

By: Representative Roberson

To: Ways and Means

## HOUSE BILL NO. 474

1 AN ACT TO REENACT SECTIONS 57-117-1 THROUGH 57-117-9,  
2 MISSISSIPPI CODE OF 1972, WHICH ARE THE MISSISSIPPI HEALTH CARE  
3 INDUSTRY ZONE ACT; TO AMEND SECTION 57-117-11, MISSISSIPPI CODE OF  
4 1972, TO EXTEND THE DATE OF THE REPEALER ON THE MISSISSIPPI HEALTH  
5 CARE INDUSTRY ZONE ACT; TO AMEND REENACTED SECTION 57-117-3,  
6 MISSISSIPPI CODE OF 1972, TO MAKE MINOR, NONSUBSTANTIVE NUMBERING  
7 CHANGES; TO REENACT SECTION 27-31-101, MISSISSIPPI CODE OF 1972,  
8 WHICH AUTHORIZES COUNTY BOARDS OF SUPERVISORS AND MUNICIPAL  
9 GOVERNING AUTHORITIES TO GRANT AN AD VALOREM TAX EXEMPTION TO  
10 HEALTH CARE INDUSTRY FACILITIES; TO AMEND REENACTED SECTION  
11 27-31-101, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF THE  
12 REVERTER ON THAT STATUTE; TO AMEND SECTION 27-31-104, MISSISSIPPI  
13 CODE OF 1972, TO EXTEND THE DATE OF THE REVERTER ON THE STATUTE  
14 THAT AUTHORIZES COUNTY BOARDS OF SUPERVISORS AND MUNICIPAL  
15 GOVERNING AUTHORITIES TO GRANT A FEE-IN-LIEU OF AD VALOREM TAXES  
16 TO QUALIFIED BUSINESSES UNDER THE MISSISSIPPI HEALTH CARE INDUSTRY  
17 ZONE ACT WHICH MEET MINIMUM CRITERIA ESTABLISHED BY THE  
18 MISSISSIPPI DEVELOPMENT AUTHORITY; TO AMEND SECTION 27-65-101,  
19 MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF THE REPEALER ON  
20 THE PROVISION OF LAW THAT EXEMPTS FROM SALES TAXATION SALES OF  
21 MATERIALS USED IN THE CONSTRUCTION OF, OR ADDITION OR IMPROVEMENTS  
22 TO, A HEALTH CARE INDUSTRY FACILITY AND CERTAIN SALES OF MACHINERY  
23 AND EQUIPMENT TO BE USED IN THE FACILITY; TO AMEND SECTION 6,  
24 CHAPTER 520, LAWS OF 2012, TO CORRECT THE SECTION NUMBERS CITED IN  
25 THE MISSISSIPPI HEALTH CARE INDUSTRY ZONE ACT'S ENABLING  
26 LEGISLATION WHICH ARE SUBJECT TO REPEAL; AND FOR RELATED PURPOSES.

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

28 **SECTION 1.** Section 57-117-1, Mississippi Code of 1972, is  
29 reenacted as follows:



30           57-117-1. This chapter shall be known and may be cited as  
31 the "Mississippi Health Care Industry Zone Act."

32           **SECTION 2.** Section 57-117-3, Mississippi Code of 1972, is  
33 reenacted and amended as follows:

34           57-117-3. In this chapter:

35                   (a) "Health care industry facility" means:

36                           (i) A business engaged in the research and  
37 development of pharmaceuticals, biologics, biotechnology,  
38 diagnostic imaging, medical supplies, medical equipment or  
39 medicine and related manufacturing or processing, medical service  
40 providers, medical product distribution, or laboratory testing  
41 that creates a minimum of twenty-five (25) new full-time jobs  
42 and/or Ten Million Dollars (\$10,000,000.00) of capital investment  
43 after July 1, 2012; or

44                           (ii) A business that \* \* \* 1. is located on land  
45 owned by or leased from an academic health science center with a  
46 medical school accredited by the Liaison Committee on Medical  
47 Education and a hospital accredited by the Joint Committee on  
48 Accreditation of Healthcare Organizations and \* \* \* 2. creates a  
49 minimum of twenty-five (25) new jobs and/or Twenty Million Dollars  
50 (\$20,000,000.00) of capital investment after July 1, 2012.

51                   (b) "MDA" means the Mississippi Development Authority.

52                   (c) "Health care industry zone" means a geographical  
53 area certified by the MDA as provided for in Section 57-117-5.



54 (d) "Local government unit" means any county or  
55 incorporated city, town or village in the State of Mississippi.

56 (e) "Person" means a natural person, partnership,  
57 limited liability company, association, corporation, business  
58 trust or other business entity.

59 (f) "Qualified business" means a business or health  
60 care industry facility that meets the requirements of Section  
61 57-117-7 and any other requirements of this chapter.

62 **SECTION 3.** Section 57-117-5, Mississippi Code of 1972, is  
63 reenacted as follows:

64 57-117-5. (1) The MDA may certify an area as a health care  
65 industry zone if the following requirements are met:

66 (a) The area is located within:

67 (i) Three (3) contiguous counties which have  
68 certificates of need of more than three hundred seventy-five (375)  
69 acute care hospital beds; and/or

70 (ii) A county which has a hospital with a minimum  
71 capital investment of Two Hundred Fifty Million Dollars  
72 (\$250,000,000.00) and for which construction is completed before  
73 July 1, 2017;

74 (b) The health care industry facility is located within  
75 a five-mile radius of:

76 (i) A facility with a certificate of need for  
77 hospital beds; and/or

78 (ii) A university or college that is:



79                   1. Accredited by the Southern Association of  
80 Colleges and Schools and awards degrees and/or trains workers for  
81 jobs in health care or pharmaceutical fields of study and/or work,  
82 and

83                   2. Located along or near Mississippi Highway  
84 67 within a master planned community as defined in Section  
85 19-5-10; and

86                   (c) The zoning of the local government unit, if  
87 applicable, allows the construction or operation in the proposed  
88 health care industry zone of the health care industry facility.

89                   (2) A health care industry facility that engages in an  
90 activity for which a certificate of need is required must comply  
91 with the provisions of Section 41-7-191 in order to be certified  
92 as a qualified business.

93                   (3) The MDA may adopt and promulgate such rules and  
94 regulations, in compliance with the Mississippi Administrative  
95 Procedures Law, as are necessary for the efficient and effective  
96 administration of this section in keeping with the purposes for  
97 which it is enacted.

98                   **SECTION 4.** Section 57-117-7, Mississippi Code of 1972, is  
99 reenacted as follows:

100                   57-117-7. (1) Businesses and health care industry  
101 facilities shall apply to the MDA for certification as a qualified  
102 business. If the health care industry facility or business is



103 located in a health care industry zone and meets the requirements  
104 of this chapter, the MDA shall certify it as a qualified business.

105 (2) A health care industry facility or business certified by  
106 the MDA as a qualified business within a health care industry zone  
107 that constructs or renovates a health care industry facility  
108 within a health care industry zone shall qualify for the  
109 following:

110 (a) An accelerated state income tax depreciation  
111 deduction. The accelerated depreciation deduction shall be  
112 computed by accelerating depreciation period required by  
113 Mississippi Administrative Code, to a ten-year depreciation  
114 period.

115 (b) A sales tax exemption as authorized in Section  
116 27-65-101(pp).

