum allowable as a fee-in-lieu shall not be  
127 less than one-third (1/3) of the ad valorem levy, including ad  
128 valorem taxes for school district purposes, and except as  
129 otherwise provided, the sum allowed shall be apportioned between  
130 the county or municipality, as appropriate, and the school  
131 districts in such amounts as may be determined by the county board  
132 of supervisors or municipal governing authority, as the case may  
133 be, however, except as otherwise provided in this section, from  
134 the sum allowed the apportionment to school districts shall not be  
135 less than the school districts' pro rata share based upon the  
136 proportion that the millage imposed for the school districts by  
137 the appropriate levying authority bears to the millage imposed by  
138 such levying authority for all other county or municipal purposes.  
139 Any fee-in-lieu agreement entered into under this section shall  
140 become a binding obligation of the parties to the agreement, be  
141 effective upon its execution by the parties and approval by the  
142 Mississippi Development Authority and, except as otherwise  
143 provided in Section 17-25-23 or Section 57-75-33, or any other  
144 provision of law, continue in effect for a period not to exceed



145 thirty (30) years commencing on the date that the fee-in-lieu  
146 granted thereunder begins in accordance with the agreement;  
147 however, no particular parcel of land, real property improvement  
148 or item of personal property shall be subject to a fee-in-lieu for  
149 a duration of more than ten (10) years. Any such agreement shall  
150 be binding, according to its terms, on future boards of  
151 supervisors of the county and/or governing authorities of a  
152 municipality, as the case may be, for the duration of the  
153 agreement.

154 (5) The fee-in-lieu may be a stated fraction or percentage  
155 of the ad valorem taxes otherwise payable or a stated dollar  
156 amount. If the fee is a fraction or percentage of the ad valorem  
157 tax levy, it shall be annually computed on all ad valorem taxes  
158 otherwise payable, including school taxes, as the same may vary  
159 from year to year based upon changes in the millage rate or  
160 assessed value and shall not be less than one-third (1/3) of that  
161 amount. If the fee is a stated dollar amount, said amount shall  
162 be the higher of the sum provided for fixed payment or one-third  
163 (1/3) of the total of all ad valorem taxes otherwise payable as  
164 annually determined during each year of the fee-in-lieu.

165 (6) Notwithstanding Section 27-31-111, the parties to a  
166 fee-in-lieu may agree on terms and conditions providing for the  
167 reduction, suspension, termination or reinstatement of a  
168 fee-in-lieu agreement or any fee-in-lieu period granted thereunder  
169 upon the cessation of operations by project for twelve (12) or



170 more consecutive months or due to other conditions set forth in  
171 the agreement.

172 (7) For a project as defined in Section 57-75-5(f)(xxi) and  
173 located in a county that is a member of a regional economic  
174 development alliance created under Section 57-64-1 et seq., the  
175 members of the regional economic development alliance may divide  
176 the sum allowed as a fee-in-lieu in a manner as determined by the  
177 alliance agreement, and the boards of supervisors of the member  
178 counties may then apportion the sum allowed between school  
179 district purposes and all other county purposes.

180 (8) For a project as defined in Section 57-75-5(f)(xxvi),  
181 the board of supervisors of the county in which the project is  
182 located may negotiate with the school district in which the  
183 project is located and apportion to the school district an amount  
184 of the fee-in-lieu that is agreed upon in the negotiations  
185 different than the amount provided for in subsection (3) of this  
186 section.

187 (9) For a project as defined in Section 57-75-5(f)(xxviii),  
188 the annual amount of the fee-in-lieu apportioned to the county  
189 shall not be less than the amount necessary to pay the debt  
190 service on bonds issued by the county pursuant to Section  
191 57-75-37(3)(c).

192 (10) Any fee-in-lieu of ad valorem taxes granted under this  
193 section before the effective date of this act, and consistent  
194 herewith, is hereby ratified, approved and confirmed.





