

By: Representatives Hood, Stamps, Boyd  
(19th)

To: Ways and Means

HOUSE BILL NO. 1561  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-31-101, MISSISSIPPI CODE OF 1972,  
2 TO INCLUDE CONTROLLED ENVIRONMENT AGRICULTURE ENTERPRISES MEETING  
3 MINIMUM CRITERIA ESTABLISHED BY THE MISSISSIPPI DEVELOPMENT  
4 AUTHORITY IN THE TYPES OF NEW ENTERPRISES FOR WHICH COUNTY BOARDS  
5 OF SUPERVISORS AND MUNICIPAL GOVERNING AUTHORITIES MAY GRANT AD  
6 VALOREM TAX EXEMPTIONS; TO AMEND SECTION 51-7-29, MISSISSIPPI CODE  
7 OF 1972, TO REMOVE THE REQUIREMENT THAT THE BOARD OF SUPERVISORS  
8 OF ANY COUNTY, WHICH HAS A MASTER WATER MANAGEMENT DISTRICT WITHIN  
9 A COUNTY, TO IMPLEMENT A TAX ASSESSMENT THAT IS LEVIED BY THE  
10 COMMISSIONERS OF A MASTER WATER MANAGEMENT DISTRICT; TO AMEND  
11 SECTION 51-7-23, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE  
12 PRECEDING SECTION; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Section 27-31-101, Mississippi Code of 1972, is  
15 amended as follows:

16 **[Through June 30, 2025, this section shall read as follows:]**

17 27-31-101. (1) County boards of supervisors and municipal  
18 authorities are hereby authorized and empowered, in their  
19 discretion, to grant exemptions from ad valorem taxation, except  
20 state ad valorem taxation; however, such governing authorities  
21 shall not exempt ad valorem taxes for school district purposes on  
22 tangible property used in, or necessary to, the operation of the  
23 manufacturers and other new enterprises enumerated by classes in



24 this section, except to the extent authorized in Sections  
25 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem  
26 taxes the products of the manufacturers or other new enterprises  
27 or automobiles and trucks belonging to the manufacturers or other  
28 new enterprises operating on and over the highways of the State of  
29 Mississippi. The time of such exemption shall be for a period not  
30 to exceed a total of ten (10) years which shall begin on the date  
31 of completion of the new enterprise for which the exemption is  
32 granted; however, boards of supervisors and municipal authorities,  
33 in lieu of granting the exemption for one (1) period of ten (10)  
34 years, may grant the exemption in a period of less than ten (10)  
35 years. When the initial exemption period granted is less than ten  
36 (10) years, the boards of supervisors and municipal authorities  
37 may grant a subsequent consecutive period or periods to follow the  
38 initial period of exemption, provided that the total of all  
39 periods of exemption shall not exceed ten (10) years. The date of  
40 completion of the new enterprise, from which the initial period of  
41 exemption shall begin, shall be the date on which operations of  
42 the new enterprise begin. The initial request for an exemption  
43 must be made in writing by June 1 of the year immediately  
44 following the year in which the date of completion of a new  
45 enterprise occurs. If the initial request for the exemption is  
46 not timely made, the board of supervisors or municipal authorities  
47 may grant a subsequent request for the exemption and, in such  
48 case, the exemption shall begin on the anniversary date of



49 completion of the enterprise in the year in which the request is  
50 made and may be for a period of time extending not more than ten  
51 (10) years from the date of completion of the new enterprise. Any  
52 subsequent request for the exemption must be made in writing by  
53 June 1 of the year in which it is granted.