117 (c) A fee-in-lieu of taxes as authorized in Section  
118 27-31-104.

119 (d) An ad valorem tax exemption as authorized in  
120 Section 27-31-101.

121 **SECTION 5.** Section 57-117-9, Mississippi Code of 1972, is  
122 reenacted as follows:

123 57-117-9. If the qualified business has not created the  
124 requisite number of jobs required by this chapter, the health care  
125 industry zone certification may be revoked by MDA after five (5)  
126 years have elapsed from the effective date of certification. A



127 revocation under this section shall not act retroactively to  
128 remove any incentives granted by this chapter.

129         **SECTION 6.** Section 57-117-11, Mississippi Code of 1972, is  
130 amended as follows:

131             57-117-11. Sections 57-117-1 through 57-117-11 \* \* \* shall  
132 be repealed from and after July 1, \* \* \* 2025.

133         **SECTION 7.** Section 27-31-101, Mississippi Code of 1972, is  
134 reenacted and amended as follows:

135             **[Through June 30, \* \* \* 2025, this section shall read as**  
136 **follows:]**

137             27-31-101. (1) County boards of supervisors and municipal  
138 authorities are hereby authorized and empowered, in their  
139 discretion, to grant exemptions from ad valorem taxation, except  
140 state ad valorem taxation; however, such governing authorities  
141 shall not exempt ad valorem taxes for school district purposes on  
142 tangible property used in, or necessary to, the operation of the  
143 manufacturers and other new enterprises enumerated by classes in  
144 this section, except to the extent authorized in Sections  
145 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem  
146 taxes the products of the manufacturers or other new enterprises  
147 or automobiles and trucks belonging to the manufacturers or other  
148 new enterprises operating on and over the highways of the State of  
149 Mississippi. The time of such exemption shall be for a period not  
150 to exceed a total of ten (10) years which shall begin on the date  
151 of completion of the new enterprise for which the exemption is



152 granted; however, boards of supervisors and municipal authorities,  
153 in lieu of granting the exemption for one (1) period of ten (10)  
154 years, may grant the exemption in a period of less than ten (10)  
155 years. When the initial exemption period granted is less than ten  
156 (10) years, the boards of supervisors and municipal authorities  
157 may grant a subsequent consecutive period or periods to follow the  
158 initial period of exemption, provided that the total of all  
159 periods of exemption shall not exceed ten (10) years. The date of  
160 completion of the new enterprise, from which the initial period of  
161 exemption shall begin, shall be the date on which operations of  
162 the new enterprise begin. The initial request for an exemption  
163 must be made in writing by June 1 of the year immediately  
164 following the year in which the date of completion of a new  
165 enterprise occurs. If the initial request for the exemption is  
166 not timely made, the board of supervisors or municipal authorities  
167 may grant a subsequent request for the exemption and, in such  
168 case, the exemption shall begin on the anniversary date of  
169 completion of the enterprise in the year in which the request is  
170 made and may be for a period of time extending not more than ten  
171 (10) years from the date of completion of the new enterprise. Any  
172 subsequent request for the exemption must be made in writing by  
173 June 1 of the year in which it is granted.

174 (2) Any board of supervisors or municipal authority which  
175 has granted an exemption for a period of less than ten (10) years  
176 may grant subsequent periods of exemption to run consecutively



177 with the initial exemption period, or a subsequently granted  
178 exemption period, but in no case shall the total of the exemption  
179 periods granted for a new enterprise exceed ten (10) years. Any  
180 consecutive period of exemption shall be granted by entry of an  
181 order by the board or the authority granting the consecutive  
182 exemption on its minutes, reflecting the granting of the  
183 consecutive exemption period and the dates upon which such  
184 consecutive exemption period begins and expires. The entry of  
185 this order granting the consecutive period of exemption shall be  
186 made before the expiration of the exemption period immediately  
187 preceding the consecutive exemption period being granted.

188 (3) (a) The new enterprises for which any or all of the  
189 tangible property described in paragraph (b) of this subsection  
190 (3) may be exempt from ad valorem taxation, except state ad  
191 valorem taxation, ad valorem taxes for school district purposes,  
192 and ad valorem taxes on the products thereof or on automobiles and  
193 trucks belonging thereto and operating on and over the highways of  
194 the State of Mississippi, are enumerated as and limited to the  
195 following, as determined by the Department of Revenue:

- 196 (i) Warehouse and/or distribution centers;  
197 (ii) Manufacturing, processors and refineries;  
198 (iii) Research facilities;  
199 (iv) Corporate regional and national headquarters  
200 meeting minimum criteria established by the Mississippi  
201 Development Authority;





202 (v) Movie industry studios meeting minimum  
203 criteria established by the Mississippi Development Authority;  
204 (vi) Air transportation and maintenance facilities  
205 meeting minimum criteria established by the Mississippi  
206 Development Authority;  
207 (vii) Recreational facilities that impact tourism  
208 meeting minimum criteria established by the Mississippi  
209 Development Authority;  
210 (viii) Data/information processing enterprises  
211 meeting minimum criteria established by the Mississippi  
212 Development Authority;  
213 (ix) Technology intensive enterprises or  
214 facilities meeting criteria established by the Mississippi  
215 Development Authority;  
216 (x) Health care industry facilities as defined in  
217 Section 57-117-3;  
218 (xi) Data centers as defined in Section 57-113-21;  
219 and  
220 (xii) Telecommunications enterprises meeting  
221 minimum criteria established by the Mississippi Development  
222 Authority. The term "telecommunications enterprises" means  
223 entities engaged in the creation, display, management, storage,  
224 processing, transmission or distribution for compensation of  
225 images, text, voice, video or data by wire or by wireless means,  
226 or entities engaged in the construction, design, development,



227 manufacture, maintenance or distribution for compensation of  
228 devices, products, software or structures used in the above  
229 activities. Companies organized to do business as commercial  
230 broadcast radio stations, television stations or news  
231 organizations primarily serving in-state markets shall not be  
232 included within the definition of the term "telecommunications  
233 enterprises."

234 (b) An exemption from ad valorem taxes granted under  
235 this section may include any or all tangible property, real or  
236 personal, including any leasehold interests therein but excluding  
237 automobiles and trucks operating on and over the highways of the  
238 State of Mississippi, used in connection with, or necessary to,  
239 the operation of an enterprise enumerated in paragraph (a) of this  
240 subsection (3), whether or not such property is owned, leased,  
241 subleased, licensed or otherwise obtained by such enterprise,  
242 irrespective of the taxpayer to which any such leased property is  
243 assessed for ad valorem tax purposes. If an exemption is granted  
244 pursuant to this section with respect to any leasehold interest  
245 under a lease, sublease or license of tangible property used in  
246 connection with, or necessary to, the operation of an enterprise  
247 enumerated in paragraph (a) of this subsection (3), the  
248 corresponding ownership interest of the owner, lessor and  
249 sublessor of such tangible property shall similarly and  
250 automatically be exempt without any action being required to be  
251 taken by such owner, lessor or sublessor.



252 (4) Any exemption from ad valorem taxes granted under this  
253 section before March 28, 2019, and consistent herewith, is hereby  
254 ratified, approved and confirmed.

