

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1420

BY: Committee

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

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

15 27-31-1. The following shall be exempt from taxation:

16 (a) All cemeteries used exclusively for burial
17 purposes.

18 (b) All property, real or personal, belonging to the
19 State of Mississippi or any of its political subdivisions, except
20 property of a municipality not being used for a proper municipal
21 purpose and located outside the county or counties in which such
22 municipality is located. A proper municipal purpose within the



23 meaning of this section shall be any authorized governmental or
24 corporate function of a municipality.

25 (c) All property, real or personal, owned by units of
26 the Mississippi National Guard, or title to which is vested in
27 trustees for the benefit of any unit of the Mississippi National
28 Guard; provided such property is used exclusively for such unit,
29 or for public purposes, and not for profit.

30 (d) All property, real or personal, belonging to any
31 religious society, or ecclesiastical body, or any congregation
32 thereof, or to any charitable society, or to any historical or
33 patriotic association or society, or to any garden or pilgrimage
34 club or association and used exclusively for such society or
35 association and not for profit; not exceeding, however, the amount
36 of land which such association or society may own as provided in
37 Section 79-11-33. All property, real or personal, belonging to
38 any rural waterworks system or rural sewage disposal system
39 incorporated under the provisions of Section 79-11-1. All
40 property, real or personal, belonging to any college or
41 institution for the education of youths, used directly and
42 exclusively for such purposes, provided that no such college or
43 institution for the education of youths shall have exempt from
44 taxation more than six hundred forty (640) acres of land;
45 provided, however, this exemption shall not apply to commercial
46 schools and colleges or trade institutions or schools where the
47 profits of same inure to individuals, associations or



48 corporations. All property, real or personal, belonging to an
49 individual, institution or corporation and used for the operation
50 of a grammar school, junior high school, high school or military
51 school. All property, real or personal, owned and occupied by a
52 fraternal and benevolent organization, when used by such
53 organization, and from which no rentals or other profits accrue to
54 the organization, but any part rented or from which revenue is
55 received shall be taxed.

56 (e) All property, real or personal, held and occupied
57 by trustees of public schools, and school lands of the respective
58 townships for the use of public schools, and all property kept in
59 storage for the convenience and benefit of the State of
60 Mississippi in warehouses owned or leased by the State of
61 Mississippi, wherein said property is to be sold by the Alcoholic
62 Beverage Control Division of the Department of Revenue of the
63 State of Mississippi.

64 (f) All property, real or personal, whether belonging
65 to religious or charitable or benevolent organizations, which is
66 used for hospital purposes, and nurses' homes where a part
67 thereof, and which maintain one or more charity wards that are for
68 charity patients, and where all the income from said hospitals and
69 nurses' homes is used entirely for the purposes thereof and no
70 part of the same for profit.



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

74 (h) Provisions on hand for family consumption.

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

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

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

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

90 (m) All cattle and oxen.

91 (n) All sheep, goats and hogs.

92 (o) All horses, mules and asses.

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



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

98 (r) The libraries of all persons.

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

101 (t) The tools of any mechanic necessary for carrying on
102 his trade.

103 (u) All state, county, municipal, levee, drainage and
104 all school bonds or other governmental obligations, and all bonds
105 and/or evidences of debts issued by any church or church
106 organization in this state, and all notes and evidences of
107 indebtedness which bear a rate of interest not greater than the
108 maximum rate per annum applicable under the law; and all money
109 loaned at a rate of interest not exceeding the maximum rate per
110 annum applicable under the law; and all stock in or bonds of
111 foreign corporations or associations shall be exempt from all ad
112 valorem taxes.

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

117 (w) Any and all money on deposit in either national
118 banks, state banks or trust companies, on open account, savings
119 account or time deposit.



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

122 (y) (i) Boats, seines and fishing equipment used in
123 fishing and shrimping operations and in the taking or catching of
124 oysters.

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

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

130 (ii) Vessels while under construction and/or
131 conversion;

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

136 1. Vessels used for the exploration for, or
137 production of, oil, gas and other minerals offshore outside the
138 boundaries of this state; or

139 2. Vessels that were used for the exploration
140 for, or production of, oil, gas and other minerals that are
141 converted to a new service for use outside the boundaries of this
142 state;



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

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

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

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

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



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

172 (bb) All growing nursery stock.

173 (cc) A semitrailer used in interstate commerce.

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

182 (ee) All vessels while in the hands of bona fide
183 dealers as merchandise and which are not being operated upon the
184 waters of this state shall be exempt from ad valorem taxes. As
185 used in this paragraph, the terms "vessel" and "waters of this
186 state" shall have the meaning ascribed to such terms in Section
187 59-21-3.