54 (2) Any board of supervisors or municipal authority which  
55 has granted an exemption for a period of less than ten (10) years  
56 may grant subsequent periods of exemption to run consecutively  
57 with the initial exemption period, or a subsequently granted  
58 exemption period, but in no case shall the total of the exemption  
59 periods granted for a new enterprise exceed ten (10) years. Any  
60 consecutive period of exemption shall be granted by entry of an  
61 order by the board or the authority granting the consecutive  
62 exemption on its minutes, reflecting the granting of the  
63 consecutive exemption period and the dates upon which such  
64 consecutive exemption period begins and expires. The entry of  
65 this order granting the consecutive period of exemption shall be  
66 made before the expiration of the exemption period immediately  
67 preceding the consecutive exemption period being granted.

68 (3) (a) The new enterprises for which any or all of the  
69 tangible property described in paragraph (b) of this subsection  
70 (3) may be exempt from ad valorem taxation, except state ad  
71 valorem taxation, ad valorem taxes for school district purposes,  
72 and ad valorem taxes on the products thereof or on automobiles and  
73 trucks belonging thereto and operating on and over the highways of



74 the State of Mississippi, are enumerated as and limited to the  
75 following, as determined by the Department of Revenue:

76 (i) Warehouse and/or distribution centers;

77 (ii) Manufacturing, processors and refineries;

78 (iii) Research facilities;

79 (iv) Corporate regional and national headquarters  
80 meeting minimum criteria established by the Mississippi  
81 Development Authority;

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

84 (vi) Air transportation and maintenance facilities  
85 meeting minimum criteria established by the Mississippi  
86 Development Authority;

87 (vii) Recreational facilities that impact tourism  
88 meeting minimum criteria established by the Mississippi  
89 Development Authority;

90 (viii) Data/information processing enterprises  
91 meeting minimum criteria established by the Mississippi  
92 Development Authority;

93 (ix) Technology intensive enterprises or  
94 facilities meeting criteria established by the Mississippi  
95 Development Authority;

96 (x) Health care industry facilities as defined in  
97 Section 57-117-3;



98 (xi) Data centers as defined in Section

99 57-113-21; \* \* \*

100 (xii) Telecommunications enterprises meeting  
101 minimum criteria established by the Mississippi Development  
102 Authority. The term "telecommunications enterprises" means  
103 entities engaged in the creation, display, management, storage,  
104 processing, transmission or distribution for compensation of  
105 images, text, voice, video or data by wire or by wireless means,  
106 or entities engaged in the construction, design, development,  
107 manufacture, maintenance or distribution for compensation of  
108 devices, products, software or structures used in the above  
109 activities. Companies organized to do business as commercial  
110 broadcast radio stations, television stations or news  
111 organizations primarily serving in-state markets shall not be  
112 included within the definition of the term "telecommunications  
113 enterprises \* \* \*"; and

114 (xiii) Controlled environment agriculture  
115 enterprises meeting minimum criteria established by the  
116 Mississippi Development Authority.

117 The new enterprises enumerated in this paragraph (a) do not  
118 include medical cannabis establishments as defined in the  
119 Mississippi Medical Cannabis Act.

120 (b) An exemption from ad valorem taxes granted under  
121 this section may include any or all tangible property, real or  
122 personal, including any leasehold interests therein but excluding



123 automobiles and trucks operating on and over the highways of the  
124 State of Mississippi, used in connection with, or necessary to,  
125 the operation of an enterprise enumerated in paragraph (a) of this  
126 subsection (3), whether or not such property is owned, leased,  
127 subleased, licensed or otherwise obtained by such enterprise,  
128 irrespective of the taxpayer to which any such leased property is  
129 assessed for ad valorem tax purposes. If an exemption is granted  
130 pursuant to this section with respect to any leasehold interest  
131 under a lease, sublease or license of tangible property used in  
132 connection with, or necessary to, the operation of an enterprise  
133 enumerated in paragraph (a) of this subsection (3), the  
134 corresponding ownership interest of the owner, lessor and  
135 sublessor of such tangible property shall similarly and  
136 automatically be exempt without any action being required to be  
137 taken by such owner, lessor or sublessor.