255 **[From and after July 1, \* \* \* 2025, this section shall read**  
256 **as follows:]**

257 27-31-101. (1) County boards of supervisors and municipal  
258 authorities are hereby authorized and empowered, in their  
259 discretion, to grant exemptions from ad valorem taxation, except  
260 state ad valorem taxation; however, such governing authorities  
261 shall not exempt ad valorem taxes for school district purposes on  
262 tangible property used in, or necessary to, the operation of the  
263 manufacturers and other new enterprises enumerated by classes in  
264 this section, except to the extent authorized in Sections  
265 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem  
266 taxes the products of the manufacturers or other new enterprises  
267 or automobiles and trucks belonging to the manufacturers or other  
268 new enterprises operating on and over the highways of the State of  
269 Mississippi. The time of such exemption shall be for a period not  
270 to exceed a total of ten (10) years which shall begin on the date  
271 of completion of the new enterprise for which the exemption is  
272 granted; however, boards of supervisors and municipal authorities,  
273 in lieu of granting the exemption for one (1) period of ten (10)  
274 years, may grant the exemption in a period of less than ten (10)  
275 years. When the initial exemption period granted is less than ten  
276 (10) years, the boards of supervisors and municipal authorities



277 may grant a subsequent consecutive period or periods to follow the  
278 initial period of exemption, provided that the total of all  
279 periods of exemption shall not exceed ten (10) years. The date of  
280 completion of the new enterprise, from which the initial period of  
281 exemption shall begin, shall be the date on which operations of  
282 the new enterprise begin. The initial request for an exemption  
283 must be made in writing by June 1 of the year immediately  
284 following the year in which the date of completion of a new  
285 enterprise occurs. If the initial request for the exemption is  
286 not timely made, the board of supervisors or municipal authorities  
287 may grant a subsequent request for the exemption and, in such  
288 case, the exemption shall begin on the anniversary date of  
289 completion of the enterprise in the year in which the request is  
290 made and may be for a period of time extending not more than ten  
291 (10) years from the date of completion of the new enterprise. Any  
292 subsequent request for the exemption must be made in writing by  
293 June 1 of the year in which it is granted.

294 (2) Any board of supervisors or municipal authority which  
295 has granted an exemption for a period of less than ten (10) years  
296 may grant subsequent periods of exemption to run consecutively  
297 with the initial exemption period, or a subsequently granted  
298 exemption period, but in no case shall the total of the exemption  
299 periods granted for a new enterprise exceed ten (10) years. Any  
300 consecutive period of exemption shall be granted by entry of an  
301 order by the board or the authority granting the consecutive



302 exemption on its minutes, reflecting the granting of the  
303 consecutive exemption period and the dates upon which such  
304 consecutive exemption period begins and expires. The entry of  
305 this order granting the consecutive period of exemption shall be  
306 made before the expiration of the exemption period immediately  
307 preceding the consecutive exemption period being granted.

308 (3) (a) The new enterprises for which any or all of the  
309 tangible property described in paragraph (b) of this subsection  
310 (3) may be exempt from ad valorem taxation, except state ad  
311 valorem taxation, ad valorem taxes for school district purposes,  
312 and ad valorem taxes on the products thereof or on automobiles and  
313 trucks belonging thereto and operating on and over the highways of  
314 the State of Mississippi, are enumerated as and limited to the  
315 following, as determined by the Department of Revenue:

316 (i) Warehouse and/or distribution centers;

317 (ii) Manufacturing, processors and refineries;

318 (iii) Research facilities;

319 (iv) Corporate regional and national headquarters  
320 meeting minimum criteria established by the Mississippi  
321 Development Authority;

322 (v) Movie industry studios meeting minimum  
323 criteria established by the Mississippi Development Authority;

324 (vi) Air transportation and maintenance facilities  
325 meeting minimum criteria established by the Mississippi  
326 Development Authority;



327 (vii) Recreational facilities that impact tourism  
328 meeting minimum criteria established by the Mississippi  
329 Development Authority;

330 (viii) Data/information processing enterprises  
331 meeting minimum criteria established by the Mississippi  
332 Development Authority;

333 (ix) Technology intensive enterprises or  
334 facilities meeting criteria established by the Mississippi  
335 Development Authority;

336 (x) Data centers as defined in Section 57-113-21;  
337 and

338 (xi) Telecommunications enterprises meeting  
339 minimum criteria established by the Mississippi Development  
340 Authority. The term "telecommunications enterprises" means  
341 entities engaged in the creation, display, management, storage,  
342 processing, transmission or distribution for compensation of  
343 images, text, voice, video or data by wire or by wireless means,  
344 or entities engaged in the construction, design, development,  
345 manufacture, maintenance or distribution for compensation of  
346 devices, products, software or structures used in the above  
347 activities. Companies organized to do business as commercial  
348 broadcast radio stations, television stations or news  
349 organizations primarily serving in-state markets shall not be  
350 included within the definition of the term "telecommunications  
351 enterprises."



352 (b) An exemption from ad valorem taxes granted under  
353 this section may include any or all tangible property, real or  
354 personal, including any leasehold interests therein but excluding  
355 automobiles and trucks operating on and over the highways of the  
356 State of Mississippi, used in connection with, or necessary to,  
357 the operation of an enterprise enumerated in paragraph (a) of this  
358 subsection (3), whether or not such property is owned, leased,  
359 subleased, licensed or otherwise obtained by such enterprise,  
360 irrespective of the taxpayer to which any such leased property is  
361 assessed for ad valorem tax purposes. If an exemption is granted  
362 pursuant to this section with respect to any leasehold interest  
363 under a lease, sublease or license of tangible property used in  
364 connection with, or necessary to, the operation of an enterprise  
365 enumerated in paragraph (a) of this subsection (3), the  
366 corresponding ownership interest of the owner, lessor and  
367 sublessor of such tangible property shall similarly and  
368 automatically be exempt without any action being required to be  
369 taken by such owner, lessor or sublessor.

370 (4) Any exemption from ad valorem taxes granted under this  
371 section before March 28, 2019, and consistent herewith, is hereby  
372 ratified, approved and confirmed.

373 **SECTION 8.** Section 27-31-104, Mississippi Code of 1972, is  
374 amended as follows:

375 **[Through June 30, \* \* \* 2025, this section shall read as**  
376 **follows:]**



377           27-31-104. (1) (a) County boards of supervisors and  
378 municipal authorities are each hereby authorized and empowered to  
379 enter into an agreement with an enterprise granting, and pursuant  
380 to such agreement grant a fee-in-lieu of ad valorem taxes,  
381 including ad valorem taxes levied for school purposes, for the  
382 following:

383                   (i) Projects totaling over Sixty Million Dollars  
384 (\$60,000,000.00) by any new enterprises enumerated in Section  
385 27-31-101;

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

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

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

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





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

406 (b) A fee-in-lieu of ad valorem taxes granted in  
407 accordance with this section may include any or all tangible  
408 property, real or personal, including any leasehold interests  
409 therein but excluding automobiles and trucks operating on and over  
410 the highways of the State of Mississippi, used in connection with,  
411 or necessary to, the operation of any enterprise, private company  
412 or business described in paragraph (a) of this subsection (1), as  
413 applicable, whether or not such property is owned, leased,  
414 subleased, licensed or otherwise obtained by such enterprise,  
415 private company or business, as applicable, irrespective of the  
416 taxpayer to which any such leased property is assessed for ad  
417 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is  
418 granted pursuant to this section with respect to any leasehold  
419 interest under a lease, sublease or license of tangible property  
420 used in connection with, or necessary to, the operation of an  
421 enterprise, private company or business described in paragraph (a)  
422 of this subsection (1), as applicable, the corresponding ownership  
423 interest of the owner, lessor and sublessor of such tangible  
424 property shall similarly and automatically be exempt and subject  
425 to the fee-in-lieu granted in accordance herewith without any



426 action being required to be taken by such owner, lessor or  
427 sublessor.

