

By: Representative Miles

To: Ways and Means

HOUSE BILL NO. 1275

1 AN ACT TO AMEND SECTIONS 21-33-63 AND 27-41-59, MISSISSIPPI
2 CODE OF 1972, TO PROVIDE THAT FOREIGN PERSONS AND FOREIGN ENTITIES
3 MAY NOT BID FOR OR PURCHASE PROPERTY SOLD AT A TAX SALE; TO DEFINE
4 THE TERMS "FOREIGN PERSON" AND "FOREIGN ENTITY" FOR THE PURPOSES
5 OF THIS ACT; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 21-33-63, Mississippi Code of 1972, is
8 amended as follows:

9 21-33-63. Sales for the nonpayment of municipal taxes, both
10 ad valorem and for special improvements, shall be made by the tax
11 collector at such place, within the corporate limits, as the
12 governing authorities may direct. The sale of real estate for ad
13 valorem taxes and special improvement assessments and sale of
14 personal property shall be made upon the same notice, at the same
15 time, and in the same manner as provided by law for sales of like
16 property for unpaid state and county taxes.

17 The lists of lands sold for taxes by the municipality shall
18 be made as required to be made by the state and county tax
19 collector, and shall be filed with the municipal clerk within



20 twenty (20) days after the tax sale, and shall there remain,
21 subject to redemption for the same length of time and in the same
22 manner as prescribed for the redemption of lands sold for state
23 and county taxes, with the same saving to infants and persons of
24 unsound mind. Said lists shall have the same force and effect,
25 and confer the same right and entitle the purchasers to the same
26 remedies, as lists made for delinquent taxes by the state and
27 county tax collector. Such title shall be subservient, however,
28 to a title acquired under a sale for state and county taxes.

29 One (1) copy of the list of land so sold shall be filed
30 within thirty (30) days of such sale with the chancery clerk of
31 the county in which said municipality is located, and the chancery
32 clerk shall file and index said list among the land records of his
33 county, as other tax sales are listed. However, the failure of
34 the clerk so to file such list as herein prescribed shall not
35 affect the validity of such tax sale.

36 No foreign person or foreign entity shall be authorized to
37 bid for or purchase any property sold at any tax sale. For the
38 purposes of this section, "foreign person" means any person other
39 than a citizen or resident of the United States and "foreign
40 entity" means any partnership, limited liability company,
41 corporation, estate or trust not formed in the United States. An
42 entity will be deemed to be a foreign entity even if formed in the
43 United States if the entity has twenty-five percent (25%) or



44 greater interest owned or controlled by a foreign person or
45 foreign entity.

46 **SECTION 2.** Section 27-41-59, Mississippi Code of 1972, is
47 amended as follows:

48 27-41-59. (1) Except as otherwise provided in Section
49 27-41-2, on the first Monday of April, if the tax collector has
50 exercised his option to hold a tax sale on that day, and on the
51 last Monday of August, as the case may be, if the taxes remain
52 unpaid, the tax collector shall proceed to sell, for the payment
53 of taxes then remaining due and unpaid, together with all fees,
54 penalties and damages provided by law, the land or so much and
55 such parts of the land of each delinquent taxpayer to the highest
56 and best bidder for cash as will pay the amount of taxes due by
57 him and all costs and charges. He shall first offer one hundred
58 sixty (160) acres or a smaller separately described subdivision,
59 if the land is less than one hundred sixty (160) acres. If the
60 first parcel so offered does not produce the amount due, then he
61 shall offer as an entirety all the land constituting one (1)
62 tract. Each separate assessment as it appears and is described on
63 the assessment roll shall constitute one (1) tract for the purpose
64 of sale for taxes, notwithstanding the fact that the person who is
65 the owner thereof, or to whom it is assessed, is the owner of or
66 is assessed with other lands, the whole of which constitutes one
67 (1) entire tract but appears on the assessment roll in separate
68 subdivisions. Upon offering the land of any delinquent taxpayer



69 constituting one (1) tract, if no person will bid for it, the
70 whole amount of taxes and all costs incident to the sale, the tax
71 collector shall strike it off to the state. Except as otherwise
72 provided in subsection (2) of this section, the sale shall be
73 continued from day to day within the hours from 8:30 o'clock in
74 the forenoon and 4:30 o'clock in the afternoon until completed.

75 (2) The tax collector is authorized to enter into an
76 agreement with an online provider to conduct tax sales using
77 online bidding and sale. Such agreement must be ratified by the
78 county board of supervisors in order to be binding. Upon
79 ratification of the agreement by the county board of supervisors,
80 the tax collector may conduct the tax sale online as provided in
81 this section. The time during which online bids can be made at a
82 tax sale conducted under this subsection shall be established in
83 the agreement and, if the tax sale is to be conducted using the
84 procedure authorized by this subsection, the time during which
85 online bids can be made at the sale shall be included in the
86 advertisement required by Section 27-41-55. In counties having
87 two (2) court districts, the online tax sale shall separate the
88 court districts into two (2) separate portals to distinguish each
89 district.

90 (3) A failure to advertise, an error in the advertisement,
91 or an error in conducting the sale shall not invalidate a sale at
92 the proper time and place for taxes of any land on which the taxes
93 were due and not paid, but a sale made at the wrong time or at the



94 wrong place shall be void. Any person sustaining damages by
95 reason of any failure or error by the tax collector may recover
96 damages therefor on his official bond.

97 (4) No foreign person or foreign entity shall be authorized
98 to bid for or purchase any property sold at any tax sale. For the
99 purposes of code section, "foreign person" means any person other
100 than a citizen or resident of the United States and "foreign
101 entity" means any partnership, limited liability company,
102 corporation, estate or trust not formed in the United States. An
103 entity will be deemed to be a foreign entity even if formed in the
104 United States if the entity has twenty-five percent (25%) or
105 greater interest owned or controlled by a foreign person or
106 foreign entity.

107 **SECTION 3.** This act shall take effect and be in force from
108 and after July 1, 2023.