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

141 **[From and after July 1, 2025, this section shall read as**  
142 **follows:]**

143 27-31-101. (1) County boards of supervisors and municipal  
144 authorities are hereby authorized and empowered, in their  
145 discretion, to grant exemptions from ad valorem taxation, except  
146 state ad valorem taxation; however, such governing authorities  
147 shall not exempt ad valorem taxes for school district purposes on



148 tangible property used in, or necessary to, the operation of the  
149 manufacturers and other new enterprises enumerated by classes in  
150 this section, except to the extent authorized in Sections  
151 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem  
152 taxes the products of the manufacturers or other new enterprises  
153 or automobiles and trucks belonging to the manufacturers or other  
154 new enterprises operating on and over the highways of the State of  
155 Mississippi. The time of such exemption shall be for a period not  
156 to exceed a total of ten (10) years which shall begin on the date  
157 of completion of the new enterprise for which the exemption is  
158 granted; however, boards of supervisors and municipal authorities,  
159 in lieu of granting the exemption for one (1) period of ten (10)  
160 years, may grant the exemption in a period of less than ten (10)  
161 years. When the initial exemption period granted is less than ten  
162 (10) years, the boards of supervisors and municipal authorities  
163 may grant a subsequent consecutive period or periods to follow the  
164 initial period of exemption, provided that the total of all  
165 periods of exemption shall not exceed ten (10) years. The date of  
166 completion of the new enterprise, from which the initial period of  
167 exemption shall begin, shall be the date on which operations of  
168 the new enterprise begin. The initial request for an exemption  
169 must be made in writing by June 1 of the year immediately  
170 following the year in which the date of completion of a new  
171 enterprise occurs. If the initial request for the exemption is  
172 not timely made, the board of supervisors or municipal authorities



173 may grant a subsequent request for the exemption and, in such  
174 case, the exemption shall begin on the anniversary date of  
175 completion of the enterprise in the year in which the request is  
176 made and may be for a period of time extending not more than ten  
177 (10) years from the date of completion of the new enterprise. Any  
178 subsequent request for the exemption must be made in writing by  
179 June 1 of the year in which it is granted.

180 (2) Any board of supervisors or municipal authority which  
181 has granted an exemption for a period of less than ten (10) years  
182 may grant subsequent periods of exemption to run consecutively  
183 with the initial exemption period, or a subsequently granted  
184 exemption period, but in no case shall the total of the exemption  
185 periods granted for a new enterprise exceed ten (10) years. Any  
186 consecutive period of exemption shall be granted by entry of an  
187 order by the board or the authority granting the consecutive  
188 exemption on its minutes, reflecting the granting of the  
189 consecutive exemption period and the dates upon which such  
190 consecutive exemption period begins and expires. The entry of  
191 this order granting the consecutive period of exemption shall be  
192 made before the expiration of the exemption period immediately  
193 preceding the consecutive exemption period being granted.

194 (3) (a) The new enterprises for which any or all of the  
195 tangible property described in paragraph (b) of this subsection  
196 (3) may be exempt from ad valorem taxation, except state ad  
197 valorem taxation, ad valorem taxes for school district purposes,





198 and ad valorem taxes on the products thereof or on automobiles and  
199 trucks belonging thereto and operating on and over the highways of  
200 the State of Mississippi, are enumerated as and limited to the  
201 following, as determined by the Department of Revenue:

202 (i) Warehouse and/or distribution centers;

203 (ii) Manufacturing, processors and refineries;

204 (iii) Research facilities;

205 (iv) Corporate regional and national headquarters  
206 meeting minimum criteria established by the Mississippi  
207 Development Authority;

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

210 (vi) Air transportation and maintenance facilities  
211 meeting minimum criteria established by the Mississippi  
212 Development Authority;

213 (vii) Recreational facilities that impact tourism  
214 meeting minimum criteria established by the Mississippi  
215 Development Authority;

216 (viii) Data/information processing enterprises  
217 meeting minimum criteria established by the Mississippi  
218 Development Authority;