428 (2) A county board of supervisors may enter into a  
429 fee-in-lieu agreement on behalf of the county and any county  
430 school district, and a municipality may enter into such a  
431 fee-in-lieu agreement on behalf of the municipality and any  
432 municipal school district located in the municipality; however, if  
433 the project is located outside the limits of a municipality but  
434 within the boundaries of the municipal school district, then the  
435 county board of supervisors may enter into such a fee-in-lieu  
436 agreement on behalf of the school district granting a fee-in-lieu  
437 of ad valorem taxes for school district purposes.

438 (3) Any grant of a fee-in-lieu of ad valorem taxes shall be  
439 evidenced by a written agreement negotiated by the enterprise and  
440 the county board of supervisors and/or municipal authority, as the  
441 case may be, and given final approval by the Mississippi  
442 Development Authority as satisfying the requirements of this  
443 section.

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



451 be, however, except as otherwise provided in this section, from  
452 the sum allowed the apportionment to school districts shall not be  
453 less than the school districts' pro rata share based upon the  
454 proportion that the millage imposed for the school districts by  
455 the appropriate levying authority bears to the millage imposed by  
456 such levying authority for all other county or municipal purposes.  
457 Any fee-in-lieu agreement entered into under this section shall  
458 become a binding obligation of the parties to the agreement, be  
459 effective upon its execution by the parties and approval by the  
460 Mississippi Development Authority and, except as otherwise  
461 provided in Section 17-25-23 or Section 57-75-33, or any other  
462 provision of law, continue in effect for a period not to exceed  
463 thirty (30) years commencing on the date that the fee-in-lieu  
464 granted thereunder begins in accordance with the agreement;  
465 however, no particular parcel of land, real property improvement  
466 or item of personal property shall be subject to a fee-in-lieu for  
467 a duration of more than ten (10) years. Any such agreement shall  
468 be binding, according to its terms, on future boards of  
469 supervisors of the county and/or governing authorities of a  
470 municipality, as the case may be, for the duration of the  
471 agreement.

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



476 otherwise payable, including school taxes, as the same may vary  
477 from year to year based upon changes in the millage rate or  
478 assessed value and shall not be less than one-third (1/3) of that  
479 amount. If the fee is a stated dollar amount, said amount shall  
480 be the higher of the sum provided for fixed payment or one-third  
481 (1/3) of the total of all ad valorem taxes otherwise payable as  
482 annually determined during each year of the fee-in-lieu.

483 (6) Notwithstanding Section 27-31-111, the parties to a  
484 fee-in-lieu may agree on terms and conditions providing for the  
485 reduction, suspension, termination or reinstatement of a  
486 fee-in-lieu agreement or any fee-in-lieu period granted thereunder  
487 upon the cessation of operations by project for twelve (12) or  
488 more consecutive months or due to other conditions set forth in  
489 the agreement.

490 (7) For a project as defined in Section 57-75-5(f)(xxi) and  
491 located in a county that is a member of a regional economic  
492 development alliance created under Section 57-64-1 et seq., the  
493 members of the regional economic development alliance may divide  
494 the sum allowed as a fee-in-lieu in a manner as determined by the  
495 alliance agreement, and the boards of supervisors of the member  
496 counties may then apportion the sum allowed between school  
497 district purposes and all other county purposes.

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



501 project is located and apportion to the school district an amount  
502 of the fee-in-lieu that is agreed upon in the negotiations  
503 different than the amount provided for in subsection (3) of this  
504 section.

505 (9) For a project as defined in Section 57-75-5(f)(xxviii),  
506 the annual amount of the fee-in-lieu apportioned to the county  
507 shall not be less than the amount necessary to pay the debt  
508 service on bonds issued by the county pursuant to Section  
509 57-75-37(3)(c).

510 (10) Any fee-in-lieu of ad valorem taxes granted under this  
511 section before March 28, 2019, and consistent herewith, is hereby  
512 ratified, approved and confirmed.

513 **[From and after July 1, \* \* \* 2025, this section shall read**  
514 **as follows:]**

515 27-31-104. (1) (a) County boards of supervisors and  
516 municipal authorities are each hereby authorized and empowered to  
517 enter into an agreement with an enterprise granting, and pursuant  
518 to such agreement grant a fee-in-lieu of ad valorem taxes,  
519 including ad valorem taxes levied for school purposes, for the  
520 following:

521 (i) Projects totaling over Sixty Million Dollars  
522 (\$60,000,000.00) by any new enterprises enumerated in Section  
523 27-31-101;

524 (ii) Projects by a private company (as such term  
525 is defined in Section 57-61-5, Mississippi Code of 1972) having a



526 minimum capital investment of Sixty Million Dollars

527 (\$60,000,000.00);

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

535 (iv) A private company (as such term is defined in  
536 Section 57-61-5) having a minimum capital investment of One  
537 Hundred Million Dollars (\$100,000,000.00) from any source or  
538 combination of sources, provided that a majority of the capital  
539 investment is from private sources, when such project is located  
540 within a geographic area for which a Presidential Disaster  
541 Declaration was issued on or after January 1, 2014.

542 (b) A fee-in-lieu of ad valorem taxes granted in  
543 accordance with this section may include any or all tangible  
544 property, real or personal, including any leasehold interests  
545 therein but excluding automobiles and trucks operating on and over  
546 the highways of the State of Mississippi, used in connection with,  
547 or necessary to, the operation of any enterprise, private company  
548 or business described in paragraph (a) of this subsection (1), as  
549 applicable, whether or not such property is owned, leased,  
550 subleased, licensed or otherwise obtained by such enterprise,



551 private company or business, as applicable, irrespective of the  
552 taxpayer to which any such leased property is assessed for ad  
553 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is  
554 granted pursuant to this section with respect to any leasehold  
555 interest under a lease, sublease or license of tangible property  
556 used in connection with, or necessary to, the operation of an  
557 enterprise, private company or business described in paragraph (a)  
558 of this subsection (1), as applicable, the corresponding ownership  
559 interest of the owner, lessor and sublessor of such tangible  
560 property shall similarly and automatically be exempt and subject  
561 to the fee-in-lieu granted in accordance herewith without any  
562 action being required to be taken by such owner, lessor or  
563 sublessor.

564 (2) A county board of supervisors may enter into a  
565 fee-in-lieu agreement on behalf of the county and any county  
566 school district, and a municipality may enter into such a  
567 fee-in-lieu agreement on behalf of the municipality and any  
568 municipal school district located in the municipality; however, if  
569 the project is located outside the limits of a municipality but  
570 within the boundaries of the municipal school district, then the  
571 county board of supervisors may enter into such a fee-in-lieu  
572 agreement on behalf of the school district granting a fee-in-lieu  
573 of ad valorem taxes for school district purposes.

574 (3) Any grant of a fee-in-lieu of ad valorem taxes shall be  
575 evidenced by a written agreement negotiated by the enterprise and



576 the county board of supervisors and/or municipal authority, as the  
577 case may be, and given final approval by the Mississippi  
578 Development Authority as satisfying the requirements of this  
579 section.