195           **[From and after July 1, 2022, this section shall read as**  
196 **follows:]**

197           27-31-104. (1) (a) County boards of supervisors and  
198 municipal authorities are each hereby authorized and empowered to  
199 enter into an agreement with an enterprise granting, and pursuant  
200 to such agreement grant a fee-in-lieu of ad valorem taxes,  
201 including ad valorem taxes levied for school purposes, for the  
202 following:

203                       (i) Projects totaling over Sixty Million Dollars  
204 (\$60,000,000.00) by any new enterprises enumerated in Section  
205 27-31-101;

206                       (ii) Projects by a private company (as such term  
207 is defined in Section 57-61-5, Mississippi Code of 1972) having a  
208 minimum capital investment of Sixty Million Dollars  
209 (\$60,000,000.00);

210                       (iii) Projects, in addition to those projects  
211 referenced in Section 27-31-105, totaling over Sixty Million  
212 Dollars (\$60,000,000.00) by an existing enterprise that has been  
213 doing business in the county or municipality for twenty-four (24)  
214 months. For purposes of this subparagraph (iii), the term  
215 "existing enterprise" includes those enterprises enumerated in  
216 Section 27-31-101; or

217                       (iv) A private company (as such term is defined in  
218 Section 57-61-5) having a minimum capital investment of One  
219 Hundred Million Dollars (\$100,000,000.00) from any source or



220 combination of sources, provided that a majority of the capital  
221 investment is from private sources, when such project is located  
222 within a geographic area for which a Presidential Disaster  
223 Declaration was issued on or after January 1, 2014.

224 (b) A fee-in-lieu of ad valorem taxes granted in  
225 accordance with this section may include any or all tangible  
226 property, real or personal, including any leasehold interests  
227 therein but excluding automobiles and trucks operating on and over  
228 the highways of the State of Mississippi, used in connection with,  
229 or necessary to, the operation of any enterprise, private company  
230 or business described in paragraph (a) of this subsection (1), as  
231 applicable, whether or not such property is owned, leased,  
232 subleased, licensed or otherwise obtained by such enterprise,  
233 private company or business, as applicable, irrespective of the  
234 taxpayer to which any such leased property is assessed for ad  
235 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is  
236 granted pursuant to this section with respect to any leasehold  
237 interest under a lease, sublease or license of tangible property  
238 used in connection with, or necessary to, the operation of an  
239 enterprise, private company or business described in paragraph (a)  
240 of this subsection (1), as applicable, the corresponding ownership  
241 interest of the owner, lessor and sublessor of such tangible  
242 property shall similarly and automatically be exempt and subject  
243 to the fee-in-lieu granted in accordance herewith without any



244 action being required to be taken by such owner, lessor or  
245 sublessor.

246 (2) A county board of supervisors may enter into a  
247 fee-in-lieu agreement on behalf of the county and any county  
248 school district, and a municipality may enter into such a  
249 fee-in-lieu agreement on behalf of the municipality and any  
250 municipal school district located in the municipality; however, if  
251 the project is located outside the limits of a municipality but  
252 within the boundaries of the municipal school district, then the  
253 county board of supervisors may enter into such a fee-in-lieu  
254 agreement on behalf of the school district granting a fee-in-lieu  
255 of ad valorem taxes for school district purposes.

256 (3) Any grant of a fee-in-lieu of ad valorem taxes shall be  
257 evidenced by a written agreement negotiated by the enterprise and  
258 the county board of supervisors and/or municipal authority, as the  
259 case may be, and given final approval by the Mississippi  
260 Development Authority as satisfying the requirements of this  
261 section.

262 (4) The minimum sum allowable as a fee-in-lieu shall not be  
263 less than one-third (1/3) of the ad valorem levy, including ad  
264 valorem taxes for school district purposes, and except as  
265 otherwise provided, the sum allowed shall be apportioned between  
266 the county or municipality, as appropriate, and the school  
267 districts in such amounts as may be determined by the county board  
268 of supervisors or municipal governing authority, as the case may