219 (ix) Technology intensive enterprises or  
220 facilities meeting criteria established by the Mississippi  
221 Development Authority;



222 (x) Data centers as defined in Section  
223 57-113-21; \* \* \*

224 (xi) Telecommunications enterprises meeting  
225 minimum criteria established by the Mississippi Development  
226 Authority. The term "telecommunications enterprises" means  
227 entities engaged in the creation, display, management, storage,  
228 processing, transmission or distribution for compensation of  
229 images, text, voice, video or data by wire or by wireless means,  
230 or entities engaged in the construction, design, development,  
231 manufacture, maintenance or distribution for compensation of  
232 devices, products, software or structures used in the above  
233 activities. Companies organized to do business as commercial  
234 broadcast radio stations, television stations or news  
235 organizations primarily serving in-state markets shall not be  
236 included within the definition of the term "telecommunications  
237 enterprises \* \* \*"; and

238 (xii) Controlled environment agriculture  
239 enterprises meeting minimum criteria established by the  
240 Mississippi Development Authority.

241 The new enterprises enumerated in this paragraph (a) do not  
242 include medical cannabis establishments as defined in the  
243 Mississippi Medical Cannabis Act.

244 (b) An exemption from ad valorem taxes granted under  
245 this section may include any or all tangible property, real or  
246 personal, including any leasehold interests therein but excluding



247 automobiles and trucks operating on and over the highways of the  
248 State of Mississippi, used in connection with, or necessary to,  
249 the operation of an enterprise enumerated in paragraph (a) of this  
250 subsection (3), whether or not such property is owned, leased,  
251 subleased, licensed or otherwise obtained by such enterprise,  
252 irrespective of the taxpayer to which any such leased property is  
253 assessed for ad valorem tax purposes. If an exemption is granted  
254 pursuant to this section with respect to any leasehold interest  
255 under a lease, sublease or license of tangible property used in  
256 connection with, or necessary to, the operation of an enterprise  
257 enumerated in paragraph (a) of this subsection (3), the  
258 corresponding ownership interest of the owner, lessor and  
259 sublessor of such tangible property shall similarly and  
260 automatically be exempt without any action being required to be  
261 taken by such owner, lessor or sublessor.

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

265 **SECTION 2.** Section 51-7-29, Mississippi Code of 1972, is  
266 amended as follows:

267 51-7-29. For the purposes of this chapter, including but not  
268 limited to the construction and maintenance of works of  
269 improvement, expenses of the board of commissioners, assessment of  
270 benefits, and for repayment of bonds and interest as provided  
271 herein, the commissioners of a master water management district



272 shall have authority to assess the lands of the district in  
273 proportion to the benefits accruing to \* \* \* such lands; provided,  
274 however, that for the purpose of providing funds with which to  
275 clean out, restore, repair and rehabilitate the whole or any part  
276 of the drainage system of \* \* \* a district or for the purpose of  
277 cooperating with the United States or any agency thereof in such  
278 works, there may be imposed a uniform assessment by the  
279 commissioners of such master water management district or, upon  
280 resolution of \* \* \* the commissioners, by the commissioners of a  
281 drainage or subdrainage district on each acre of unsubdivided land  
282 lying within the master district and a uniform assessment by lot  
283 on subdivided land lying within the master district and the  
284 records required in this chapter shall show the amount of the  
285 assessment in lieu of the amount of benefits accruing to each  
286 tract. Taxes levied hereunder are hereby declared to be taxes for  
287 maintenance purposes and shall not diminish in any manner the  
288 amount of assessed benefits in any such district which is  
289 otherwise available for the payment of any outstanding bonds of  
290 such district.