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



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

199 (gg) If a municipality changes its boundaries so as to
200 include within the boundaries of such municipality the project
201 site of any project as defined in Section 57-75-5(f)(iv)1, Section
202 57-75-5(f)(xxi) or Section 57-75-5(f)(xxviii) or Section
203 57-75-5(f)(xxix), all real and personal property located on the
204 project site within the boundaries of such municipality that is
205 owned by a business enterprise operating such project, shall be
206 exempt from ad valorem taxation for a period of time not to exceed
207 thirty (30) years upon receiving approval for such exemption by
208 the Mississippi Major Economic Impact Authority. The provisions
209 of this paragraph shall not be construed to authorize a breach of
210 any agreement entered into pursuant to Section 21-1-59.

211 (hh) All leases, lease contracts or lease agreements
212 (including, but not limited to, subleases, sublease contracts and
213 sublease agreements), and leaseholds or leasehold interests
214 (including, but not limited to, subleaseholds and subleasehold
215 interests), of or with respect to any and all property (real,
216 personal or mixed) constituting all or any part of a facility for



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

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



241 (jj) All property, real, personal or mixed, including
242 fixtures and leaseholds, of startup companies (as described in
243 paragraph (ii) of this section) for the period of time, not to
244 exceed five (5) years, that the startup company remains a tenant
245 of a technology incubator (as described in paragraph (ii) of this
246 section).

247 (kk) All leases, lease contracts or lease agreements
248 (including, but not limited to, subleases, sublease contracts and
249 sublease agreements), and leaseholds or leasehold interests, of or
250 with respect to any and all property (real, personal or mixed)
251 constituting all or any part of an auxiliary facility, and any
252 real property related thereto, constructed or renovated pursuant
253 to Section 37-101-41, Mississippi Code of 1972.

254 (ll) Equipment brought into the state temporarily for
255 use during a disaster response period as provided in Sections
256 27-113-1 through 27-113-9 and subsequently removed from the state
257 on or before the end of the disaster response period as defined in
258 Section 27-113-5.

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



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

268 (nn) All property, real or personal, that is owned,
269 operated and managed by a not-for-profit corporation qualified under
270 Section 501(c)(3) of the Internal Revenue Code, and used to provide,
271 free of charge, (i) a practice facility for a public school district
272 swim team, and (ii) a facility for another not-for-profit
273 organization as defined under Section 501(c)(3) of the Internal
274 Revenue Code to conduct water safety and lifeguard training programs.
275 This section shall not apply to real or personal property owned by a
276 country club, tennis club with a pool, or any club requiring stock
277 ownership for membership.

278 **SECTION 2.** Nothing in this act shall affect or defeat any
279 claim, assessment, appeal, suit, right or cause of action for
280 taxes due or accrued under the ad valorem tax laws before the date
281 on which this act becomes effective, whether such claims,
282 assessments, appeals, suits or actions have been begun before the
283 date on which this act becomes effective or are begun thereafter;
284 and the provisions of the ad valorem tax laws are expressly
285 continued in full force, effect and operation for the purpose of
286 the assessment, collection and enrollment of liens for any taxes
287 due or accrued and the execution of any warrant under such laws
288 before the date on which this act becomes effective, and for the
289 imposition of any penalties, forfeitures or claims for failure to
290 comply with such laws.



291 **SECTION 3.** This act shall take effect and be in force from
292 and after January 1, 2021, and shall stand repealed on December
293 31, 2020.

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

1 AN ACT TO AMEND SECTION 27-31-1, MISSISSIPPI CODE OF 1972, TO
2 EXEMPT FROM AD VALOREM TAXATION CERTAIN PROPERTY THAT IS OWNED,
3 OPERATED AND MANAGED BY A NOT-FOR-PROFIT CORPORATION QUALIFIED UNDER
4 SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE, AND USED TO PROVIDE,
5 FREE OF CHARGE, A PRACTICE FACILITY FOR A PUBLIC SCHOOL DISTRICT SWIM
6 TEAM AND A FACILITY FOR ANOTHER NOT-FOR-PROFIT ORGANIZATION AS
7 DEFINED UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE TO
8 CONDUCT WATER SAFETY AND LIFEGUARD TRAINING PROGRAMS; TO EXCLUDE FROM
9 THE APPLICATION OF THE SECTION REAL OR PERSONAL PROPERTY OWNED BY A
10 COUNTRY CLUB, A TENNIS CLUB WITH A POOL, OR ANY CLUB REQUIRING STOCK
11 OWNERSHIP FOR MEMBERSHIP; AND FOR RELATED PURPOSES.

