

By: Senator(s) McLendon

To: Constitution

SENATE BILL NO. 2402

1 AN ACT TO AMEND SECTION 27-41-1, MISSISSIPPI CODE OF 1972, TO
2 DISALLOW A PROCESSING FEE TO BE CHARGED ON DEBIT CARD PAYMENTS FOR
3 AD VALOREM TAXES; TO AMEND SECTIONS 27-104-33 AND 17-25-1,
4 MISSISSIPPI CODE OF 1972, TO CONFORM; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 27-41-1, Mississippi Code of 1972, is
7 amended as follows:

8 27-41-1. (1) Except as may otherwise be provided in Section
9 27-41-2, all state, county, school, road, levee and other taxing
10 districts and municipal ad valorem taxes, except ad valorem taxes
11 levied for county or district or municipal bonds and other
12 evidences of indebtedness for money borrowed, and interest
13 thereon, heretofore or hereafter assessed or levied shall be due,
14 payable and collectible by the tax collector and shall be paid on
15 or before the first day of February next succeeding the date of
16 the assessment and levying of such taxes. All taxes levied for
17 county and district and municipal bonds and interest thereon, or
18 betterment or improvement assessments, shall be paid by each
19 person assessed therewith on or before the first day of February



20 next succeeding the date of the assessment and levying of the
21 same, at the time of payment of the state and county ad valorem
22 taxes, except as otherwise hereinafter provided in this chapter.
23 The tax collector shall begin to accept payment for such ad
24 valorem taxes or assessments not later than December 26 of the
25 year prior to the year in which such taxes are required to be
26 paid.

27 Any county may, by an order spread upon the minutes of the
28 board of supervisors, allow the acceptance of partial payments for
29 ad valorem taxes. Any municipality wherein municipal taxes are
30 not collected by the county may, by an order spread upon the
31 minutes of the governing authority of said municipality, allow the
32 acceptance of partial payments for ad valorem taxes. If said
33 partial payments are allowed by the county or municipality, said
34 partial payments shall be made as follows:

35 (a) One-half (1/2) of all ad valorem taxes due shall be
36 paid on or before February 1.

37 (b) One-fourth (1/4) of all ad valorem taxes, interest
38 and penalty due shall be paid on or before May 1.

39 (c) One-fourth (1/4) of all ad valorem taxes, interest
40 and penalty due shall be paid on or before July 1.

41 If any unpaid balance exists on August 1, then the lands
42 shall be sold at the land sale on the last Monday in August for
43 said unpaid balance.



44 All ad valorem taxes, however, assessed against motor
45 vehicles as prescribed by the Motor Vehicle Ad Valorem Tax Law of
46 1958, for any and all purposes and in any and all jurisdictions,
47 shall be paid in full on the date such taxes are due and payable.

48 (2) Ad valorem tax payments may be made by cash, check,
49 credit cards, charge cards, debit cards and other forms of
50 electronic payment in accordance with policies established by the
51 State Auditor, as well as any other payment methods as deemed
52 appropriate by the collecting agency. If the ad valorem tax
53 payment is made using a debit card, the party making the payment
54 shall not be charged an electronic payment processing fee by the
55 collecting agency.

56 **SECTION 2.** Section 27-104-33, Mississippi Code of 1972, is
57 amended as follows:

58 27-104-33. The State Department of Finance and
59 Administration shall establish policies that allow the payment of
60 various fees and other accounts receivable to state agencies, and
61 the payment for retail merchandise sold by state agencies, by
62 credit cards, charge cards, debit cards and other forms of
63 electronic payment in the discretion of the department. Any fees
64 or charges associated with the use of such electronic payments
65 shall be assessed to the user of the electronic payment as an
66 additional charge for processing the electronic payment, so that
67 the user will pay the full cost of using the electronic payment.
68 The processing fee for the electronic payment shall not be charged



69 to parties who are making debit card payments toward their ad
70 valorem taxes.

71 Agencies, with the approval of the Department of Finance and
72 Administration, may bear the full cost of processing such
73 electronic payments if the agency can demonstrate to the
74 department's satisfaction that they are able to assume these costs
75 and provide the related service for the same or lesser cost.
76 However, state agencies may bear the full cost of processing such
77 electronic payments for retail merchandise sold by state agencies.

78 **SECTION 3.** Section 17-25-1, Mississippi Code of 1972, is
79 amended as follows:

80 17-25-1. The board of supervisors of any county and the
81 governing authorities of any municipality may allow the payment of
82 various taxes, fees and other accounts receivable to the county or
83 municipality, and the payment for retail merchandise sold by the
84 county or municipality, by credit cards, charge cards, debit cards
85 and other forms of electronic payment, in accordance with policies
86 established by the State Auditor. Except as otherwise provided in
87 this section, any fees or charges associated with the use of such
88 electronic payments shall be assessed to the user of the
89 electronic payment as an additional charge for processing the
90 electronic payment, so that the user will pay the full cost of
91 using the electronic payment. However, the processing fee for the
92 electronic payment shall not be charged to parties who are making
93 debit card payments toward their ad valorem taxes. A county or



94 municipality shall not charge the user any additional amount above
95 the processing fee on each transaction. For purposes of this
96 section, the term "accounts receivable" includes, but is not
97 limited to, judgments, fines, costs and penalties imposed upon
98 conviction for criminal and traffic offenses. A county or
99 municipality may bear the full cost of processing such electronic
100 payments for retail merchandise sold by the county or
101 municipality.

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