580 (4) The minimum sum allowable as a fee-in-lieu shall not be  
581 less than one-third (1/3) of the ad valorem levy, including ad  
582 valorem taxes for school district purposes, and except as  
583 otherwise provided, the sum allowed shall be apportioned between  
584 the county or municipality, as appropriate, and the school  
585 districts in such amounts as may be determined by the county board  
586 of supervisors or municipal governing authority, as the case may  
587 be, however, except as otherwise provided in this section, from  
588 the sum allowed the apportionment to school districts shall not be  
589 less than the school districts' pro rata share based upon the  
590 proportion that the millage imposed for the school districts by  
591 the appropriate levying authority bears to the millage imposed by  
592 such levying authority for all other county or municipal purposes.  
593 Any fee-in-lieu agreement entered into under this section shall  
594 become a binding obligation of the parties to the agreement, be  
595 effective upon its execution by the parties and approval by the  
596 Mississippi Development Authority and, except as otherwise  
597 provided in Section 17-25-23 or Section 57-75-33, or any other  
598 provision of law, continue in effect for a period not to exceed  
599 thirty (30) years commencing on the date that the fee-in-lieu  
600 granted thereunder begins in accordance with the agreement;





601 however, no particular parcel of land, real property improvement  
602 or item of personal property shall be subject to a fee-in-lieu for  
603 a duration of more than ten (10) years. Any such agreement shall  
604 be binding, according to its terms, on future boards of  
605 supervisors of the county and/or governing authorities of a  
606 municipality, as the case may be, for the duration of the  
607 agreement.

608 (5) The fee-in-lieu may be a stated fraction or percentage  
609 of the ad valorem taxes otherwise payable or a stated dollar  
610 amount. If the fee is a fraction or percentage of the ad valorem  
611 tax levy, it shall be annually computed on all ad valorem taxes  
612 otherwise payable, including school taxes, as the same may vary  
613 from year to year based upon changes in the millage rate or  
614 assessed value and shall not be less than one-third (1/3) of that  
615 amount. If the fee is a stated dollar amount, said amount shall  
616 be the higher of the sum provided for fixed payment or one-third  
617 (1/3) of the total of all ad valorem taxes otherwise payable as  
618 annually determined during each year of the fee-in-lieu.

619 (6) Notwithstanding Section 27-31-111, the parties to a  
620 fee-in-lieu may agree on terms and conditions providing for the  
621 reduction, suspension, termination or reinstatement of a  
622 fee-in-lieu agreement or any fee-in-lieu period granted thereunder  
623 upon the cessation of operations by project for twelve (12) or  
624 more consecutive months or due to other conditions set forth in  
625 the agreement.



626 (7) For a project as defined in Section 57-75-5(f) (xxi) and  
627 located in a county that is a member of a regional economic  
628 development alliance created under Section 57-64-1 et seq., the  
629 members of the regional economic development alliance may divide  
630 the sum allowed as a fee-in-lieu in a manner as determined by the  
631 alliance agreement, and the boards of supervisors of the member  
632 counties may then apportion the sum allowed between school  
633 district purposes and all other county purposes.

634 (8) For a project as defined in Section 57-75-5(f) (xxvi),  
635 the board of supervisors of the county in which the project is  
636 located may negotiate with the school district in which the  
637 project is located and apportion to the school district an amount  
638 of the fee-in-lieu that is agreed upon in the negotiations  
639 different than the amount provided for in subsection (3) of this  
640 section.

641 (9) For a project as defined in Section 57-75-5(f) (xxviii),  
642 the annual amount of the fee-in-lieu apportioned to the county  
643 shall not be less than the amount necessary to pay the annual debt  
644 service on bonds issued by the county pursuant to Section  
645 57-75-37(3) (c) .

646 (10) Any fee-in-lieu of ad valorem taxes granted under this  
647 section before March 28, 2019, and consistent herewith, is hereby  
648 ratified, approved and confirmed.

649 **SECTION 9.** Section 27-65-101, Mississippi Code of 1972, is  
650 amended as follows:



651           27-65-101. (1) The exemptions from the provisions of this  
652 chapter which are of an industrial nature or which are more  
653 properly classified as industrial exemptions than any other  
654 exemption classification of this chapter shall be confined to  
655 those persons or property exempted by this section or by the  
656 provisions of the Constitution of the United States or the State  
657 of Mississippi. No industrial exemption as now provided by any  
658 other section except Section 57-3-33 shall be valid as against the  
659 tax herein levied. Any subsequent industrial exemption from the  
660 tax levied hereunder shall be provided by amendment to this  
661 section. No exemption provided in this section shall apply to  
662 taxes levied by Section 27-65-15 or 27-65-21.

663           The tax levied by this chapter shall not apply to the  
664 following:

665           (a) Sales of boxes, crates, cartons, cans, bottles and  
666 other packaging materials to manufacturers and wholesalers for use  
667 as containers or shipping materials to accompany goods sold by  
668 said manufacturers or wholesalers where possession thereof will  
669 pass to the customer at the time of sale of the goods contained  
670 therein and sales to anyone of containers or shipping materials  
671 for use in ships engaged in international commerce.

672           (b) Sales of raw materials, catalysts, processing  
673 chemicals, welding gases or other industrial processing gases  
674 (except natural gas) to a manufacturer for use directly in  
675 manufacturing or processing a product for sale or rental or



676 repairing or reconditioning vessels or barges of fifty (50) tons  
677 load displacement and over. For the purposes of this exemption,  
678 electricity used directly in the electrolysis process in the  
679 production of sodium chlorate shall be considered a raw material.  
680 This exemption shall not apply to any property used as fuel except  
681 to the extent that such fuel comprises by-products which have no  
682 market value.

683 (c) The gross proceeds of sales of dry docks, offshore  
684 drilling equipment for use in oil or natural gas exploration or  
685 production, vessels or barges of fifty (50) tons load displacement  
686 and over, when the vessels or barges are sold by the manufacturer  
687 or builder thereof. In addition to other types of equipment,  
688 offshore drilling equipment for use in oil or natural gas  
689 exploration or production shall include aircraft used  
690 predominately to transport passengers or property to or from  
691 offshore oil or natural gas exploration or production platforms or  
692 vessels, and engines, accessories and spare parts for such  
693 aircraft.

694 (d) Sales to commercial fishermen of commercial fishing  
695 boats of over five (5) tons load displacement and not more than  
696 fifty (50) tons load displacement as registered with the United  
697 States Coast Guard and licensed by the Mississippi Commission on  
698 Marine Resources.

699 (e) The gross income from repairs to vessels and barges  
700 engaged in foreign trade or interstate transportation.



701 (f) Sales of petroleum products to vessels or barges  
702 for consumption in marine international commerce or interstate  
703 transportation businesses.

704 (g) Sales and rentals of rail rolling stock (and  
705 component parts thereof) for ultimate use in interstate commerce  
706 and gross income from services with respect to manufacturing,  
707 repairing, cleaning, altering, reconditioning or improving such  
708 rail rolling stock (and component parts thereof).

709 (h) Sales of raw materials, catalysts, processing  
710 chemicals, welding gases or other industrial processing gases  
711 (except natural gas) used or consumed directly in manufacturing,  
712 repairing, cleaning, altering, reconditioning or improving such  
713 rail rolling stock (and component parts thereof). This exemption  
714 shall not apply to any property used as fuel.