291 The assessments provided for in this section may be made even  
292 though evidences of indebtedness have been issued or validated or  
293 both prior thereto, but the lien of the holders of any such  
294 indebtedness shall not be impaired thereby. No assessments shall  
295 be made against lands owned by the State of Mississippi or any  
296 political subdivision thereof, or lands owned by the United States



297 of America or any agency thereof. Such assessment shall be made  
298 in such manner as to clearly show the name of the owner and the  
299 description of the lands against which the assessment is made.  
300 When the assessment has been made, the assessment roll shall be  
301 filed with the chancery clerk and notice of such assessment shall  
302 be given in the same manner that notice is given for other  
303 purposes as provided in Section 51-7-11. Such notice of  
304 assessment shall include the date which the chancellor has set for  
305 hearing of any protest of such assessment. Such protest shall  
306 affect only the assessment against the person or persons making  
307 the protest. The court on \* \* \* such date, or within thirty (30)  
308 days thereafter, shall pass upon the assessment roll; and he or  
309 she shall have the authority to approve the roll, order its  
310 revision, or modify same, within his or her discretion.  
311 After \* \* \* the roll has been approved by the court, copies  
312 thereof certified by the secretary of the board of commissioners  
313 shall be transmitted to the boards of supervisors and the tax  
314 collectors of the counties within which the lands of \* \* \* the  
315 master water management district are located, and the \* \* \* boards  
316 of supervisors \* \* \* may make the levy for taxes upon the \* \* \*  
317 lands on \* \* \* the assessment roll on such percentage basis as is  
318 requested by the board of commissioners. If any landowners or the  
319 board of commissioners are aggrieved at any assessment approved by  
320 the chancellor, they shall have the right of appeal from the order  
321 of the chancellor as provided for under Section 51-7-23, but such



322 appeal shall not stay the collection of any tax levied on such  
323 assessment. The tax collectors of the respective counties in  
324 which such lands are located shall collect the taxes at the  
325 regular times provided by law for the collection of real estate  
326 taxes, and shall remit such collections to the secretary of \* \* \*  
327 the district within thirty (30) days after expiration of the time  
328 provided for payment thereof. All provisions of law for the sale  
329 of land for delinquent ad valorem taxes shall be applicable in  
330 effecting collection of any delinquent taxes which may be due  
331 under provisions of this chapter, and suit may be maintained  
332 against any delinquent taxpayer hereunder in the manner provided  
333 by law. All liabilities and penalties pertaining to  
334 responsibilities and duties of the tax collector generally shall  
335 be applicable hereunder.

336 At any time within three (3) years after the completion of  
337 construction of improvements for which assessment has been made  
338 under the provisions hereof, or within six (6) months after the  
339 effective date of this section, whichever is later, any landowner  
340 or group of landowners upon whose lands the original assessment or  
341 benefits were improperly or erroneously made may file an action in  
342 the chancery court of proper jurisdiction requesting modification  
343 or removal of such assessments. Upon a hearing being had on such  
344 action the chancellor shall make such findings of fact as the  
345 evidence adduced may require and may either confirm the  
346 assessments as originally made or may order such changes therein



347 as may be required so that the total cost of the works as  
348 constructed may be borne by those lands in the district actually  
349 benefited thereby in proportion to the benefits actually conferred  
350 thereon by such improvements except as otherwise provided in this  
351 section. Such order may be made even though evidences of  
352 indebtedness have been issued and validated prior thereto, but the  
353 lien of the holders of any such indebtedness shall not be impaired  
354 thereby.

355 **SECTION 3.** Section 51-7-23, Mississippi Code of 1972, is  
356 amended as follows:

357 51-7-23. Subject to the board of supervisors making the levy  
358 for taxes as requested by the board of commissioners, as set out  
359 under Section 51-7-29, any order of the chancery court in  
360 connection with a master water management district shall have the  
361 force of a judgment. Any owner of real property within the  
362 district or the board of commissioners may appeal from any such  
363 order to the Supreme Court within twenty (20) days after \* \* \* the  
364 order has been made; but if no appeal is taken within that time,  
365 such order shall be deemed conclusive and binding.

366 **SECTION 4.** This act shall take effect and be in force from  
367 and after July 1, 2023.