269 be, however, except as otherwise provided in this section, from  
270 the sum allowed the apportionment to school districts shall not be  
271 less than the school districts' pro rata share based upon the  
272 proportion that the millage imposed for the school districts by  
273 the appropriate levying authority bears to the millage imposed by  
274 such levying authority for all other county or municipal purposes.  
275 Any fee-in-lieu agreement entered into under this section shall  
276 become a binding obligation of the parties to the agreement, be  
277 effective upon its execution by the parties and approval by the  
278 Mississippi Development Authority and, except as otherwise  
279 provided in Section 17-25-23 or Section 57-75-33, or any other  
280 provision of law, continue in effect for a period not to exceed  
281 thirty (30) years commencing on the date that the fee-in-lieu  
282 granted thereunder begins in accordance with the agreement;  
283 however, no particular parcel of land, real property improvement  
284 or item of personal property shall be subject to a fee-in-lieu for  
285 a duration of more than ten (10) years. Any such agreement shall  
286 be binding, according to its terms, on future boards of  
287 supervisors of the county and/or governing authorities of a  
288 municipality, as the case may be, for the duration of the  
289 agreement.

290 (5) The fee-in-lieu may be a stated fraction or percentage  
291 of the ad valorem taxes otherwise payable or a stated dollar  
292 amount. If the fee is a fraction or percentage of the ad valorem  
293 tax levy, it shall be annually computed on all ad valorem taxes



294 otherwise payable, including school taxes, as the same may vary  
295 from year to year based upon changes in the millage rate or  
296 assessed value and shall not be less than one-third (1/3) of that  
297 amount. If the fee is a stated dollar amount, said amount shall  
298 be the higher of the sum provided for fixed payment or one-third  
299 (1/3) of the total of all ad valorem taxes otherwise payable as  
300 annually determined during each year of the fee-in-lieu.

301 (6) Notwithstanding Section 27-31-111, the parties to a  
302 fee-in-lieu may agree on terms and conditions providing for the  
303 reduction, suspension, termination or reinstatement of a  
304 fee-in-lieu agreement or any fee-in-lieu period granted thereunder  
305 upon the cessation of operations by project for twelve (12) or  
306 more consecutive months or due to other conditions set forth in  
307 the agreement.

308 (7) For a project as defined in Section 57-75-5(f)(xxi) and  
309 located in a county that is a member of a regional economic  
310 development alliance created under Section 57-64-1 et seq., the  
311 members of the regional economic development alliance may divide  
312 the sum allowed as a fee-in-lieu in a manner as determined by the  
313 alliance agreement, and the boards of supervisors of the member  
314 counties may then apportion the sum allowed between school  
315 district purposes and all other county purposes.

316 (8) For a project as defined in Section 57-75-5(f)(xxvi),  
317 the board of supervisors of the county in which the project is  
318 located may negotiate with the school district in which the



319 project is located and apportion to the school district an amount  
320 of the fee-in-lieu that is agreed upon in the negotiations  
321 different than the amount provided for in subsection (3) of this  
322 section.

323 (9) For a project as defined in Section 57-75-5(f)(xxviii),  
324 the annual amount of the fee-in-lieu apportioned to the county  
325 shall not be less than the amount necessary to pay the annual debt  
326 service on bonds issued by the county pursuant to Section  
327 57-75-37(3)(c).

328 (10) Any fee-in-lieu of ad valorem taxes granted under this  
329 section before the effective date of this act, and consistent  
330 herewith, is hereby ratified, approved and confirmed.

331 **SECTION 4.** This act shall take effect and be in force from  
332 and after July 1, 2021, and shall stand repealed on June 29, 2021.

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

1 AN ACT TO PROVIDE AN AD VALOREM TAX ASSESSMENT RATE OF 8% OF  
2 TRUE VALUE FOR PROPERTY OWNED BY A TRANSFORMATIVE RENEWABLE ENERGY  
3 PROJECT DESIGNATED AS SUCH BY THE BOARD OF SUPERVISORS OF A  
4 QUALIFYING COUNTY; TO AMEND SECTION 27-35-4, MISSISSIPPI CODE OF  
5 1972, TO EXEMPT PROPERTY OWNED BY A TRANSFORMATIVE ENERGY PROJECT  
6 FROM THE 15% ASSESSMENT RATE APPLYING TO CLASS II PROPERTY  
7 GENERALLY; TO BRING FORWARD SECTION 27-31-104, MISSISSIPPI CODE OF  
8 1972, WHICH RELATES TO GRANTS OF FEE-IN-LIEU OF AD VALOREM TAXES  
9 FOR CERTAIN PROJECTS, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND  
10 FOR RELATED PURPOSES.