715 (i) Sales of machinery or tools or repair parts  
716 therefor or replacements thereof, fuel or supplies used directly  
717 in manufacturing, converting or repairing ships, vessels or barges  
718 of three thousand (3,000) tons load displacement and over, but not  
719 to include office and plant supplies or other equipment not  
720 directly used on the ship, vessel or barge being built, converted  
721 or repaired. For purposes of this exemption, "ships, vessels or  
722 barges" shall not include floating structures described in Section  
723 27-65-18.

724 (j) Sales of tangible personal property to persons  
725 operating ships in international commerce for use or consumption



726 on board such ships. This exemption shall be limited to cases in  
727 which procedures satisfactory to the commissioner, ensuring  
728 against use in this state other than on such ships, are  
729 established.

730 (k) Sales of materials used in the construction of a  
731 building, or any addition or improvement thereon, and sales of any  
732 machinery and equipment not later than three (3) months after the  
733 completion of construction of the building, or any addition  
734 thereon, to be used therein, to qualified businesses, as defined  
735 in Section 57-51-5, which are located in a county or portion  
736 thereof designated as an enterprise zone pursuant to Sections  
737 57-51-1 through 57-51-15.

738 (l) Sales of materials used in the construction of a  
739 building, or any addition or improvement thereon, and sales of any  
740 machinery and equipment not later than three (3) months after the  
741 completion of construction of the building, or any addition  
742 thereon, to be used therein, to qualified businesses, as defined  
743 in Section 57-54-5.

744 (m) Income from storage and handling of perishable  
745 goods by a public storage warehouse.

746 (n) The value of natural gas lawfully injected into the  
747 earth for cycling, repressuring or lifting of oil, or lawfully  
748 vented or flared in connection with the production of oil;  
749 however, if any gas so injected into the earth is sold for such  
750 purposes, then the gas so sold shall not be exempt.



751 (o) The gross collections from self-service commercial  
752 laundering, drying, cleaning and pressing equipment.

753 (p) Sales of materials used in the construction of a  
754 building, or any addition or improvement thereon, and sales of any  
755 machinery and equipment not later than three (3) months after the  
756 completion of construction of the building, or any addition  
757 thereon, to be used therein, to qualified companies, certified as  
758 such by the Mississippi Development Authority under Section  
759 57-53-1.

760 (q) Sales of component materials used in the  
761 construction of a building, or any addition or improvement  
762 thereon, sales of machinery and equipment to be used therein, and  
763 sales of manufacturing or processing machinery and equipment which  
764 is permanently attached to the ground or to a permanent foundation  
765 and which is not by its nature intended to be housed within a  
766 building structure, not later than three (3) months after the  
767 initial start-up date, to permanent business enterprises engaging  
768 in manufacturing or processing in Tier Three areas (as such term  
769 is defined in Section 57-73-21), which businesses are certified by  
770 the Department of Revenue as being eligible for the exemption  
771 granted in this paragraph (q).

772 (r) (i) Sales of component materials used in the  
773 construction of a building, or any addition or improvement  
774 thereon, and sales of any machinery and equipment not later than  
775 three (3) months after the completion of the building, addition or



776 improvement thereon, to be used therein, for any company  
777 establishing or transferring its national or regional headquarters  
778 from within or outside the State of Mississippi and creating a  
779 minimum of twenty (20) jobs at the new headquarters in this state.  
780 The Department of Revenue shall establish criteria and prescribe  
781 procedures to determine if a company qualifies as a national or  
782 regional headquarters for the purpose of receiving the exemption  
783 provided in this subparagraph (i).

784                   (ii) Sales of component materials used in the  
785 construction of a building, or any addition or improvement  
786 thereon, and sales of any machinery and equipment not later than  
787 three (3) months after the completion of the building, addition or  
788 improvement thereon, to be used therein, for any company expanding  
789 or making additions after January 1, 2013, to its national or  
790 regional headquarters within the State of Mississippi and creating  
791 a minimum of twenty (20) new jobs at the headquarters as a result  
792 of the expansion or additions. The Department of Revenue shall  
793 establish criteria and prescribe procedures to determine if a  
794 company qualifies as a national or regional headquarters for the  
795 purpose of receiving the exemption provided in this subparagraph  
796 (ii).

797                   (s) The gross proceeds from the sale of semitrailers,  
798 trailers, boats, travel trailers, motorcycles, all-terrain cycles  
799 and rotary-wing aircraft if exported from this state within





800 forty-eight (48) hours and registered and first used in another  
801 state.

802 (t) Gross income from the storage and handling of  
803 natural gas in underground salt domes and in other underground  
804 reservoirs, caverns, structures and formations suitable for such  
805 storage.

806 (u) Sales of machinery and equipment to nonprofit  
807 organizations if the organization:

808 (i) Is tax exempt pursuant to Section 501(c)(4) of  
809 the Internal Revenue Code of 1986, as amended;

810 (ii) Assists in the implementation of the  
811 contingency plan or area contingency plan, and which is created in  
812 response to the requirements of Title IV, Subtitle B of the Oil  
813 Pollution Act of 1990, Public Law 101-380; and

814 (iii) Engages primarily in programs to contain,  
815 clean up and otherwise mitigate spills of oil or other substances  
816 occurring in the United States coastal and tidal waters.

817 For purposes of this exemption, "machinery and equipment"  
818 means any ocean-going vessels, barges, booms, skimmers and other  
819 capital equipment used primarily in the operations of nonprofit  
820 organizations referred to herein.

821 (v) Sales or leases of materials and equipment to  
822 approved business enterprises as provided under the Growth and  
823 Prosperity Act.



824 (w) From and after July 1, 2001, sales of pollution  
825 control equipment to manufacturers or custom processors for  
826 industrial use. For the purposes of this exemption, "pollution  
827 control equipment" means equipment, devices, machinery or systems  
828 used or acquired to prevent, control, monitor or reduce air, water  
829 or groundwater pollution, or solid or hazardous waste as required  
830 by federal or state law or regulation.

831 (x) Sales or leases to a manufacturer of motor vehicles  
832 or powertrain components operating a project that has been  
833 certified by the Mississippi Major Economic Impact Authority as a  
834 project as defined in Section 57-75-5(f)(iv)1, Section  
835 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and  
836 equipment; special tooling such as dies, molds, jigs and similar  
837 items treated as special tooling for federal income tax purposes;  
838 or repair parts therefor or replacements thereof; repair services  
839 thereon; fuel, supplies, electricity, coal and natural gas used  
840 directly in the manufacture of motor vehicles or motor vehicle  
841 parts or used to provide climate control for manufacturing areas.

842 (y) Sales or leases of component materials, machinery  
843 and equipment used in the construction of a building, or any  
844 addition or improvement thereon to an enterprise operating a  
845 project that has been certified by the Mississippi Major Economic  
846 Impact Authority as a project as defined in Section  
847 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)



848 or Section 57-75-5(f) (xxviii) and any other sales or leases  
849 required to establish or operate such project.

850 (z) Sales of component materials and equipment to a  
851 business enterprise as provided under Section 57-64-33.

852 (aa) The gross income from the stripping and painting  
853 of commercial aircraft engaged in foreign or interstate  
854 transportation business.

855 (bb) [Repealed]

856 (cc) Sales or leases to an enterprise owning or  
857 operating a project that has been designated by the Mississippi  
858 Major Economic Impact Authority as a project as defined in Section  
859 57-75-5(f) (xviii) of machinery and equipment; special tooling such  
860 as dies, molds, jigs and similar items treated as special tooling  
861 for federal income tax purposes; or repair parts therefor or  
862 replacements thereof; repair services thereon; fuel, supplies,  
863 electricity, coal and natural gas used directly in the  
864 manufacturing/production operations of the project or used to  
865 provide climate control for manufacturing/production areas.

866 (dd) Sales or leases of component materials, machinery  
867 and equipment used in the construction of a building, or any  
868 addition or improvement thereon to an enterprise owning or  
869 operating a project that has been designated by the Mississippi  
870 Major Economic Impact Authority as a project as defined in Section  
871 57-75-5(f) (xviii) and any other sales or leases required to  
872 establish or operate such project.



873           (ee) Sales of parts used in the repair and servicing of  
874 aircraft not registered in Mississippi engaged exclusively in the  
875 business of foreign or interstate transportation to businesses  
876 engaged in aircraft repair and maintenance.

877           (ff) Sales of component materials used in the  
878 construction of a facility, or any addition or improvement  
879 thereon, and sales or leases of machinery and equipment not later  
880 than three (3) months after the completion of construction of the  
881 facility, or any addition or improvement thereto, to be used in  
882 the building or any addition or improvement thereto, to a  
883 permanent business enterprise operating a data/information  
884 enterprise in Tier Three areas (as such areas are designated in  
885 accordance with Section 57-73-21), meeting minimum criteria  
886 established by the Mississippi Development Authority.

887           (gg) Sales of component materials used in the  
888 construction of a facility, or any addition or improvement  
889 thereto, and sales of machinery and equipment not later than three  
890 (3) months after the completion of construction of the facility,  
891 or any addition or improvement thereto, to be used in the facility  
892 or any addition or improvement thereto, to technology intensive  
893 enterprises for industrial purposes in Tier Three areas (as such  
894 areas are designated in accordance with Section 57-73-21), as  
895 certified by the Department of Revenue. For purposes of this  
896 paragraph, an enterprise must meet the criteria provided for in



897 Section 27-65-17(1) (f) in order to be considered a technology  
898 intensive enterprise.

899 (hh) Sales of component materials used in the  
900 replacement, reconstruction or repair of a building or facility  
901 that has been destroyed or sustained extensive damage as a result  
902 of a disaster declared by the Governor, sales of machinery and  
903 equipment to be used therein to replace machinery or equipment  
904 damaged or destroyed as a result of such disaster, including, but  
905 not limited to, manufacturing or processing machinery and  
906 equipment which is permanently attached to the ground or to a  
907 permanent foundation and which is not by its nature intended to be  
908 housed within a building structure, to enterprises or companies  
909 that were eligible for the exemptions authorized in paragraph (q),  
910 (r), (ff) or (gg) of this subsection during initial construction  
911 of the building that was destroyed or damaged, which enterprises  
912 or companies are certified by the Department of Revenue as being  
913 eligible for the exemption granted in this paragraph.

914 (ii) Sales of software or software services transmitted  
915 by the Internet to a destination outside the State of Mississippi  
916 where the first use of such software or software services by the  
917 purchaser occurs outside the State of Mississippi.

918 (jj) Gross income of public storage warehouses derived  
919 from the temporary storage of raw materials that are to be used in  
920 an eligible facility as defined in Section 27-7-22.35.



921 (kk) Sales of component building materials and  
922 equipment for initial construction of facilities or expansion of  
923 facilities as authorized under Sections 57-113-1 through 57-113-7  
924 and Sections 57-113-21 through 57-113-27.

925 (ll) Sales and leases of machinery and equipment  
926 acquired in the initial construction to establish facilities as  
927 authorized in Sections 57-113-1 through 57-113-7.

928 (mm) Sales and leases of replacement hardware, software  
929 or other necessary technology to operate a data center as  
930 authorized under Sections 57-113-21 through 57-113-27.

931 (nn) Sales of component materials used in the  
932 construction of a building, or any addition or improvement  
933 thereon, and sales or leases of machinery and equipment not later  
934 than three (3) months after the completion of the construction of  
935 the facility, to be used in the facility, to permanent business  
936 enterprises operating a facility producing renewable crude oil  
937 from biomass harvested or produced, in whole or in part, in  
938 Mississippi, which businesses meet minimum criteria established by  
939 the Mississippi Development Authority. As used in this paragraph,  
940 the term "biomass" shall have the meaning ascribed to such term in  
941 Section 57-113-1.

942 (oo) Sales of supplies, equipment and other personal  
943 property to an organization that is exempt from taxation under  
944 Section 501(c)(3) of the Internal Revenue Code and is the host  
945 organization coordinating a professional golf tournament played or



946 to be played in this state and the supplies, equipment or other  
947 personal property will be used for purposes related to the golf  
948 tournament and related activities.

949 (pp) Sales of materials used in the construction of a  
950 health care industry facility, as defined in Section 57-117-3, or  
951 any addition or improvement thereon, and sales of any machinery  
952 and equipment not later than three (3) months after the completion  
953 of construction of the facility, or any addition thereon, to be  
954 used therein, to qualified businesses, as defined in Section  
955 57-117-3. This paragraph shall be repealed from and after July  
956 1, \* \* \* 2025.

957 (qq) Sales or leases to a manufacturer of automotive  
958 parts operating a project that has been certified by the  
959 Mississippi Major Economic Impact Authority as a project as  
960 defined in Section 57-75-5(f) (xxviii) of machinery and equipment;  
961 or repair parts therefor or replacements thereof; repair services  
962 thereon; fuel, supplies, electricity, coal, nitrogen and natural  
963 gas used directly in the manufacture of automotive parts or used  
964 to provide climate control for manufacturing areas.

965 (rr) Gross collections derived from guided tours on any  
966 navigable waters of this state, which include providing  
967 accommodations, guide services and/or related equipment operated  
968 by or under the direction of the person providing the tour, for  
969 the purposes of outdoor tourism. The exemption provided in this



970 paragraph (rr) does not apply to the sale of tangible personal  
971 property by a person providing such tours.

972 (ss) Retail sales of truck-tractors and semitrailers  
973 used in interstate commerce and registered under the International  
974 Registration Plan (IRP) or any similar reciprocity agreement or  
975 compact relating to the proportional registration of commercial  
976 vehicles entered into as provided for in Section 27-19-143.

977 (tt) Sales exempt under the Facilitating Business Rapid  
978 Response to State Declared Disasters Act of 2015 (Sections  
979 27-113-1 through 27-113-9).

980 (uu) Sales or leases to an enterprise and its  
981 affiliates operating a project that has been certified by the  
982 Mississippi Major Economic Impact Authority as a project as  
983 defined in Section 57-75-5(f)(xxix) of:

984 (i) All personal property and fixtures, including  
985 without limitation, sales or leases to the enterprise and its  
986 affiliates of:

987 1. Manufacturing machinery and equipment;

988 2. Special tooling such as dies, molds, jigs  
989 and similar items treated as special tooling for federal income  
990 tax purposes;

991 3. Component building materials, machinery  
992 and equipment used in the construction of buildings, and any other  
993 additions or improvements to the project site for the project;





994                   4. Nonmanufacturing furniture, fixtures and  
995 equipment (inclusive of all communications, computer, server,  
996 software and other hardware equipment); and

997                   5. Fuel, supplies (other than  
998 nonmanufacturing consumable supplies and water), electricity,  
999 nitrogen gas and natural gas used directly in the  
1000 manufacturing/production operations of such project or used to  
1001 provide climate control for manufacturing/production areas of such  
1002 project;

1003                   (ii) All replacements of, repair parts for or  
1004 services to repair items described in subparagraph (i)1, 2 and 3  
1005 of this paragraph; and

1006                   (iii) All services taxable pursuant to Section  
1007 27-65-23 required to establish, support, operate, repair and/or  
1008 maintain such project.

1009                   (vv) Sales or leases to an enterprise operating a  
1010 project that has been certified by the Mississippi Major Economic  
1011 Impact Authority as a project as defined in Section  
1012 57-75-5(f) (xxx) of:

1013                   (i) Purchases required to establish and operate  
1014 the project, including, but not limited to, sales of component  
1015 building materials, machinery and equipment required to establish  
1016 the project facility and any additions or improvements thereon;  
1017 and



1018 (ii) Machinery, special tools (such as dies,  
1019 molds, and jigs) or repair parts thereof, or replacements and  
1020 lease thereof, repair services thereon, fuel, supplies and  
1021 electricity, coal and natural gas used in the manufacturing  
1022 process and purchased by the enterprise owning or operating the  
1023 project for the benefit of the project.

1024 (ww) Sales of component materials used in the  
1025 construction of a building, or any expansion or improvement  
1026 thereon, sales of machinery and/or equipment to be used therein,  
1027 and sales of processing machinery and equipment which is  
1028 permanently attached to the ground or to a permanent foundation  
1029 which is not by its nature intended to be housed in a building  
1030 structure, no later than three (3) months after initial startup,  
1031 expansion or improvement of a permanent enterprise solely engaged  
1032 in the conversion of natural sand into proppants used in oil and  
1033 gas exploration and development with at least ninety-five percent  
1034 (95%) of such proppants used in the production of oil and/or gas  
1035 from horizontally drilled wells and/or horizontally drilled  
1036 recompletion wells as defined in Sections 27-25-501 and 27-25-701.

1037 (2) Sales of component materials used in the construction of  
1038 a building, or any addition or improvement thereon, sales of  
1039 machinery and equipment to be used therein, and sales of  
1040 manufacturing or processing machinery and equipment which is  
1041 permanently attached to the ground or to a permanent foundation  
1042 and which is not by its nature intended to be housed within a



1043 building structure, not later than three (3) months after the  
1044 initial start-up date, to permanent business enterprises engaging  
1045 in manufacturing or processing in Tier Two areas and Tier One  
1046 areas (as such areas are designated in accordance with Section  
1047 57-73-21), which businesses are certified by the Department of  
1048 Revenue as being eligible for the exemption granted in this  
1049 subsection, shall be exempt from one-half (1/2) of the taxes  
1050 imposed on such transactions under this chapter.

1051 (3) Sales of component materials used in the construction of  
1052 a facility, or any addition or improvement thereon, and sales or  
1053 leases of machinery and equipment not later than three (3) months  
1054 after the completion of construction of the facility, or any  
1055 addition or improvement thereto, to be used in the building or any  
1056 addition or improvement thereto, to a permanent business  
1057 enterprise operating a data/information enterprise in Tier Two  
1058 areas and Tier One areas (as such areas are designated in  
1059 accordance with Section 57-73-21), which businesses meet minimum  
1060 criteria established by the Mississippi Development Authority,  
1061 shall be exempt from one-half (1/2) of the taxes imposed on such  
1062 transaction under this chapter.

1063 (4) Sales of component materials used in the construction of  
1064 a facility, or any addition or improvement thereto, and sales of  
1065 machinery and equipment not later than three (3) months after the  
1066 completion of construction of the facility, or any addition or  
1067 improvement thereto, to be used in the building or any addition or



1068 improvement thereto, to technology intensive enterprises for  
1069 industrial purposes in Tier Two areas and Tier One areas (as such  
1070 areas are designated in accordance with Section 57-73-21), which  
1071 businesses are certified by the Department of Revenue as being  
1072 eligible for the exemption granted in this subsection, shall be  
1073 exempt from one-half (1/2) of the taxes imposed on such  
1074 transactions under this chapter. For purposes of this subsection,  
1075 an enterprise must meet the criteria provided for in Section  
1076 27-65-17(1)(f) in order to be considered a technology intensive  
1077 enterprise.

1078 (5) (a) For purposes of this subsection:

1079 (i) "Telecommunications enterprises" shall have  
1080 the meaning ascribed to such term in Section 57-73-21;

1081 (ii) "Tier One areas" mean counties designated as  
1082 Tier One areas pursuant to Section 57-73-21;

1083 (iii) "Tier Two areas" mean counties designated as  
1084 Tier Two areas pursuant to Section 57-73-21;

1085 (iv) "Tier Three areas" mean counties designated  
1086 as Tier Three areas pursuant to Section 57-73-21; and

1087 (v) "Equipment used in the deployment of broadband  
1088 technologies" means any equipment capable of being used for or in  
1089 connection with the transmission of information at a rate, prior  
1090 to taking into account the effects of any signal degradation, that  
1091 is not less than three hundred eighty-four (384) kilobits per  
1092 second in at least one (1) direction, including, but not limited



1093 to, asynchronous transfer mode switches, digital subscriber line  
1094 access multiplexers, routers, servers, multiplexers, fiber optics  
1095 and related equipment.

1096 (b) Sales of equipment to telecommunications  
1097 enterprises after June 30, 2003, and before July 1, 2025, that is  
1098 installed in Tier One areas and used in the deployment of  
1099 broadband technologies shall be exempt from one-half (1/2) of the  
1100 taxes imposed on such transactions under this chapter.

1101 (c) Sales of equipment to telecommunications  
1102 enterprises after June 30, 2003, and before July 1, 2025, that is  
1103 installed in Tier Two and Tier Three areas and used in the  
1104 deployment of broadband technologies shall be exempt from the  
1105 taxes imposed on such transactions under this chapter.

1106 (6) Sales of component materials used in the replacement,  
1107 reconstruction or repair of a building that has been destroyed or  
1108 sustained extensive damage as a result of a disaster declared by  
1109 the Governor, sales of machinery and equipment to be used therein  
1110 to replace machinery or equipment damaged or destroyed as a result  
1111 of such disaster, including, but not limited to, manufacturing or  
1112 processing machinery and equipment which is permanently attached  
1113 to the ground or to a permanent foundation and which is not by its  
1114 nature intended to be housed within a building structure, to  
1115 enterprises that were eligible for the partial exemptions provided  
1116 for in subsections (2), (3) and (4) of this section during initial  
1117 construction of the building that was destroyed or damaged, which



1118 enterprises are certified by the Department of Revenue as being  
1119 eligible for the partial exemption granted in this subsection,  
1120 shall be exempt from one-half (1/2) of the taxes imposed on such  
1121 transactions under this chapter.

1122         **SECTION 10.** Section 6, Chapter 520, Laws of 2012, is amended  
1123 as follows:

1124         Section 6. Sections 1 through \* \* \* 6 of this act shall be  
1125 repealed from and after July 1, 2022.

1126         **SECTION 11.** This act shall take effect and be in force from  
1127 and after July 1, 2022.

